



TIDEWATER OIL COMPANY

P. O. Box 249
Hobbs, New Mexico

February 11, 1966

FEB 11 AM 7 53

ILLEGIBLE

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

PC 302

Re: Request for Administrative Approval to
Commingle Oil From the Blinebry & Drinkard
Pools on Tidewater's State "S" Lease
Sec. 10 & 15, T-21-S, R-37-E, Lea Co., N. Mex.

Gentlemen:

Tidewater Oil Company respectfully requests approval to commingle oil production from the Blinebry and Drinkard Pools on its State "S" Lease in accordance with Rule 303(b) of the New Mexico Oil Conservation Commission Rules and Regulations.

In support of this application the following items are attached:

1. A table listing the present gravities, values thereof, composite gravity, value thereof, daily volume and daily revenue increase or decrease.
2. A schematic diagram of the proposed commingling installation.
3. A plat showing the location of all wells on the State "S" lease and the pool from which each well is producing.

Royalty and working interest ownership are common for both pools. It is proposed to determine the production from each zone by the Subtraction Method as outlined in the NMOCC "Manual for the Installation and Operation of Commingling Facilities". The Blinebry oil, having the higher gravity, will be the unmetered zone. The Drinkard oil will be metered by a three-phase metering separator and sampled prior to commingling.

A copy of this application has been sent to the New Mexico Commissioner of Public Lands with a letter requesting approval to commingle.

NMOCC

Application to Commingle

- 2 -

2/11/66

Very truly yours,

TIDEWATER OIL COMPANY

C. L. Wade

C. L. Wade
Area Superintendent

WCS/ep

Attachments

cc: Mr. E. S. (Johnny) Walker
Commissioner of Public Lands
P. O. Box 791
Santa Fe, New Mexico

Mr. R. H. Coe
Tidewater Oil Co.
Box 1231
Midland, Texas

TIDEWATER OIL COMPANY
APPLICATION TO COMMINGLE BLINEBRY & DRINKARD PRODUCTION
STATE "S" LEASE

Gravity & Value Data

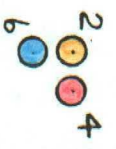
<u>Zone</u>	<u>No. of Wells</u>	<u>API Grav.</u>	<u>Normal Unit Price</u>	<u>Avg. Daily Prod.</u>	<u>API Comp. Grav.</u>	<u>Comp. Unit Price</u>	<u>Unit Price Change</u>	<u>Daily Revenue Change</u>
Blinebry	5	38.9	\$2.97	140	38.7	\$2.97	0.00	0.00
Drinkard	5	38.5	\$2.97	104	38.7	\$2.97	0.00	0.00

