



STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

TONEY ANAYA
GOVERNOR

AMENDED
COMMINGLING ORDER CTB-25

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87501
(505) 827-5800

Gulf Oil Exploration & Production
P. O. Box 670
Hobbs, New Mexico 88240

Attention: R. C. Anderson

The above-named company is hereby authorized to commingle Undesignated Canyon pool production from the following leases:

Lease Name: Lea State "CL" Lease
Description: T-16-S, R-32-E, NMPM,
Sec. 2: Lots 7 and 8

Lease Name: Lea State "R" (NCT-A) Lease
Description: T-16-S, R-32-E, NMPM
Sec. 1: Lot 4
Sec. 2: Lot 1

Production shall be allocated to each lease by well tests (if this method or the subtraction method above is to be authorized, all commingled production must be of identical ownership: working interest, royalty interest, and overriding royalty interest).

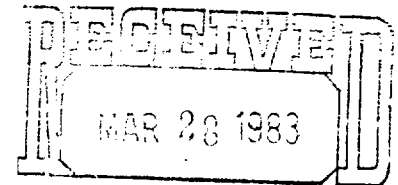
NOTE: This installation shall be installed and operated in accordance with the applicable provisions of Rule 309-B of the Division Rules and Regulations and the Division "Manual for the Installation and Operation of Commingling Facilities." It is the responsibility of the producer to notify the transporter of this commingling authority.

DONE at Santa Fe, New Mexico, on this 26th day of December, 1984.


R. L. STAMETS, Director

GOVERNOR
EDWIN L. MECHEM
CHAIRMAN

New Mexico
OIL CONSERVATION COMMISSION

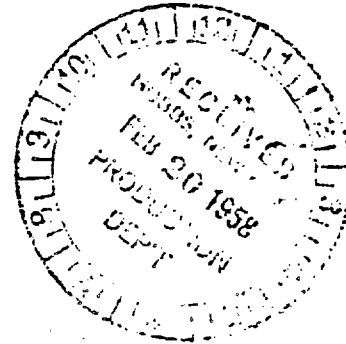


OIL CONSERVATION DIVISION
STATE GEOLOGIST A. L. PORTER JR.
SECRETARY DIRECTOR



P. O. Box 871
Santa Fe, New Mexico

February 18, 1958



LAND COMMISSIONER, MURRAY E. MORGAN
MEMBER

Name	Init.
Taylor	CT
Russell	
Burns	MB
Campbell	HC
Jones	
File	

Gulf Oil Corporation
P. O. Box 2167
Hobbs, New Mexico

Administrative Order CTB No. 25

Gentlemen:

Reference is made to your application dated January 28, 1958, for administrative approval of an exception to Rule 309 (a) of the Rules and Regulations of the Oil Conservation Commission to permit the commingling of the oil produced from the following described State of New Mexico oil and gas leases in the Anderson Ranch-Devonian Pool, to-wit:

Lea State "CL" Lease

Township 16 South, Range 32 East, NMPM,
Section 2: Lots 7 and 8

Lea State "R" (NCT-A) Lease

Township 16 South, Range 32 East, NMPM,
Section 1: Lot 4
Section 2: Lot 1

By the authority vested in me under the provisions of Rule 309 (b) of the Rules and Regulations of the Oil Conservation Commission of New Mexico, I hereby authorize you to commingle the production from the above-described leases from the Anderson Ranch-Devonian Pool in a common tank battery.

Nothing contained herein shall be construed as authorizing the production of more than eight wells into a single tank battery.

Very truly yours,

A. L. PORTER, Jr.,
Secretary-Director

ALP/WJC/og

cc: Oil Conservation Commission, Hobbs
State Land Office (Royalty)

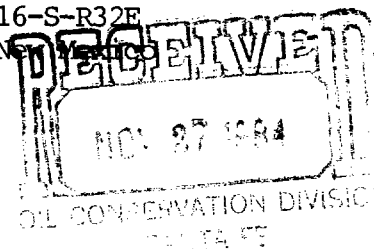
Gulf Oil Exploration and Production Company

R. C. Anderson
PRODUCTION MANAGER
HOBBS AREA

11-16-84

P. O. Box 670
Hobbs, NM 88240

Re: Surface Commingling
Lea State CL & R Lease
Section 2, T16-S-R32E
Lea County, New Mexico



