

TEXAS PACIFIC OIL COMPANY

P. O. Box 1069
Hobbs, New Mexico

November 24, 1964

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

Attention: Mr. A. L. Porter, Jr.

RE: Application for Administrative Approval
of Commingling System on
Texas Pacific Oil Company's
S. E. Cone Lease
Lea County, New Mexico

Dear Sir:

Texas Pacific Oil Company respectfully requests Administrative Approval, under Rule 303(b), to permit the commingling of production from the Blinebry (Oil), Tubbs Gas (Dist) and Drinkard (Oil) on the captioned lease.

In support of this request, the following information is presented for your consideration:

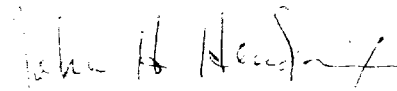
1. The S. E. Cone Lease consists of 80 acres being the N/2, SE/4, Section 26, T-21-S, R-37-E, Lea County, New Mexico.
2. Ownership for all three zones is identical.
3. The commercial value of the commingled production will be the same or greater than the sum of the values of the production from each of the separate zones.
4. The commingling facilities will utilize the subtraction method and will be in accordance with the applicable provisions of the Commission "Manual for the Installation and Operation of Commingling Facilities."
5. At the present time there is one producing well on the lease, the S. E. Cone No. 1 which is a triple Blinebry, Tubbs, and Drinkard well. Any additional Blinebry and Drinkard wells will be added to the proposed commingling system.

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6. Attached is a schematic of the proposed commingling system and a plat of the lease.
7. The allowables will be 50 BOPD for the Blinebry and 68 BOPD for the Drinkard. The Tubbs is a gas well which produces about 3-barrels of distillate per day. Gravities are: Blinebry - 36° API, Tubbs - 52° API, Drinkard - 39° API. Crude prices are: Blinebry - \$2.83, Tubbs - \$3.01, and Drinkard - \$2.92.

Approval to triple complete Well No. 1 was by Order No. MC-1531 dated September 1, 1964.

Yours very truly,



John H. Hendrix
District Engineer

JM/dw

Attachment

cc: Oil Conservation Commission - Hobbs, New Mexico
cc: State of New Mexico Land Department
Santa Fe, New Mexico - Attn: J. Walker

[illegible]

TEXAS PACIFIC OIL COMPANY
S. E. Cone No. 1
Unit J Sec. 26, T-21-S, R-37-E