

CASE 1811: Application of ATLANTIC
to the Tubb, Blinbry &
Brinkard from 3 Fed. leaders.

Case No.

1811

Application, Transcript,
Small Exhibits, Etc.

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
COMMISSION OF NEW MEXICO FOR
THE PURPOSE OF CONSIDERING:

CASE No. 1811
Order No. R-1557

APPLICATION OF THE ATLANTIC
REFINING COMPANY FOR PERMISSION
TO COMingle THE PRODUCTION FROM
THREE SEPARATE POOLS FROM THREE
SEPARATE LEASES IN LEA COUNTY,
NEW MEXICO

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on November 24, 1959, at Santa Fe, New Mexico, before Elvis A. Utz, Examiner duly appointed by the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission," in accordance with Rule 1214 of the Commission Rules and Regulations.

NOW, on this 16th day of December, 1959, the Commission, a quorum being present, having considered the application, the evidence adduced, and the recommendations of the Examiner, Elvis A. Utz, and being fully advised in the premises,

FINDS:

- (1) That due public notice having been given as required by law, the Commission has jurisdiction of this cause and the subject matter thereof.
- (2) That the applicant is the owner and operator of the following-described Federal leases in Section 14, Township 25 South, Range 37 East, NMPM, Lea County, New Mexico.
 - (a) Langlie Federal Lease - N/2 SE/4 of Section 14
 - (b) Langlie Federal "A" Lease - S/2 NE/4 of Section 14
 - (c) Langlie Federal "B" Lease - N/2 NE/4 of Section 14
- (3) That the applicant proposes to commingle the production from the Justis-Blinebry Oil Pool, from the Drinkard formation adjacent to the Justis-Drinkard Pool, and from the Tubb formation,

-2-

Case No. 1811
Order No. R-1557

if it is encountered, from each of the three above-described Federal leases after separately metering the production from each pool from each lease.

(4) That approval of the subject application will neither cause waste nor impair correlative rights, provided adequate treating, testing, and storage facilities are installed.

IT IS THEREFORE ORDERED:

(1) That the applicant be and the same is hereby authorized to commingle in a common tank battery the production from the Justis-Blinsbry Oil Pool, from the Drinkard formation adjacent to the Justis-Drinkard Pool, and from the Tubb formation, if it is encountered, from each of the following-described Federal leases in Section 14, Township 25 South, Range 37 East, N4PM, Lea County, New Mexico:

- (a) Langlie Federal Lease - N/2 SE/4 of Section 14
- (b) Langlie Federal "A" Lease - S/2 NE/4 of Section 14
- (c) Langlie Federal "B" Lease - N/2 NE/4 of Section 14

PROVIDED HOWEVER, That the production from each pool from each lease shall be separately metered prior to commingling.

(2) That all meters shall be operated and maintained in such a manner as to ensure an accurate measurement of production at all times.

That all meters shall be checked for accuracy at intervals not to exceed one month until further direction by the Secretary-Director. Meters shall be calibrated against a master meter or against a test tank of measured volume and the results of such calibration filed with the Commission on the Commission form entitled "Meter Test Report."

(3) That the applicant shall conduct monthly tests of all wells located on the subject acreage to determine the individual production from each zone of each well.

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Case No. 1811
Order No. R-1557

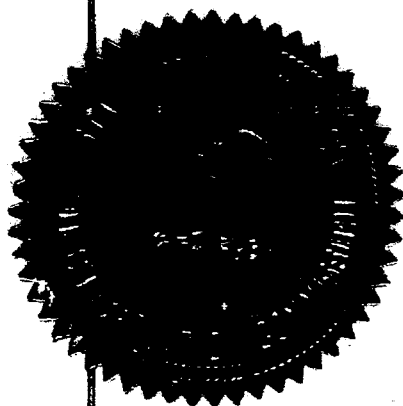
DONE at Santa Fe, New Mexico, on the day and year herein-
above designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

John Burroughs
JOHN BURROUGHS, Chairman

Murray E. Morgan
MURRAY E. MORGAN, Member

A. L. Porter, Jr.
A. L. PORTER, Jr., Member & Secretary



vem/

OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO

Date 11-30-59

CASE 1811

Hearing Date 11-24-59

My recommendations for an order in the above numbered cases are as follows:

