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TEXAS PACIFIC OIL COMPANY

P. O. Box 1069
Hobbs, New Mexico 88240

October 23, 1967

PC-337

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

10/29/67

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

Re: Elliott B-15 Lease - 0557257
Commingling of Paddock &
Penrose Skelly Production
Sec. 15, T-22-S; R-37-E
Lea County, New Mexico

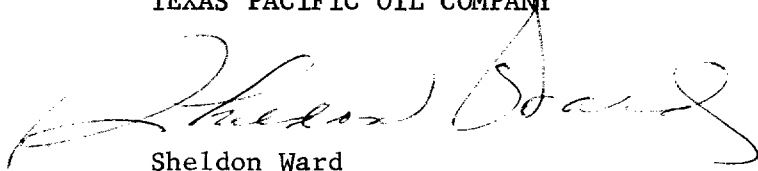
Gentlemen:

Texas Pacific Oil Company, acting in its own behalf, respectfully requests administrative approval of exception to Rule 303 (Segregation of Production from Pools) for its Elliott B-15 No. 2 - Paddock Pool and Elliott B-15 Well Nos. 2 and 3 - Penrose Skelly Pool, Lea County, New Mexico, to permit the commingling in common facilities the commonly owned production from the two pools. Attached herewith is a tabulation which gives the comparative gravity of the liquid hydrocarbons, the volumes presently produced from each pool from the above wells, the value of the hydrocarbons and the expected gravity and value of the commingled production.

The wells in each pool to be commingled in this application are marginal and are physically incapable of producing top allowable from their respective pools; therefore, commingling will be accomplished without separately measuring production from each pool. We propose instead to allocate production from each well on the basis of well tests conducted periodically.

Sincerely,

TEXAS PACIFIC OIL COMPANY


Sheldon Ward
Area Superintendent

CRT/dw
Attachments



IN REPLY REFER TO:

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

October 20, 1967

Texas Pacific Oil Company
P. O. Box 1069
Hobbs, New Mexico 88240

Attention: Mr. Sheldon Ward

Gentlemen:

Your letter of October 13 requests approval to commingle Paddock and Penrose Skelly pool production from wells in the N $\frac{1}{2}$ NE $\frac{1}{4}$ sec. 15, T. 22 S., R. 37 E., Lea County, New Mexico, lease New Mexico 0557257.

The system for commingling 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,

CARL C. TRAYWICK
Acting Oil and Gas Supervisor

TEXAS PACIFIC OIL COMPANY
Hobbs Area
Table I - Production Data - Elliott B-15 Lease
Penrose-Skelly (Grayburg) Pool - Lea County, New Mexico

Elliott B-15 Well No. 2

<u>Month</u>	<u>Avg. BOPD</u>	<u>API Grav. (Degrees)</u>
May, 1967	18.0	33.6
June, 1967	30.1	33.6
July, 1967	25.6	33.6

Elliott B-15 Well No. 3

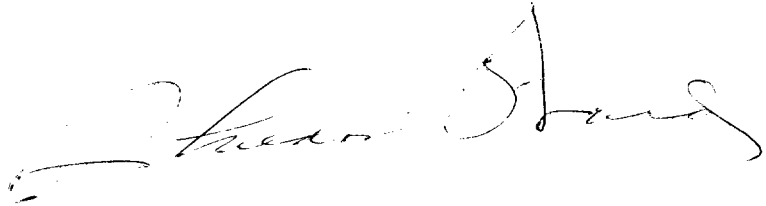
May, 1967	44.9	33.6
June, 1967	21.9	33.6
July, 1967	18.5	33.6

Paddock Pool, Lea County, New Mexico

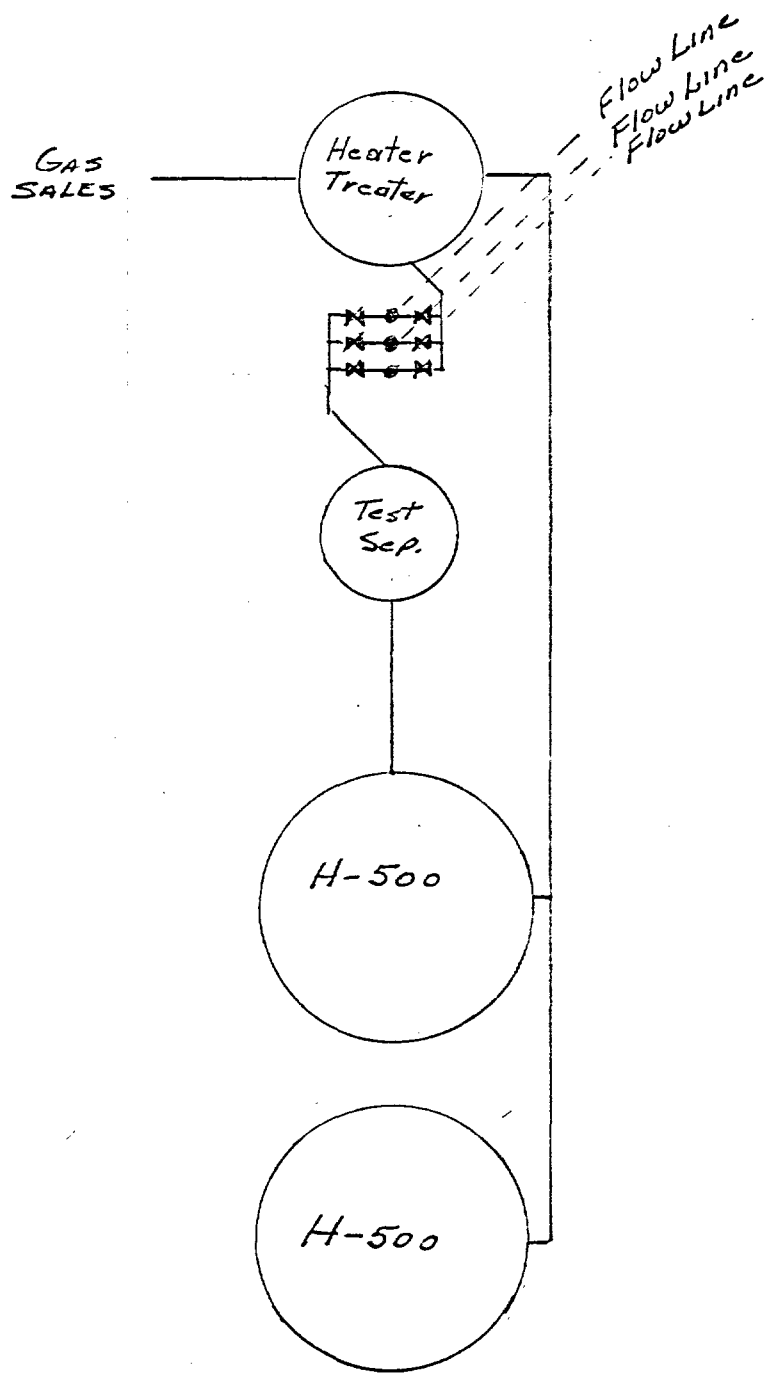
<u>Month</u>	<u>Avg. BOPD</u>	<u>API Grav. (Degrees)</u>
May, 1967	20.0	33.0
June, 1967	14.5	33.0
July, 1967	2.6	33.0

Wtd. avg. gravity = 33.5° (Based on production runs from both pools)

Value of hydrocarbons will remain unchanged.



CRT/tk
10-13-67



TEXAS PACIFIC OIL COMPANY
Elliott B-15 Lease
Sec. 15, T-22-S; R-37-E
Lea County, New Mexico