Gulf Energy and Minerals Company - U.S. PRODUCTION DEPARTMENT/ - / 175 HOBBS AREA

C. D. Borland AREA PRODUCTION MANAGER November 5, 1975

Mr. Joe D. Ramey New Mexico Oil Conservation Commission Post Office Box 2088 Santa Fe, New Mexico 87501

7 le 09-512

Dear Sir:

Commingling Order PC-512 authorized commingling the Blinebry and Drinkard production on our Harry Leonard (NCT-C) lease, described as the N/2 and E/2 SW/4, Section 36, 21-S, 36-E, Lea County, with production to be allocated by periodic well tests, since all wells were of marginal nature, with the stipulation that if any well became capable of top pool allowable the Santa Fe Office of the Commission would be notified.

We have recently deepened our Harry Leonard (NCT-C) No. 14, located 1830' FNL & 910' FEL, Section 36, 21-S, 36-E, Lea County, and completed in the Drinkard Pool, flowing 152 BOPD on 24 hour potential test dated September 18, 1975.

In accordance with Rule 303 of the Commission Rules and Regulations and the Commission "Manual for the Installation and Operation of Commingling Facilities", as pertains to commingling pools with top allowable wells, and since Well No. 14 is capable of top allowable production, we have installed metering equipment for the Drinkard production, as indicated by the attached schematic diagram.

If additional information is needed, please advise.

Yours tru

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