Grant Atlantic permission to commingle as follows:

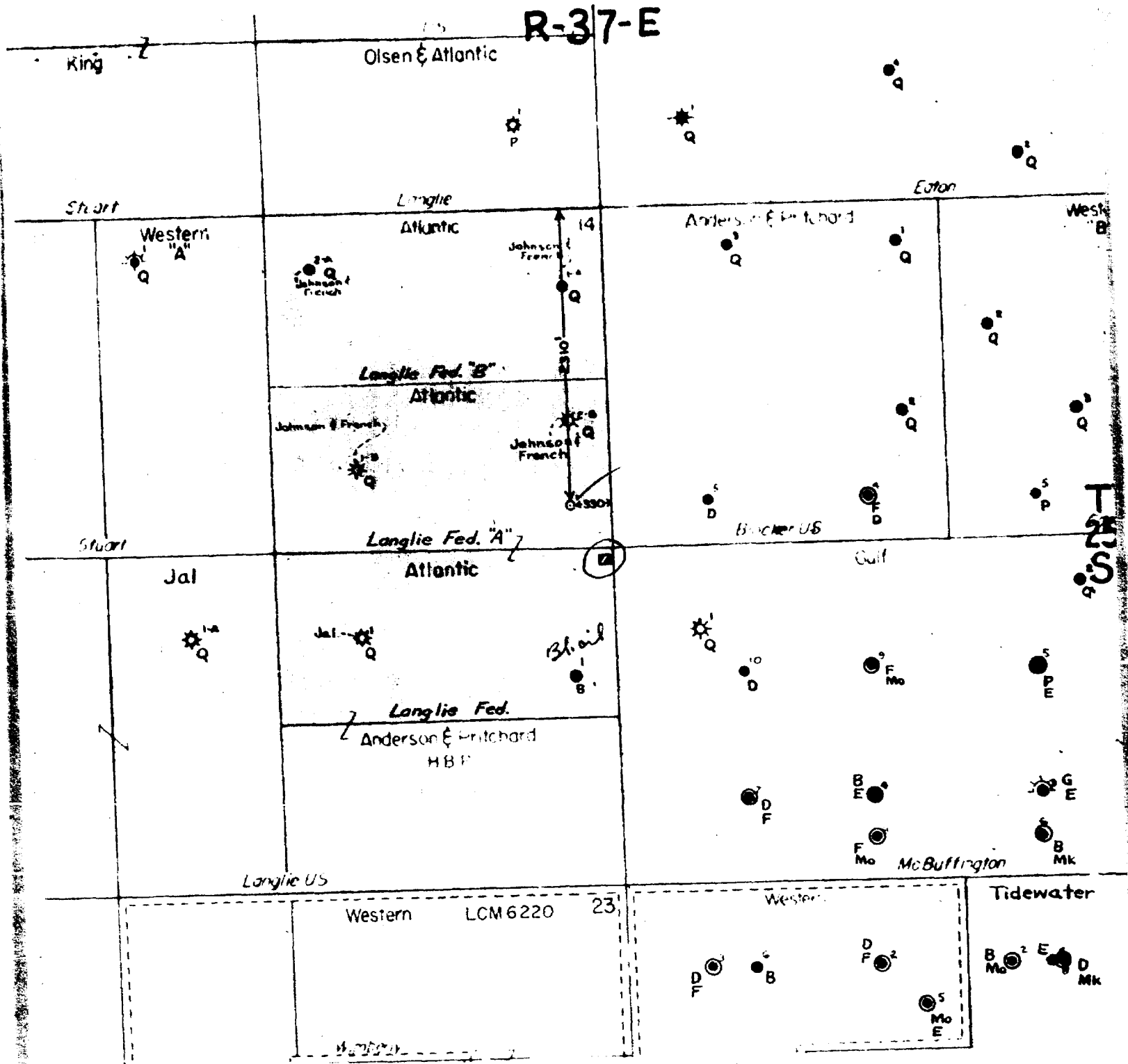
1. Do commingle the Blinby, Dult, Drinkard on their Langlie Federal, Langlie Fed. A & B. leases.