Director
Energy and Minerals Dept.
Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87501

Dear Sir:

In order to avoid the considerable expense for maintaining a tank battery on each of the subject leases, we request an Amendment to Administrative Order CTB-25. This order originally gave permission to surface commingle the Anderson Ranch Devonian production from both leases, each lease having one well. We request the Order to be amended to allow surface commingling of the Undesignated Canyon Zone from these two leases. The two Anderson Ranch Devonian producers have been plugged back to the "Undesignated Canyon" zone, and a third producer re-entered and completed in this zone. In accordance with page 8 of the "Manual for the Installation and Operation of Commingling Facilities" Section III.1, Common Ownership, the wells will be tested monthly for Allocation of production.

The attached tabulation shows the volume, gravities, and monetary values of the liquid hydrocarbons from the proposed commingled production and each separate lease. The tabulation is based on production since recompletion of the wells. The calculated revenue from the proposed commingled production is equal to the current non-commingled revenue. Also attached are schematics of the proposed commingled facility, lease plats, and Shell Oil Company's agreement to continue to purchase the commingled production.

A simultaneous application has been sent to the Commissioner of Public Lands for his approval. If you have any questions with regard to this matter, please contact Tom Mueller at (505) 393-4121 ext. 220 in Hobbs.

Yours very truly,

R. C. Anderson
R. C. ANDERSON

TSM/chg
Att'd

cc: Commissioner of Public Lands
Oil and Gas Division/Attn: Ray D. Graham
P. O. Box 1148
Santa Fe, New Mexico 87501
C. L. Morrill-Hobbs
H. N. Hicks - Lea St.



Lea State CL & R Leases
Section 2 - T16S - R32E
Lea County, New Mexico

Lea State "R" Lease

Wells	Pool	Production ⁽¹⁾	Gravity ⁽²⁾	\$/Bbl	\$/Day
Lea State R #1 (formerly Anderson Ranch Devonian producer)	Undesignated Canyon	320 BOPD	44	28.50	9120
Lea State R #2 (formerly P&A'd)	Undesignated Canyon	320 BOPD	44	28.50	9120
Lease Total		640 BOPD	44	28.50	18240

Lea State "CL" Lease

Wells	Pool	Production ⁽¹⁾	Gravity ⁽²⁾	\$/Bbl	\$/Day
Lea State CL #1 (formerly Anderson Ranch Devonian producer)	Undesignated Canyon	320 BOPD	44	28.50	9120

Total: \$27360

Surface Commingled		960 BOPD	44	28.50	27360
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Difference: \$ 0

(1) Production based on producing 320 BOPD (top allowable) since recompletion in the case of the Lea State CL #1 and Lea State R #1, and on producing 320 BOPD since re-entry and completion of the Lea State R #2.

(2) All wells have the same gravity crude per analysis, 44° API.

Lea State 'CL' and Lea State 'R' Leases

Sections 1,2 - T16S-R32E

Lea County, New Mexico

1. Lea State 'CL' Lease

a. State Lease Number: B-11078

b. Legal Description:

Lots 3, 12 and 16, Section 1, Lots 7, 8, SW/4-SE/4 and SE/4-SE/4
Section 2, Lots 1, 3 and 9, Section 3, NE/4-SE/4 and NW/4-SW/4
Section 4, Lots 2, 5 6, SW/4-SE/4 and SE/4-SE/4 Section 5,
Township 16 South, Range 32 East, N.M.P.M., Lea County New
Mexico, containing 709.80 acres.

c. State Beneficiary: Common School Fund

d. Lessee of Record: Gulf Oil Corporation

2. Lea State 'R' Lease

a. State Lease Number: E-5370

b. Legal Description:

Lot 4 Section 1, Lots 1 and 4 Section 2, Lot 4 Section 3,
Township 16 South, Range 32 East, N.M.P.M., Lea County, New
Mexico, containing 200.95 acres.

c. State Beneficiary: Common School Fund

d. Lessee of Record: Gulf Oil Corporation

Shell Oil Company



600 N. Marientfeld
Suite 310
Midland, Texas 79701

September 18, 1984

Gulf Oil Corporation
ATTN Mr. R. C. Anderson
P. O. Box 670
Hobbs, New Mexico 88240

Gentlemen:

GULF OIL CORPORATION
LEA "CL" & "R" STATE BATTERY
ANDERSON RANCH (DEVONIAN),
UNDESIGNATED (CANYON) FLD.
LEA COUNTY, NEW MEXICO
SHELL I.D. #X88702B00

This is to confirm the phone conversation between your Mr. Jim Baker and the undersigned concerning the subject lease.

