



MAIN OFFICE 009 HOBBS OFFICE O. C. C.

CONTINENTAL OIL COMPANY

P. O. BOX 460

HOBBS, NEW MEXICO

March 31, 1964

PRODUCTION DEPARTMENT

HOBBS DISTRICT

A. B. SLAYBAUGH

DISTRICT MANAGER

G. C. JAMIESON

ASSISTANT DISTRICT MANAGER

1001 NORTH TURNER
TELEPHONE: EX 3-4141

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

Attention: Mr. A. L. Porter, Jr., Secretary-Director

Re: Application for Amendment
of Administrative Order
No. PC-169

Gentlemen:

Continental Oil Company hereby requests that Administrative Order No. PC-169 dated November 13, 1963, be amended to permit the commingling of Tubb and Blinebry gas well liquids with the crude oil produced on the lease. In its present form, the order permits commingling of Blinebry and Drinkard oil.

Exhibit No. 1 is a map showing the lease, the wells, and the formations from which they produce. It is anticipated that Well No. 1 will be converted from a Blinebry gas-Drinkard dual to a Blinebry oil-Drinkard dual during the current calendar year.

Exhibit No. 2 is a data sheet showing the latest test information on each well and an account of the estimated value of the liquids before and after commingling.

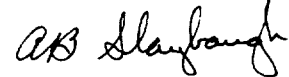
Exhibit No. 3 is a schematic diagram of the proposed installation. The solid line shows the flow of the production from Well No. 1 as it is presently completed. When it is recomplected as a Blinebry oil well, it will be routed as shown by the dashed line. Individual well production will be determined by periodic well tests. We believe the installation conforms with the "Manual for the Installation and Operation of Commingling Facilities", dated September 13, 1961.

New Mexico Oil Conservation Commission
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Exhibit No. 4 is a copy of the letter received from the Oil and Gas Supervisor expressing his consent to the commingling.

In view of the above, it is respectfully requested that Administrative Order No. PC-169 be amended so as to permit the commingling of Tubb and Blinebry gas well liquids with the Drinkard and Blinebry oil produced on our Lockhart A-35 Lease.