Langlie Fed consisting of ~~the~~ sec.

"	"	"	"	N/2 SE/4	14-253-37E
"	"	"	"	S/2 NE/4	" "
"	"	"	"	N/2 NE/4	" "

2. Each zone of each lease shall be metered separately before commingling.
3. All commingling order otherwise.

W. H. H.



LEGEND:

P - Paddock
B - Hlinebry
T - Tubb
D - Drinkard

F - Fusselman
Mo - Montoya
Mk - McKee
E - Ellenburger
[Hatched Box] - Tank Battery

Atlantic Exhibit No.
Case No.

BEFORE THE OIL CONSERVATION COMMISSION
STATE OF NEW MEXICO

APPLICATION OF THE ATLANTIC
REFINING COMPANY FOR PERMISSION
TO COMMINGLE THE PRODUCTION FROM
SEVERAL SEPARATE OIL POOLS UNDER-
LYING SEVERAL SEPARATE LEASES IN
LEA COUNTY, NEW MEXICO

CASE NO. 1211

TO: THE NEW MEXICO OIL CONSERVATION
COMMISSION
Santa Fe, New Mexico

Comes now the undersigned, The Atlantic Refining Company, and
hereby makes application to commingle the production of oil produced
from separate pools underlying its Langlie Federal Lease, Langlie
Federal "A" Lease, and Langlie Federal "B" Lease located in Lea
County, New Mexico, and embracing the following described lands
situated in said county, to-wit:

Township 25 South, Range 37 East, N.M.P.M.

Section 14 - NE $\frac{1}{4}$ and N $\frac{1}{2}$ SE $\frac{1}{4}$;

containing 240 acres, more or less;

and in support of such application respectfully shows:

1. The Atlantic Refining Company is the owner of the leases
embraced in the following described lands:

(a) Langlie Federal Lease - N $\frac{1}{2}$ SE $\frac{1}{4}$ of Section 14, T. 25 S.,
R. 37 E., N.M.P.M.

(b) Langlie Federal "A" Lease - S $\frac{1}{2}$ NW $\frac{1}{4}$ of Section 14, T.
25 S., R. 37 E., N.M.P.M.

(c) Langlie Federal "B" Lease - N $\frac{1}{2}$ NE $\frac{1}{4}$ of Section 14, T.
25 S., R. 37 E., N.M.P.M.

2. Applicant has completed its Atlantic Langlie Federal No. 1
Well which is a Blinbry oil well located 1650 feet FSL and 330 feet

FEL, Section 14, T. 25 S., R. 37 E., N.M.P.M.

Applicant has located a well on its Langlie Federal "A" Lease which location is 2310 feet FNL and 330 feet FEL, Section 14, T. 25 S., R. 37 E., N.M.P.M.

3. That the area underlying the three above leases is contemplated to be productive from the Blinebry, Tubb and Drinkard formations, and Applicant proposes to commingle the production from said separate pools underlying the separate leases by producing the same into a common storage where the character of the crude oil produced is similar.

4. That the oil produced from each separate pool underlying each separate lease will be metered separately before commingling. If any well produces a crude other than the intermediate crude now obtained from the Langlie Federal No. 1 Well and contemplated to be obtained from the other pools on the lease, such different type crude will be produced into another tank battery.

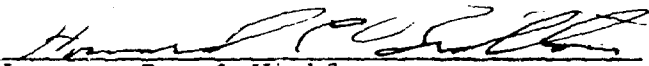
5. The tank battery into which it is proposed to commingle the production from the several pools under the three leases is located 2540 feet FSL and 50 feet FEL, Section 14, T. 25 S., R. 37 E., N.M.P.M. A plat showing the proposed location of the tank battery, and the three leases and all wells located thereon is attached hereto as Exhibit "A".

6. Applicant proposes to allocate the production from each of the wells producing from the respective reservoirs on the several leases on the basis of periodic well tests made at such reasonable times as may be designated by the Commission.

7. The production from the several pools under the several leases into a common tank battery will effect a considerable saving in installation and operating costs and it is believed that such installation will be in the interest of conservation and will not cause waste or violate correlative rights.