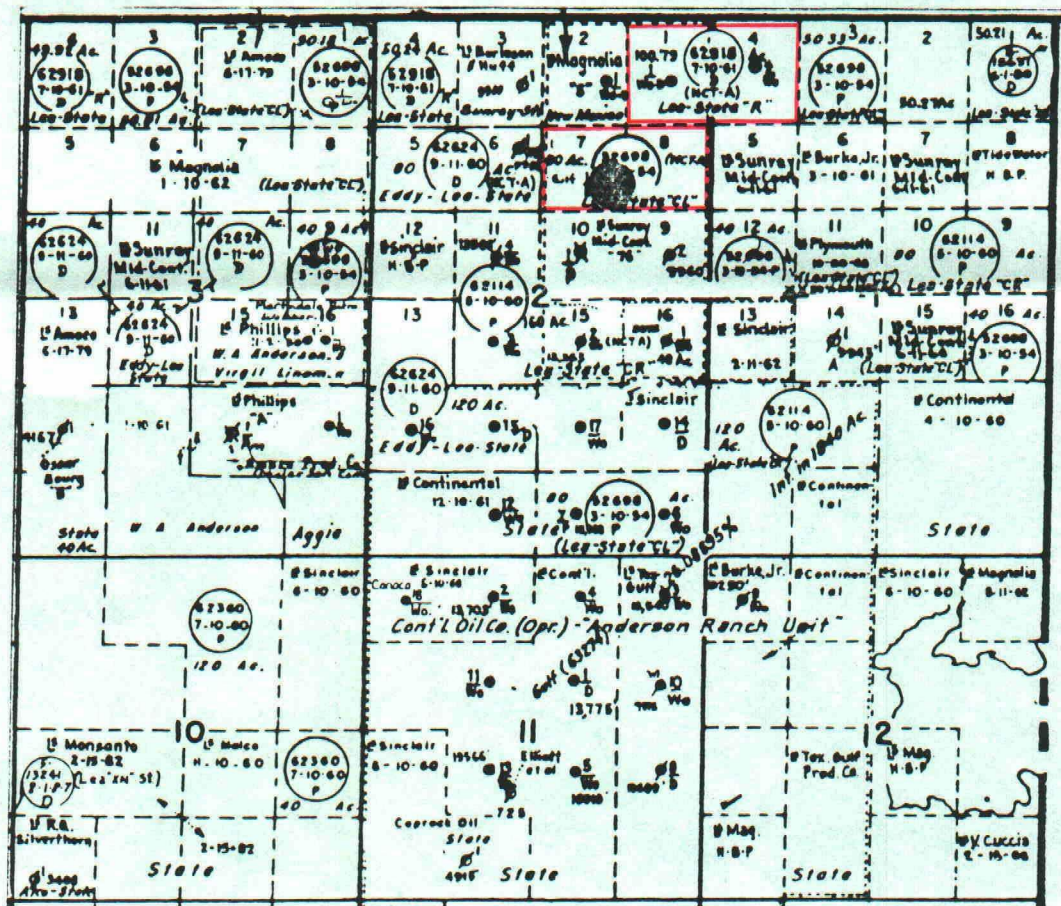
As discussed, we will continue to purchase the commingled production from the Anderson Ranch (Devonian), Undesignated (Canyon) formations.

