TEXAS PACIFIC OIL COMPANY

P. O. Box 1069 Hobbs, New Mexico

October 1, 1964

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State of New Mexico Oil Conservation Commission P. O. Box 2088 Santa Fe, New Mexico

Attention: Mr. A. L. Porter, Jr.

RE: Application for Administrative Approval of Commingling System on Texas Pacific Oil Company's Carlson-Federal Lease, Justis Pool, Lea County, New Mexico

Dear Sir:

Texas Pacific Oil Company respectfully requests administrative approval, under Rule 303 (b), to permit the commingling of production from the Justis Paddock and Justis Blinebry on the captioned lease.

In support of the request the following information is presented for your consideration:

- 1. The Carlson Federal Lease consists of 80 acres being the W/2, NE/4, Section 26, T-25-S, R-37-E. Lea County, New Mexico.
- 2. Ownership for both zones is identical.
- 3. The commercial value of the commingled production will be the same as the sum of the values of the production from each of the separate zones.
- 4. The commingling facilities will utilize the subtraction method and will be in accordance with the applicable provisions of the Commission "Manual for the Installation and Operation of Commingling Facilities".

- 5. The proposed commingling installation has been approved by the Regional Supervisor of the U. S. Geological Survey.
- 6. At the present time there is one producing well on this lease, the Carlson-Federal No. 1 which is a Paddock and Blinebry Dual completion. Any additional Paddock or Blinebry completions will be added to the system.
- 7. Attached is a schematic of the proposed commingling system and a plat of the lease.
- 8. The allowables will be 37 BOPD for the Paddock and 50 BOPD for the Blinebry. Paddock has a measured gravity of 36.7° API at 60° F and the Blinebry 36.1° API at 60° F. Price of both crudes will be \$2.83 per barrel.

Attached is a letter of approval from the United States Geological Survey, a plat of the lease and a schematic of the commingling installation.

Yours very truly.

John Hendrix

District Engineer

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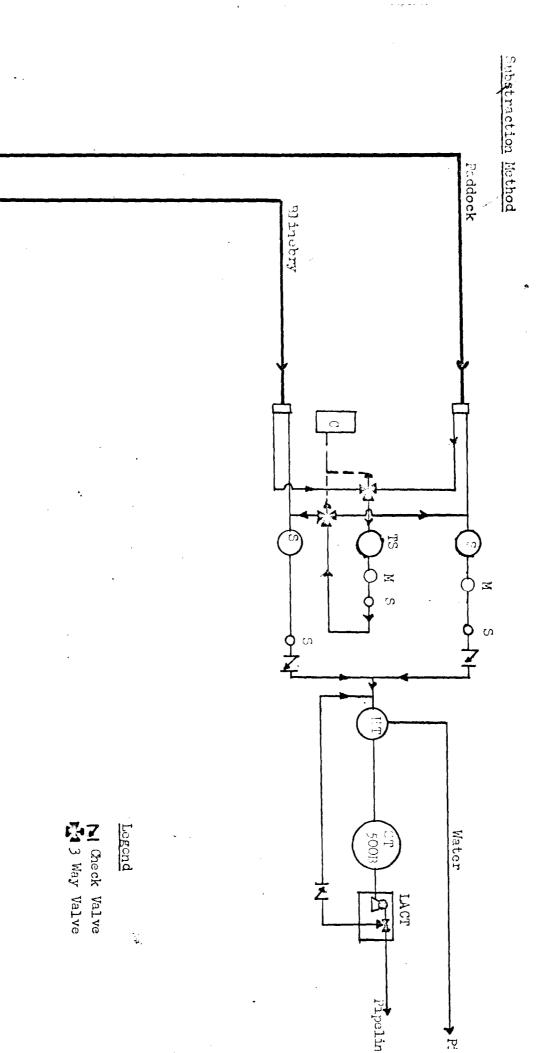
JM/dw

Attachments

cc: Oil Conservation Commission Hobbs, New Mexico

TEXAS PACIFIC OIL COMPANY

Schematic Drawing of Proposed Commingling System
Carlson-Federal Lease





UNITED STATES DEPARTMENT OF THE INTERIOR GEOLOGICAL SURVEY

Drawer 1857 Roswell, New Mexico 88201

August 6, 1964

Texas Pacific Oil Company P. O. Box 1069 Hobbs, New Mexico

Attention: Mr. John H. Hendrix

Gentlemen:

Your letter of August 4 requests approval to commingle the Paddock and Blinebry production from well No. 1 in the NW4NE4 sec. 26, T. 25 S., R. 37 E., Lea County, New Mexico, lease New Mexico 05254.

The method of commingling as described by the diagram attached to your letter is hereby approved. You are requested to notify our Hobbs office when the installation is completed so that a field inspection of the system can be made.

Sincerely yours,

JOHN A. ANDERSON

Regional Oil & Gas Supervisor