Respectfully submitted,

THE ATLANTIC REFINING COMPANY

By 
Hervey, Dow & Hinkle
P. O. Box 547
Roswell, New Mexico

BEFORE THE
OIL CONSERVATION COMMISSION
Santa Fe, New Mexico
November 24, 1959

EXAMINER HEARING

IN THE MATTER OF:)

Application of The Atlantic Refining)
Company for permission to commingle)
the production from three separate)
pools from three separate leases.)

Case 1811

DEARNLEY - MEIER & ASSOCIATES
INCORPORATED
GENERAL LAW REPORTERS
ALBUQUERQUE, NEW MEXICO
3-6691 5-9546

NEW MEXICO OIL CONSERVATION COMMISSION

Examiner Hearing (Elvis A. Utz)Santa Fe, NEW MEXICOREGISTERHEARING DATE November 24, 1959 TIME: 9 a.m.

NAME:	REPRESENTING:	LOCATION:
<i>J. H. Wilbur</i> <i>H. J. Frost Jr</i>	<i>Hervey Dow & Hinkle</i> <i>The Atlantic Refining Co.</i>	<i>Roswell</i> <i>midland</i>
<i>W. P. Taylor</i> <i>W. M. Saylor</i>	<i>" " "</i> <i>Seaway West Continent Oil</i>	<i>Roswell</i> <i>Midland</i>
<i>J. G. Savage</i> <i>V. M. Hendricks</i>	<i>Gulf</i> <i>Gulf oil</i>	<i>Roswell</i> <i>Roswell</i>
<i>Bill Laster</i> <i>H. C. Porter</i>	<i>Gulf</i> <i>Leeward hatch</i>	<i>Roswell</i> <i>Artesian</i>
<i>R. L. Egan</i> <i>R. L. Summerell</i>	<i>Shell Oil Co.</i> <i>Shell Oil Co.</i>	<i>Roswell</i> <i>Roswell</i>
<i>James Ship</i> <i>Jason Kellahan</i>	<i>Leeward Oil Co.</i> <i>Kellahan & Fox</i>	<i>Roswell</i> <i>Santa Fe</i>
<i>A. E. Robinson, Jr.</i> <i>Grant E. Luby</i>	<i>TEXACO Inc.</i> <i>State Engr. Off</i>	<i>MIDLAND</i> <i>Santa Fe</i>
<i>E. F. Motter</i> <i>L. P. White</i>	<i>Cities Service Oil Co.</i> <i>Midland Nat. Oil Co.</i>	<i>Hobbs</i> <i>Santa Fe</i>
<i>Nancy Royal</i>	<i>M. Stokerson Repole</i>	<i>Santa Fe</i>

BEFORE THE
OIL CONSERVATION COMMISSION
Santa Fe, New Mexico
November 24, 1959

EXAMINER HEARING

IN THE MATTER OF:

Application of The Atlantic Refining Company
for permission to commingle the production
from three separate pools from three separate
leases. Applicant, in the above-styled cause,
seeks an order authorizing it to commingle
the Tubb, Blinbry, and Drinkard production
from three Federal leases in Section 14,
Township 25, South, Range 37 East, Lea
County, New Mexico.

Case 1811

BEFORE:

Elvis A. Utz, Examiner

TRANSCRIPT OF HEARING

MR. UTZ: The next case on the docket will be 1811.

MR. PAYNE: "Application of The Atlantic Refining
Company for permission to commingle the production from three
separate pools from three separate leases."

MR. CHRISTY: Sim Christy of Hervey, Dow and Hinkle,
for the Applicant, Atlantic Refining Company. We have one witness,
Mr. Examiner.

(Witness sworn.)

HAROLD FROST

called as a witness, having been previously duly sworn, testi-
fied as follows:

DEARNLEY-MEIER REPORTING SERVICE, Inc.

PHONE CH 3-6691

ALBUQUERQUE, NEW MEXICO



DIRECT EXAMINATION

BY MR. CHRISTY:

Q Would you please state your name, address and occupation?

A Harold Frost from Midland, Texas. I am Production Engineer for The Atlantic Refining Company.