Yours very truly,

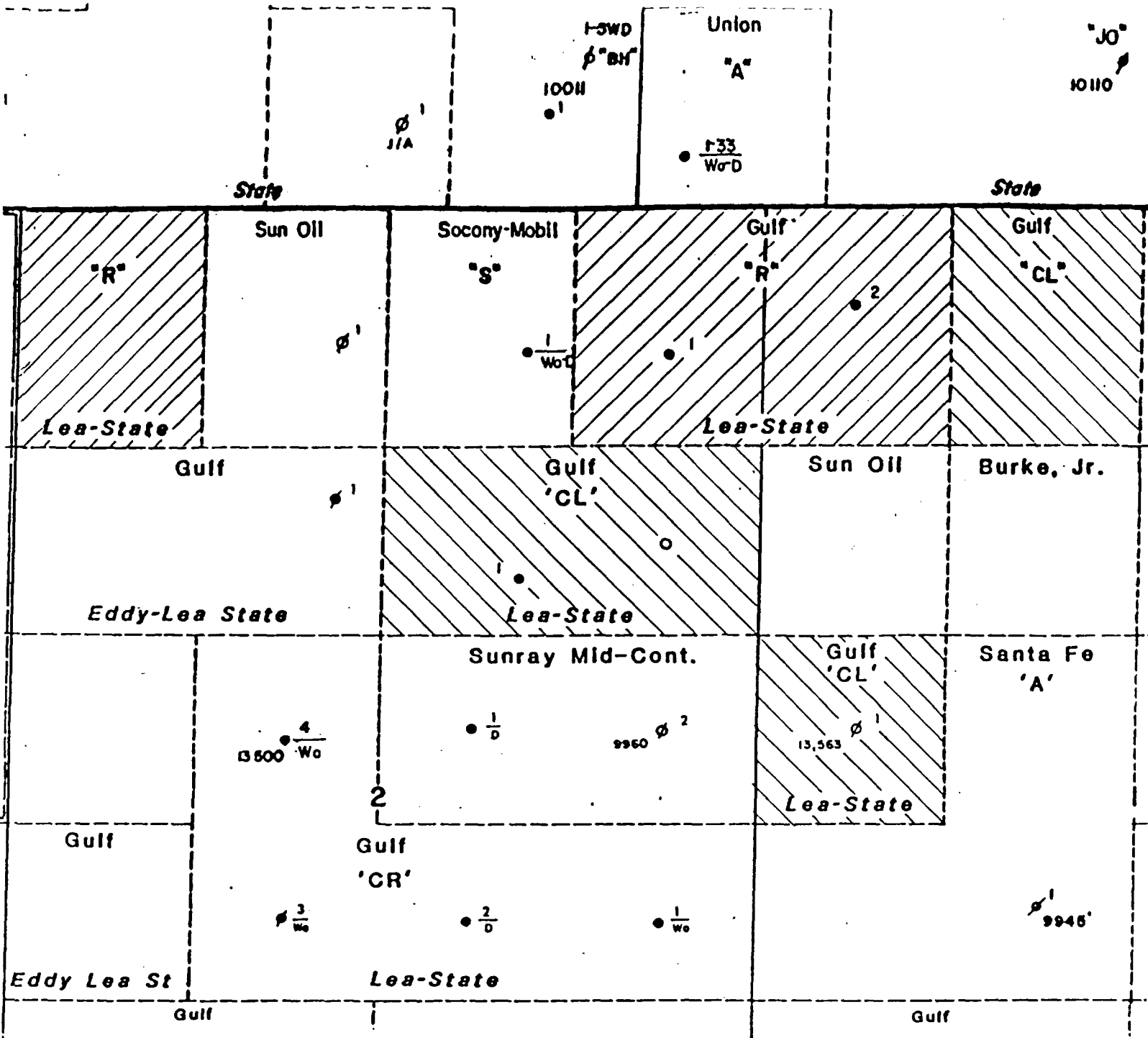
R. R. Minus, Jr.
Crude Oil Representative
Midland Office

