STATE OF NEW MEXICO



ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION



BRUCE KING GOVERNOR

August 21, 1992

FOST OFFICE BOX 2088 STATE LAND OFFICE BUILDING SANTA FE, NEW MEXICO 87504 (505) 827-5800

ANITA LOCKWOOD

Marathon Oil Company P.O. Box 522 Midland, Texas 79702

Attn: Jeff Cordera

Re: Pool Commingling - Eumont/Blinebry - Drinkard

Dear Jeff,

A couple questions;

- 1) Are Blinebry and Drinkard currently commingled? Please supply order number.
- 2) Rule 303-B, paragraph 2 states; "The application must contain detailed data as to the gravities of the liquid hydrocarbons, the values thereof, and the volumes of the liquid hydrocarbons production from each pool, as well as the expected gravity and value of the commingled liquid hydrocarbons production..."

Please furnish this additional information so we may continue to process your application and expedite approval of same.

Sincerely,

Benjamin E. Stone

Engineering Tech 11

/BS

cc: David Catanach

File

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Mid-Continent Region Production United States

TO



P.O. Box 552 Midland, Texas 79702 Telephone 915/682-1626

August 24, 1992

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

Attn: Benjamin E. Stone, Engineering Tech II

Application for Lease Production Commingling Re:

McDonald State A/C 2 Lease Well Nos. 11, 26, & 33

Section 13, T-23-S, R-36-E Lea County, New Mexico

Dear Mr. Stone:

Attached, please find a table illustrating the production from the Blinebry, Drinkard & Eumont pools of the McDonald State A/C 2 lease. Should you require additional information, please feel free to contact me at (915)682-1626.

Sincerely,

Brent D. Lockhart

Advanced Engineering Technician

Brut O. Yockbut

BDL/seh/92001

MCDONALD STATE A/C 2 LEASE

		PRICE *		DAILY PRODUCTION	
POOL	GRAVITY	\$/BO	\$/MCF	BOPD	MCFPD
*****	*****	*****	*****	****	****
BLINEBRY					
WELLS # 29, 30, 32	37	18.75	1.15	38	105
DRINKARD			_		
WELLS # 31, 34	35	18.75	1.15	4	32
				-	
EUMONT				_	
WELLS # 11, 26**	35	N/A	N/A	8.5	250
WELL #33***	35	N/A	N/A	15	125
TOTAL	35	N/A	N/A	23.51	375

SINCE OIL GRAVITIES OF THE CURRENTLY SURFACE COMMINGLED BLINEBRY AND DRINKARD ZONES ARE SIMILAR TO THE EUMONT ZONE, THERE WOULD BE NO APPRECIABLE REDUCTION IN CRUDE PRICE DUE TO THE ADDITION OF THE EUMONT.

THEREFORE THE GAIN IN PROFIT TO THE STATE OF NEW MEXICO WOULD BE \$108.98

BOPD	MCFPD	\$/BO	\$/MCF	NRI	\$/DAY
****	****	****	****	****	****
23.5	375	18.75	1.15	12.5%	108.98

- PRICES WERE CALCULATED FROM 1992 YTD AVERAGES.
- WELLS CURRENTLY SHUT-IN SINCE 6/91 WHEN ARROWHEAD GRAYBURG UNIT TOOK OVER OPERATION OF PORTION OF SURFACE FASCILITIES.
- PROPOSED RECOMPLETION IF SURFACE COMMINGLING IS GRANTED. ***

ΤD



P.O. Box 552 Midland, Texas 79702 Telephone 915/682-1626

September 2, 1992

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

Attn: Benjamin E. Stone, Engineering Tech II

Re: Application for Lease Production Commingling

McDonald State A/C 2 Lease Well Nos. 11, 26, & 33

Section 13, T-23-S, R-36-E Lea County, New Mexico

Dear Mr. Stone:

As per our phone conversation, the production from the Blinebry, Drinkard & Eumont pools of the McDonald State A/C 2 lease will be allocated by monthly well tests. Should you require additional information, please feel free to contact me at (915)682-1626.

Sincerely,

Brent D. Lockhart

Advanced Engineering Technician

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BDL/seh/92001