Q Have you previously testified as a petroleum engineer before this Commission and had your qualifications accepted?

A I have.

Q Are you familiar with the matters contained in the application in Case No. 1811 before this Commission?

A I am.

Q Are you further familiar with the area in question and the wells in that area?

A Yes, I am.

MR. CHRISTY: Does the Commission have any questions concerning the witness' qualification?

MR. UTZ: No, sir, he's qualified.

Q Mr. Frost, will you tell us first generally what is sought by the application?

A In this application we are seeking to commingle production from the Blinebry, Tubb and Drinkard Zones on the three Langley Federal Leases in the Justis Field.

Q I believe those are all located in Section 14, Township 15 South, Range 37 East, NMPM, Lea County, New Mexico?

DEARNLEY-MEIER REPORTING SERVICE, Inc.

PHONE CH 3-6591

ALBUQUERQUE, NEW MEXICO



A That's right.

Q I believe you have a well presently producing in your Langley Federal which is located in the Southeast, excuse me, the Northeast Southeast of Section 14, is that correct?

A That's correct.

Q What formation is that producing from?

A That's producing from the Blinebry formation.

Q Oil production?

A Oil production.

Q About what depth?

A It's about 5300.

Q I believe further, you have an additional well on the Langley Federal A Lease in the Southeast Northeast of Section 14 which is now being completed?

A That's correct.

Q What formation or formations is it being completed in?

A We're anticipating completion in the Blinebry at about 5300 and Tubb at about 5700.

Q Do you anticipate further drilling on these three leases to the Blinebry, Tubb or Drinkard formations?

A We anticipate further drilling, yes.

Q Mr. Frost, I'll refer you to what's been marked Applicant's Exhibit 1, which I believe is a plat of the area.

A That's correct.

Q That shows the two wells we have been discussing.



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ALBUQUERQUE, NEW MEXICO

I notice also it notes some other wells with a "Q" beside them in this area. Are those Queen wells?

A They are Queen wells and owned by Johnson and French.

Q They are not involved in this application?

A They're not involved.

Q I refer you to what has been marked as Exhibit 2 and ask you, it appears to be a schematic drawing, and I'll ask you to explain that briefly to the Examiner.

A That schematic shows the present hookup for the existing well on the Langley Federal Lease. We have a separator producing into two tanks and a gas meter.

Q Do you anticipate that you may encounter further production on this well?

A Yes. It's possible to have a Tubb completion there.

Q I see. This is the setup as we have it now --

A That is --

Q -- on Exhibit 2? A Right.

Q I refer you to Exhibit 3 and ask you to explain that exhibit, which appears to be an enlargement on Exhibit 2.

A Exhibit 3 shows the setup as we would have if we had all three zones productive on the three separate leases. The top one, of course, is the existing well, and we have added a dump type meter on the oil going to the tanks. It also shows that for each zone on each lease we have a separator, a dump meter and gas



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PHONE CH 3-6691

ALBUQUERQUE, NEW MEXICO

meter, to meter all production prior to commingling in common storage.

Q I notice also you have a heater treater there between the separator and the meter.

A That's right. Whenever a well does not produce pipeline oil we insert a heater treater between the separator on the meter so that the oil is still metered by zone and by lease.

Q Do you have a method for testing these meters?

A Yes, we have a test line on there so that those meters can be calibrated in the tank any time it's desired.

Q Would you make such calibration tests at any time the Commission required it?

A Yes, we would.

Q What type of crude are you now producing and expect to produce, is it sour or sweet crude?

A It's intermediate as far as we know.

Q Suppose you encountered sweet or sour crude in these further drilling operations or zones?

A If we got sour crude we would build a separate tank battery, it would not be commingled.

Q Is it a dump type meter? A Yes.

Q Has it any paraffin coating on it?

A Yes, they are plaster-coated to prevent adherence of paraffin on the inside.



Q Are there other similar installations to this in the Lea County area or the Justis Pool, similar type of mechanical installation?

A Yes, we have two and Gulf has one in the same field.

Q Have the others of yours been approved by the Commission?

A Yes.

Q They are similar in nature to this?

A Yes.