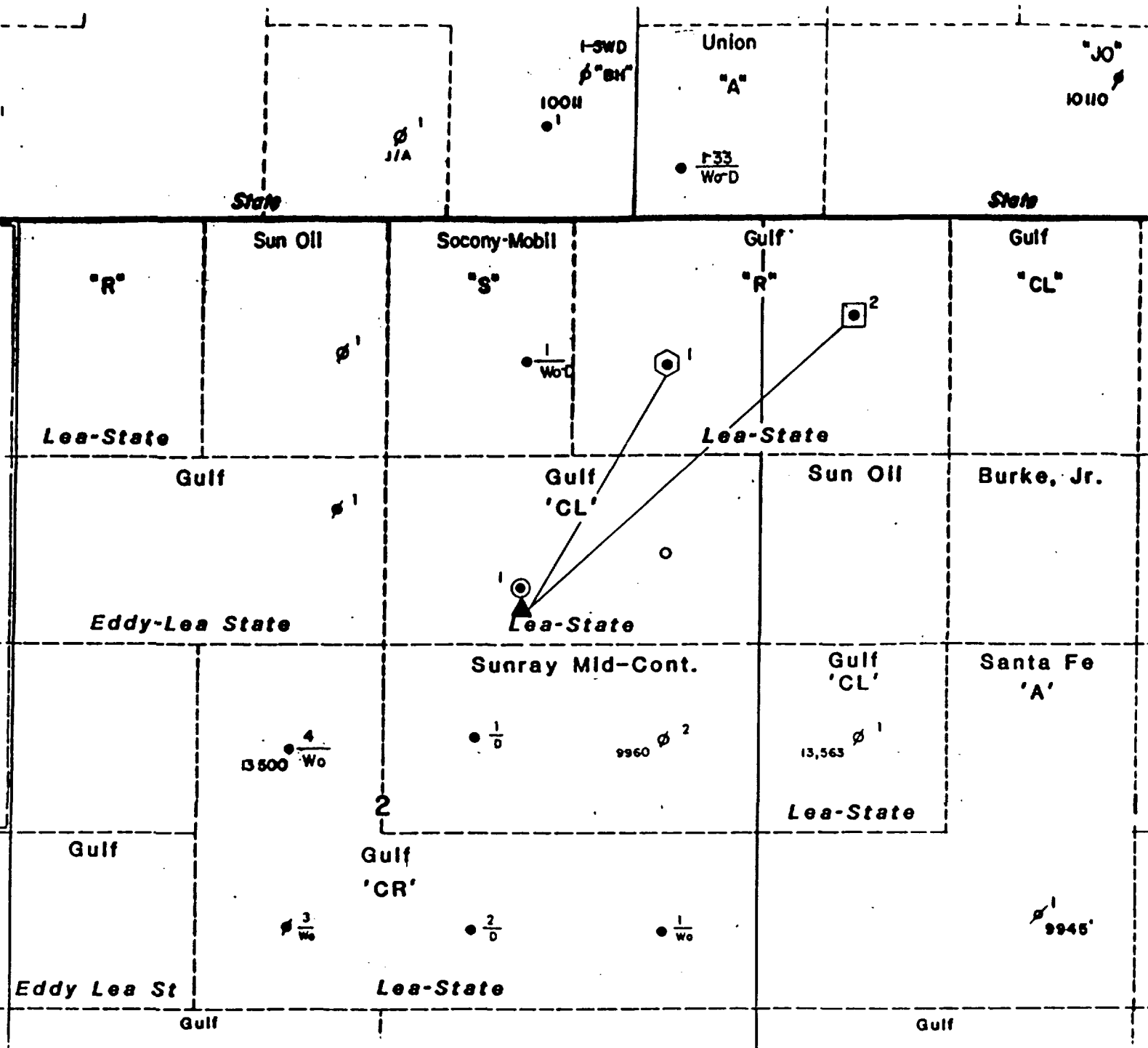
RRM:ec

cc: Gulf Oil Corporation
ATTN Mr. Jim Baker
P. O. Box 1150
Midland, TX. 79701



LEA STATE CL & R TANK BATTERY
 Section 1, 2 - T16S-R32E
 Lea County, New Mexico
 Undesignated Canyon





- Well 'CL' #1
- ◻ Well 'R' #2
- ⬡ Well 'R' #1
- ▲ Lea State 'CL' & 'R' Commingled Tank Battery
- Flowlines Located On Surface

Lea State CL NCT - A Lease
 Lea State R NCT - A Lease
 Sections 1,2 - T16S-R32E
 Lea County, New Mexico
 "Undesignated Canyon"



Unit 00 E. & P. Company
 Section 2 7164-4228
 Leo Casey, New Mexico
 Leo Stone Cl. & R. Cammaged Tank Battery
 Undesignated Canyon Pool