No change in daily revenue

SE/4 of SE/4 of Sec. 10



TIDEWATER OIL COMPANY

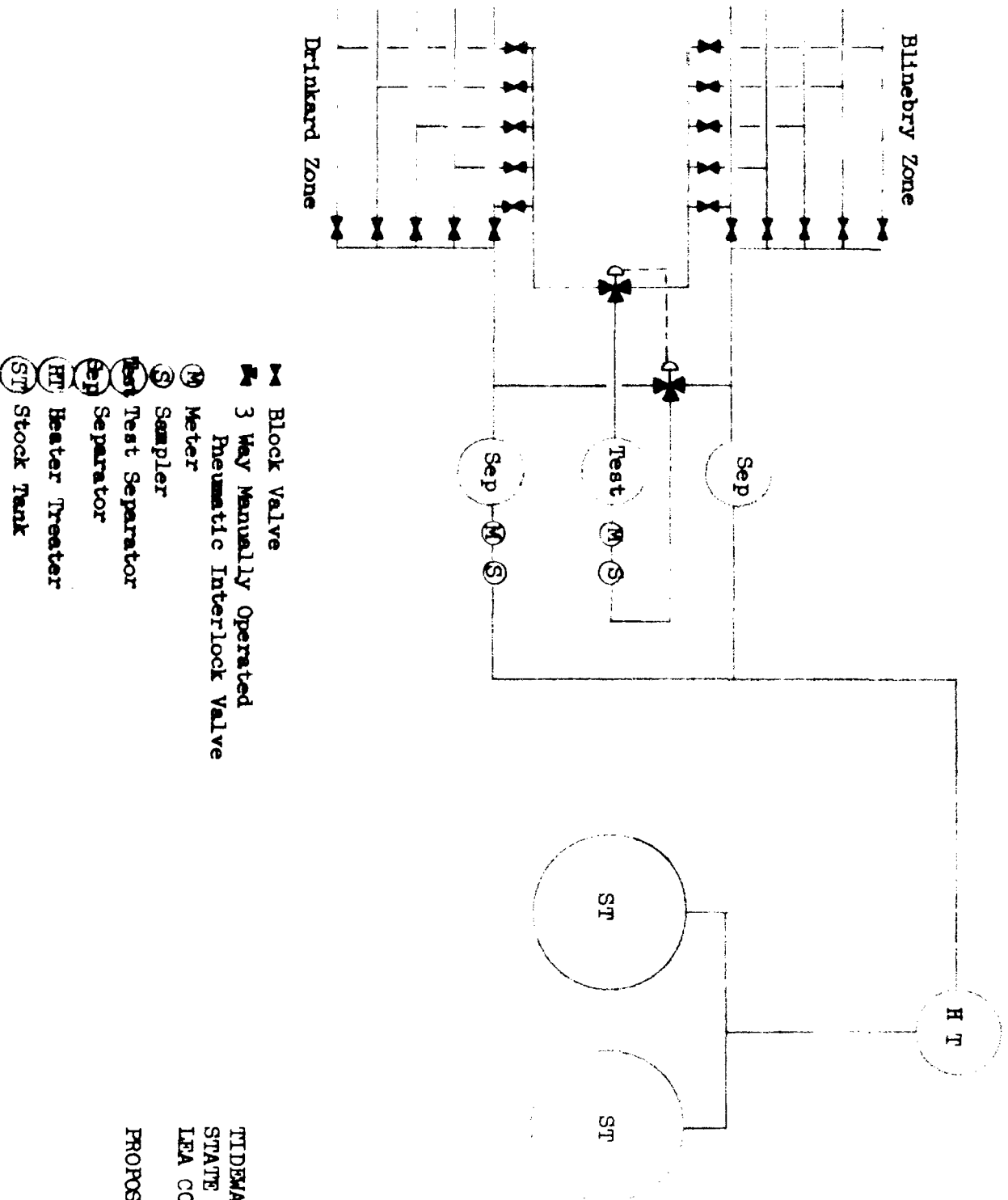


STATE "S"

N 1/2 of N 1/2 of Sec. 15

T-21-S, R-37-E LEA COUNTY, NEW MEXICO

- BLINEBRY OIL
- DRINKARD OIL
- HARE OIL
- TUBB GAS



TIDEWATER OIL COMPANY
STATE "S" LEASE
IDEA COUNTY, NEW MEXICO

PROPOSED COMINGLING FACILITY

State of New Mexico



Commissioner of Public Lands



GUYTON B. HAYS
COMMISSIONER

P. O. BOX 1148
SANTA FE, NEW MEXICO

February 28, 1966

Tidewater Oil Company
Post Office Box 249
Hobbs, New Mexico 88240

Re: State of New Mexico Lease B-9188
Tidewater State "S" Lease

Attention: Mr. C. L. Wade

Gentlemen:

We have reviewed your application to commingle production from the Southeast Quarter of the Southeast Quarter of Section 10, Township 21 South, Range 37 East, with production from the North Half of the North Half of Section 15, Township 21 South, Range 37 East, Lea County, New Mexico. All of the above described acreage is included in State of New Mexico Lease B9188 and is owned by the Common Schools of New Mexico.

After examining your proposal to commingle which you submitted by letter of February 11, 1966, and by a copy of your application that you presented to the Oil Conservation Commission on the same date, it is our opinion that your proposal satisfactorily fulfills our requirements for commingling. As a condition of this approval, we would like to ask that you notify us after the facilities have been completed but before they are put into operation in order that we might make an inspection at the site.

Therefore, the Commissioner of Public Lands hereby approves your proposal to commingle production from the above described acreage as you proposed by your correspondence of February 11, 1966. The Commissioner, however, does reserve the right to amend or withdraw this approval at his discretion if he deems it to be against the best interest of the State of New Mexico.

Very truly yours,

GUYTON B. HAYS
Commissioner of Public Lands

By *Ted Bilberry*

TED BILBERRY, Director
Oil and Gas Department

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CBH/ER/d
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