Q How much experience have you had with these? Have you had them on a long time?

A First one has been on a year.

Q Have you encountered any mechanical difficulties in this commingling?

A No difficulties at all.

Q I assume this would result in a considerable economic saving to the operator?

A Yes, it would.

Q Do you see where it might violate any correlative rights of interested parties?

A No, I can't see that it would.

Q Do you have any other comments on these exhibits, Mr. Frost?

A No, I don't believe I do.

Q And do you have any other comments on the application?

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PHONE CH 3-6691



A No.

Q Were the Exhibits 1 through 3 inclusive prepared by you or under your direction and supervision?

A They were.

MR. CHRISTY: That's all from this witness.

MR. UTZ: Do you want to introduce your Exhibits at this time?

MR. CHRISTY: I will when we get through, yes.

MR. UTZ: All right.

CROSS EXAMINATION

BY MR. UTZ:

Q Mr. Frost, do I understand that there is only one well completed in the Blinebry on these three leases at this time?

A That's right. That's on the Langley Federal.

Q No. 1?

A The No. 1.

Q And you intend to dually complete this well?

A The Langley Federal A. O., the Langley Federal.

Q Yes, it is a single completion?

A It's a single completion, right at the present time we don't anticipate dualing it.

Q The well you are drilling in the Langley Federal A you intend to complete?

A That's correct.

Q In the Blinebry and Tubb?



A In the Blinbry and Tubb.

Q Did I understand you to say that this was sweet crude in both zones?

A Intermediate.

Q On Exhibit 3, as I interpret that, both the gas and oil from each lease will be metered separately before both commingling?

A Each zone on each lease.

Q Each zone on each lease? A That's correct.

Q And it's dump type meters? A Right.

Q This is the first order for commingling that you have requested on any of these leases?

A That's right.

MR. UTZ: Are there other questions of the witness?

MR. PAYNE: Yes, sir.

MR. UTZ: Mr. Payne.

BY MR. PAYNE:

Q These are all Federal leases, are they not?

A That's correct.

Q Does the U.S.G.S. require you to separately meter each lease?

A To my knowledge they would.

Q That's why you propose to meter each zone of each lease?

A That's correct.

Q Do you have the gravities of the fluids in these three



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ALBUQUERQUE, NEW MEXICO

pools?

A No, I don't. Do you have it? The Blinebry is approximately 40, the Tubb and Drinkard approximately 38.

Q So that you don't lose any value when you commingle production from the three pools?

A No, we don't.

Q You don't intend to produce more than sixteen wells into a common tank battery, do you?

A No, we don't anticipate that many wells on the lease.

Q Could be, however, twenty-one, couldn't there?

A Yes.

MR. PAYNE: That's all, thank you.

MR. UTZ: Are there other questions? If there are none, the witness may be excused.

(Witness excused.)

MR. CHRISTY: We would like to offer in evidence Applicant's Exhibits 1, to 3 inclusive.

MR. UTZ: Without objection they'll be accepted.

MR. CHRISTY: That's all we have for the Applicant.

MR. UTZ: Any other statements to be made in this case? If there are none, the case will be taken under advisement.



DEARNLEY-MEIER REPORTING SERVICE, Inc.

PHONE CH 3-6691

ALBUQUERQUE, NEW MEXICO

STATE OF NEW MEXICO)
: ss
COUNTY OF BERNALILLO)

I, ADA DEARNLEY, Court Reporter, do hereby certify that the foregoing and attached transcript of proceedings before the New Mexico Oil Conservation Commission at Santa Fe, New Mexico, is a true and correct record to the best of my knowledge, skill and ability.

IN WITNESS WHEREOF I have affixed my hand and notarial seal this 5th day of December, 1959.

Ada Dearnley
Notary Public-Court Reporter

My commission expires:

June 19, 1963.

I do hereby certify that the foregoing is a complete and correct transcript of the proceedings in the examination of the New Mexico Oil Conservation Commission held on December 18, 1959, heard by me on December 18, 1959.
Thomas A. [Signature], Examiner
New Mexico Oil Conservation Commission



DOCKET: EXAMINER HEARING NOVEMBER 24, 1959

Oil Conservation Commission - 9 a.m., Mabry Hall, State Capitol, Santa Fe, New Mexico

The following cases will be heard before Elvis A. Utz, Examiner, or A. L. Porter, Jr., Secretary.