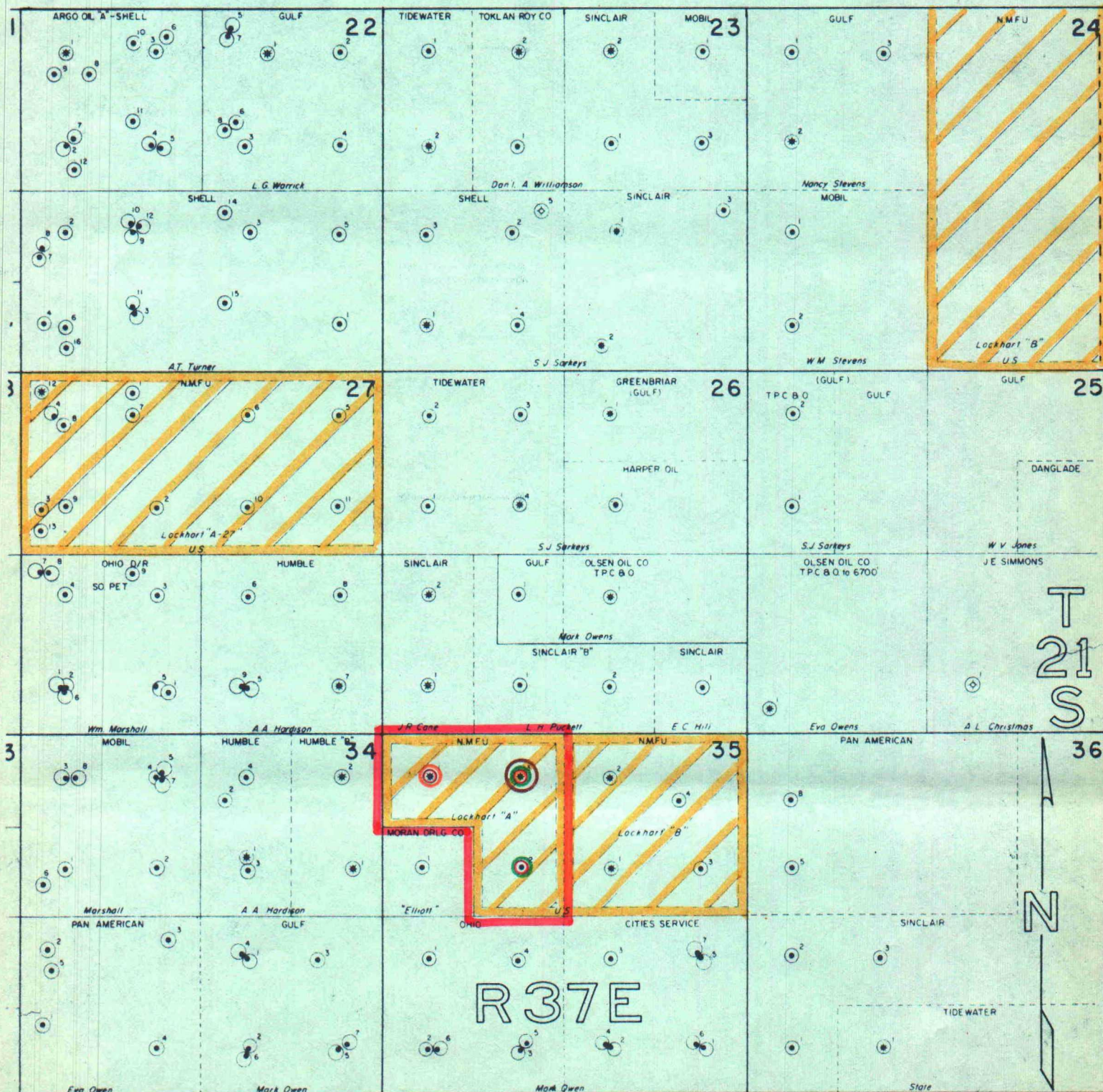
Yours very truly,

Handwritten signature of AB Slaybaugh in cursive script.

VTL-MLH

cc: RGP GW JWK

Enc.



- Drinkard Oil Well
- Blinebry Oil Well
- Blinebry Gas Well
- Tubb Gas Well

CONTINENTAL OIL COMPANY
PRODUCTION DEPARTMENT
HOBBS DISTRICT
LOCKHART A-35 LEASE
LEA COUNTY, NEW MEXICO

Scale: 1" = 2000'

LOCKHART A-35 LEASE

Drinkard Oil Pool

Well No.	Daily Average From 11-1-63 To 2-1-64	Latest Well Test			
		Date	BOPD	BWPD	MCFGPD
1	7.29 BOPD	12-10-63	5	0	35
2	8.06 BOPD	12-7-63	10	0	67
3	7.29 BOPD	2-24-64	96	4	1,480

Blinebry Oil Pool

2*	23.30 BOPD	12-14-63	28	12	45.6
3**	52.00 (Allowable)	1-24-64	110	15	247

*IP - 10-4-63

**IP - 1-24-64

Blinebry Distillate

1	1.16 BCPD	5-24-63	10	0	1,520
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Tubb Distillate

3	1.16 BCPD	8-15-63	0.5	0	83
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Blinebry-Drinkard Oil - 43° API - \$2.96/Bbl.
98 BOPD x \$2.96 = \$290.08

Distillate (Gravity - 65.5° API)
2 BCPD x \$2.53 = \$ 5.06

\$295.14

Commingled (Gravity - 43.3° API)

100 BPD x \$2.96 = \$296.00



IN REPLY REFER TO:

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

Drawer 1857
Roswell, New Mexico 88201

March 26, 1964

Continental Oil Company
P. O. Box 460
Hobbs, New Mexico

Attention: Mr. A. B. Slaybaugh

Gentlemen:

Your letter of March 16 requests approval to commingle condensate production from the Blinebry and Tubb Gas Pools with the presently commingled Blinebry and Drinkard Oil Pools, located in the N $\frac{1}{2}$ NW $\frac{1}{4}$ and SE $\frac{1}{4}$ NW $\frac{1}{4}$ sec. 35, T. 21 S., R. 37 E., Lea County, New Mexico, lease Las Cruces 032096(a).

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 and Gas Supervisor