



# CONTINENTAL OIL COMPANY

P. O. Box 460

HOBBS, NEW MEXICO 88240

January 19, 1968

PRODUCTION DEPARTMENT

HOBBS DIVISION

L. P. THOMPSON

*Division Manager*

G. C. JAMIESON

*Assistant Division Manager*

1001 NORTH TURNER

TELEPHONE 393-4141

FILE 100

30 JAN 22 AM 8 15

New Mexico Oil Conservation Commission (3)  
P. O. Box 2088  
Santa Fe, New Mexico

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

Re: Amendment to Administrative  
Order PC 173

Gentlemen:

Order No. PC-173 authorized the commingling of the Blinebry Oil and Drinkard Oil production on our Lockhart B-35 Lease in Section 35, 21S, 37E, Lea County, New Mexico. Amendment to this order, dated April 15, 1964, authorized the commingling of Tubb and Blinebry distillate with the Drinkard and Blinebry oil. This order also recognized the necessity of separate metering of the liquids produced from Well No. 1 which has a sliding scale royalty burden differing from the royalty rate of the other wells on this lease.

Recently, Well No. 2 was re-entered and deepened to the Abo formation. The well has now been recompleted as a dual producer in the Wantz Abo and Blinebry gas pools. The Drinkard formation has been abandoned. Since the crude is similar in nature, Continental now desires to commingle the Abo production with the other liquids now being commingled on the lease.

Attached herewith is a revised schematic diagram showing the method proposed for the commingling. Also attached is a tabulation of the most recent test data available on the wells. As shown, the only top allowable production on the

NMOCC  
Page 2

lease is the Wantz Abo completion in Well No. 2. Consequently, we propose to meter this well's production, the Blinebry distillate production and the production from Well No. 1. The Blinebry oil and Drinkard oil will be measured by the subtraction method and production allocated to the wells on the basis of periodic well tests.

The revised commingling procedure has been approved by the Regional Supervisor of the USGS as shown by his letter dated January 15, 1968, copy attached. It is respectfully requested that Order No. PC-173 be further amended to permit the commingling of the Wantz Abo crude with the presently commingled liquids on the lease as described above.

Yours very truly,

A handwritten signature in cursive script, appearing to read "J. Thompson", is written in dark ink.

LPT-JS

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
GEOLOGICAL SURVEY  
Drawer 1857  
Roswell, New Mexico 88201

January 15, 1968

Continental Oil Company  
P. O. Box 460  
Hobbs, New Mexico 88240

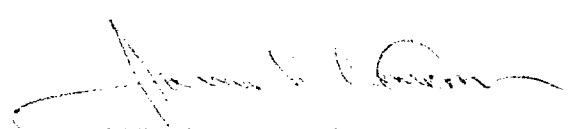
Attention: Mr. L. P. Thompson

Gentlemen:

Your letter of January 8 requests approval to commingle Abo production with presently commingled Drinkard, Tubb and Blinbry production from wells in the NE $\frac{1}{4}$  sec. 35, T. 21 S., R. 37 E., Lea County, New Mexico, lease Las Cruces 032096(b).

The method of commingling described by the diagram attached to your letter is hereby approved. Please 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

LOCKHART B-35 LEASE

Drinkard Oil Pool

<u>Well No.</u>	<u>Daily Avg. Prod. Aug. 1 to Oct. 1, 1967</u>	<u>Date</u>	<u>Latest Well Test</u>			
			<u>BOPD</u>	<u>BWPD</u>	<u>MCF/D</u>	<u>GOR</u>
1	3.11 BOPD	9-10-67	3	0	50	16,667
3	12.23 BOPD	8-7-67	13	0	161	12,400
4	8.14 BOPD	8-8-67	10	2	139	13,900

Blinebry Oil Pool

1	12.86 BOPD	9-11-67	17	0	4	235
3	9.58 BOPD	8-6-67	10	0	150	15,000
4	11.95 BOPD	8-9-67	15	0	82	5,460

Blinebry Condensate

<u>Well No.</u>	<u>Daily Avg. Prod June 1967</u>	<u>Date</u>	<u>BCPD</u>	<u>BWPD</u>	<u>MCF/D</u>
2	21.7 BOPD	5-17-67	26	0	1,047

