

Gulf Oil Company-U.S.

HOBBS PRODUCTION AREA

C. D. Borland
AREA PRODUCTION MANAGER

February 24, 1972

P. O. Box 670
Hobbs, New Mexico 88240

A. L. Porter
New Mexico Oil Conservation Commission
Post Office Box 2088
Santa Fe, New Mexico 87501

Gentlemen:

Gulf Oil Corporation requests your Administrative approval for an exception to New Mexico Oil Conservation Commission Rule 309-A to permit commingling of the Lea Bone Springs production from the Lea "AP" State lease, consisting of the E/2, Section 30, 19-S, 35-E, with the Lea Bone Springs production from our Lea "IH" State lease, comprising the W/2, Section 30, 19-S, 35-E, in storage facilities now under construction in the NE/4 SW/4, of said section. In support of this application applicant states the following:

(1) The Lea "IH" State lease has one well producing from the Lea Bone Springs Pool and additional drilling is anticipated.

(2) The Lea "AP" State lease has one well being drilled to the Lea Bone Springs Pool and additional drilling on this lease is also anticipated.

(3) Both leases are State owned with no diversity of royalty or working interest and the Commissioner of Public Lands has been requested to furnish a letter approving this application.

(4) The storage facilities being constructed on the Lea "IH" State lease are adequate to handle the production from both leases and adequate test facilities are available to take all required tests.

(5) Approval of this application will result in substantial savings in material and reduce the cost of operations and maintenance.

Your early consideration in this matter will be appreciated.

Yours truly,

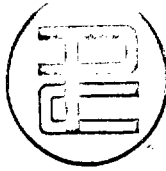
C. D. BORLAND

LWD:

Att'd

cc: New Mexico Oil Conservation Commission
Hobbs, New Mexico 88240
H. E. Braunig, Jr.
C. W. Briggs





THE PERMIAN CORPORATION

1509 W. WALL P. O. BOX 3119
MIDLAND, TEXAS 79701

915-683-4711



Feb. 28, 1972

Mr. C. W. Briggs
Gulf Oil Corporation
Box 1150
Midland, Texas 79701

Re: Gulf Oil Corporation
Lea I. H. State Lease and
A. P. State Lease - Both in
Sec. 30, 19-S, 35-E, Lea County,
New Mexico, Lea Bone Springs Field

Dear Mr. Briggs:

This has reference to our telephone conversation of this date
in regard to the captioned leases.

We are presently purchasing the production from your Lea IH State
lease and we understand that your company plans to comingle
the production from the well which is presently drilling on the
Lea AP State lease into the same tankage. This is to advise
that we would have no objection to your comingling this production.

Yours very truly,

THE PERMIAN CORPORATION

Norvin R. Griffin

NRG/tc

Gulf Oil Company - U.S.

HOBBS PRODUCTION AREA

C. D. Borland
AREA PRODUCTION MANAGER

February 24, 1972

P. O. Box 670
Hobbs, New Mexico 88240

Commissioner of Public Lands
State of New Mexico
Post Office Box 1148
Santa Fe, New Mexico 87501

Gentlemen:

Attached is a copy of Gulf Oil Corporation's application to the New Mexico Oil Conservation Commission to commingle the Lea Bone Springs production from our Lea "IH" State lease, comprising the W/2, Section 30, 19-S, 35-E and the Lea "AP" State lease, Lea Bone Springs Pool, consisting of the E/2, Section 30, 19-S, 35-E, into common storage and test facilities being constructed in the NE/4 SW/4, Section 30, 19-S, 35-E, Lea "IH" State Lease.

There is no diversity of royalty or working interest. Therefore, if you have no objections, it is requested that a letter of approval be furnished this office with a copy to the New Mexico Oil Conservation Commission, attention Mr. A. L. Porter, Jr., Post Office Box 2088, Santa Fe, New Mexico 87501.

Your early consideration will be appreciated.

Yours truly,

BY:

C. D. BORLAND

LWD:
Att'd
cc: New Mexico Oil Conservation Commission
Santa Fe, New Mexico
H. E. Braunig, Jr.
C. W. Briggs



SCHEMATIC DIAGRAM

PROPOSED COMMINGLING INSTALLATION

LEA "IH" STATE LEASE AND LEA "AP" STATE LEASE

LEA COUNTY, NEW MEXICO