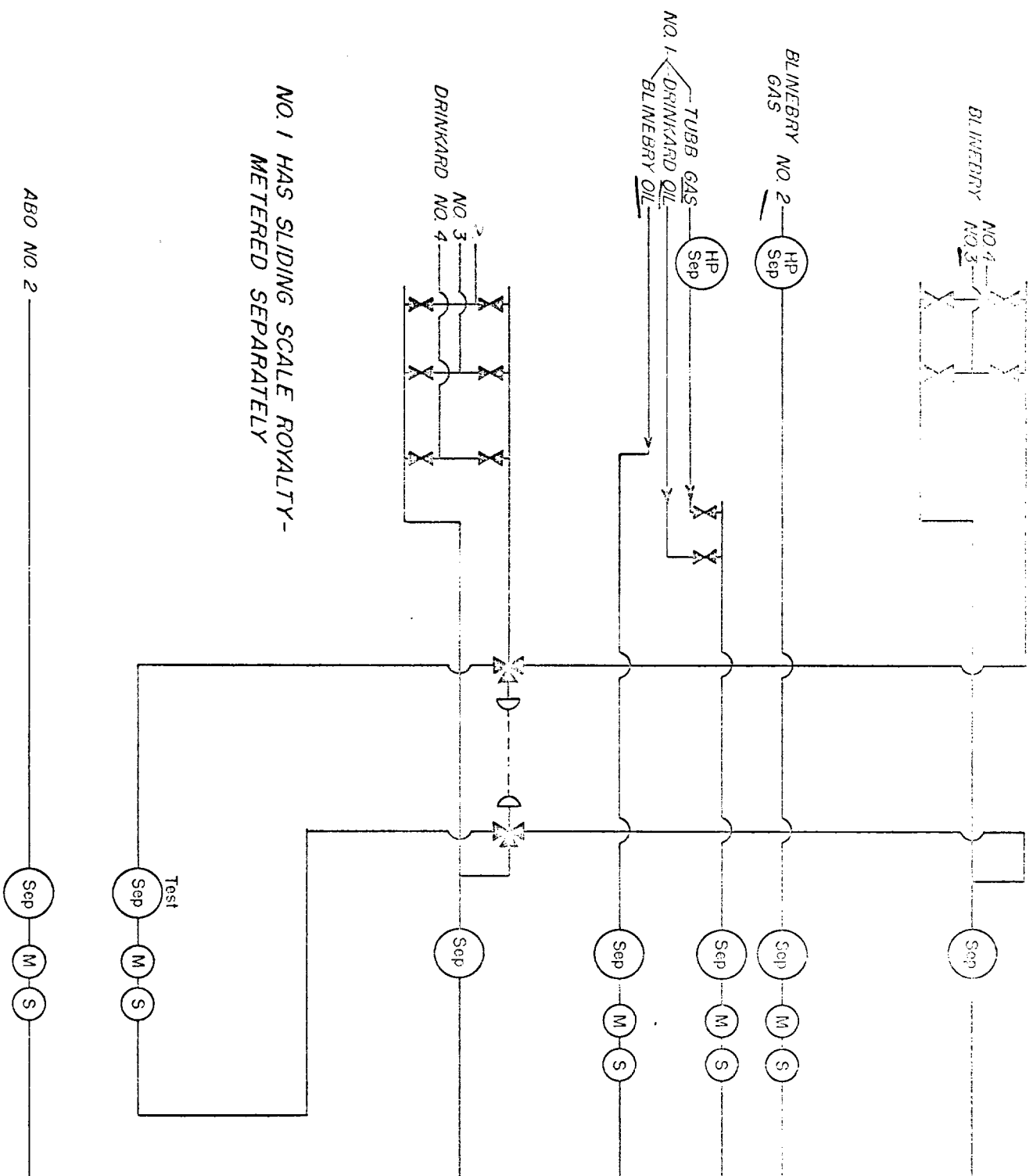
Tubb Condensate

<u>Well No.</u>	<u>Daily Avg. Prod Aug. 1 to Oct. 1, 1967</u>	<u>Date</u>	<u>BCPD</u>	<u>BWPD</u>	<u>MCF/D</u>
1	12.77 BCPD	9-13-67	3	0	1,548

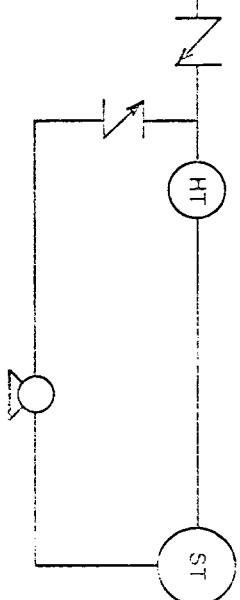
Wantz Abo Oil Pool

<u>Well No.</u>	<u>Daily Avg. Prod New Well</u>	<u>Date</u>	<u>BOPD</u>	<u>BWPD</u>	<u>MCF/D</u>	<u>GOR</u>
2	160 BOPD	10-3-67	159	2	274	1,724

<u>Crude</u>	<u>Gravity</u>	<u>B/D</u>	<u>\$/Bbl.</u>	<u>Value</u>
Blinebry Drinkard Oil	38° API	58	2.96	\$171.68
Abo Oil	43.3°	160	3.00	480.00
Blinebry Condensate	47°	22	2.94	64.48
Tubb Condensate	70°	13	2.50	32.50
Total Value				\$748.36/day
Commingled	41.4° API	253	3.00	\$759.00/day

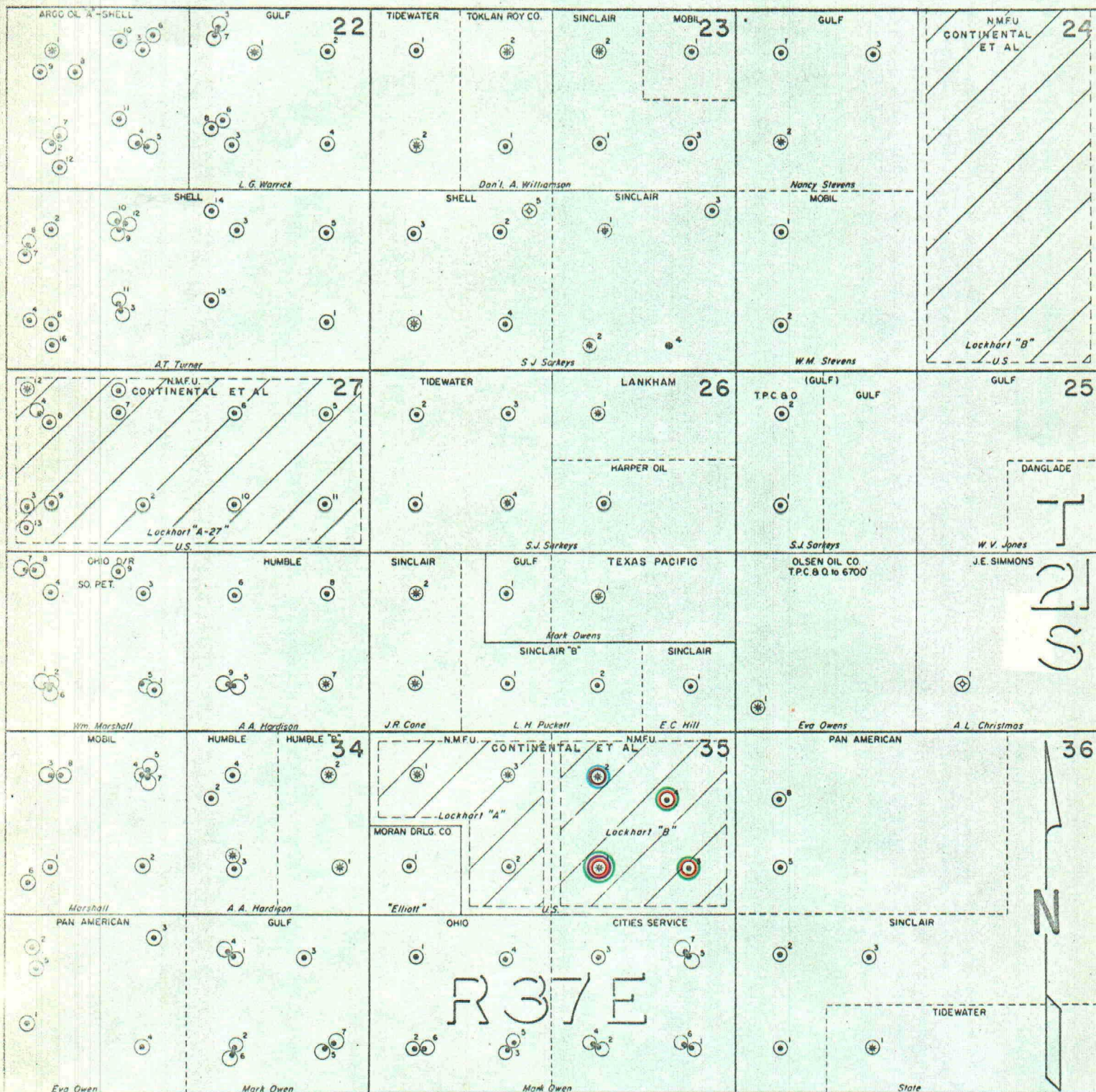


NO. 1 HAS SLIDING SCALE ROYALTY-  
METERED SEPARATELY



LOCKHART B  
COMMINGLING





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

CONTINENTAL OIL COMPANY  
 PRODUCTION DEPARTMENT  
 HOBBS DIVISION  
 LOCKHART B-35 LEASE  
 LEA COUNTY, NEW MEXICO  
 Scale: 1" = 2000'