CASE 1811: Application of The Atlantic Refining Company for permission to commingle the production from three separate pools from three separate leases. Applicant, in the above-styled cause, seeks an order authorizing it to commingle the Tubbs, Blinberry, and Drinkard production from three Federal leases in Section 14, Township 25 South, Range 37 East, Lea County, New Mexico.

CASE 1812: Application of Gulf Oil Corporation for permission to commingle the production from two separate leases. Applicant, in the above-styled cause, seeks permission to commingle the production from the Eumont Pool from its Ramsay (NCT-D) Lease consisting of the NE/4 of Section 35 and from its Ramsay (NCT-J) Lease consisting of the SW/4 SW/4 of Section 25, both in Township 20 South, Range 37 East, Lea County, New Mexico.

CASE 1813: Application of Gulf Oil Corporation for a gas-oil dual completion and for permission to commingle the production from two separate pools. Applicant, in the above-styled cause, seeks an order authorizing the dual completion of its Travis Well No. 1, located 1980 feet from the South line and 660 feet from the East line of Section 21, Township 23 South, Range 37 East, Lea County, New Mexico, in such a manner as to permit the production of gas from an undesignated Abo gas pool and the production of oil from the Teague Pool. Applicant further seeks permission to commingle the oil produced from the Teague Pool from said well with the distillate produced from an undesignated Abo gas pool from said well.

CASE 1814: Application of Leonard Latch for two water flood projects. Applicant, in the above-styled cause, seeks an order authorizing it to institute two water flood projects in the Empire Pool in Eddy County, New Mexico. In one project, applicant proposes to inject water into the Seven Rivers formation through ten wells located in the N/2 of Section 19, Township 17 South, Range 28 East. In the other project, applicant proposes to inject water into the Seven Rivers formation through seven wells located in the S/2 SE/4 of Section 12 and the NE/4 of Section 13, Township 17 South, Range 27 East.

CASE 1815: Application of Leonard Oil Company for an unorthodox gas well location. Applicant, in the above-styled cause, seeks an order authorizing an unorthodox gas well location in the Jalmat Gas Pool at a point 2310 feet from the North and East lines of Section 21, Township 25 South, Range 37 East, Lea County, New Mexico. Applicant proposes that said well serve as the unit well for a non-standard gas proration unit in the Jalmat Gas Pool consisting of the E/2 NW/4 and W/2 NE/4 of said Section 21.

CASE 1816: Application of Shell Oil Company for permission to commingle the production from several separate pools from several separate leases. Applicant, in the above-styled cause, seeks permission to commingle the production from an undesignated Aloka pool and an undesignated San Andres pool from two separate leases in Sections 23, 26, and 35, Township 19 South, Range 35 East, Lea County, New Mexico, and to transport said production from said leases

prior to measurement and to commingle such production with the commingled Pearl-Queen production authorized by Order No. R-1101. Applicant further seeks authorization to expand the automatic custody transfer system authorized by said Order No. R-1101.

CASE 1817: Application of Sunray Mid-Continent Oil Company for an automatic custody transfer system and for permission to produce more than sixteen wells into a common tank battery. Applicant, in the above-styled cause, seeks an order authorizing it to install an automatic custody transfer system to handle the production from all Bisti-Lower Gallup Oil Pool wells on its Central Bisti Unit comprising certain acreage in Townships 25 and 26 North, Range 12 West, San Juan County, New Mexico.

CASE 1818: Application of Texaco Inc., for a gas-oil dual completion. Applicant, in the above-styled cause, seeks an order authorizing the dual completion of its State "BN" Well No. 1, located in the NW/4 SW/4 of Section 25, Township 11 South, Range 32 East, Lea County, New Mexico, in such a manner as to produce gas from the Moore-Wolfcamp Gas Pool and to produce oil from the Moore-Pennsylvanian Pool through the casing-tubing annulus and tubing respectively.

CASE 1819: Application of Hamilton Dome Oil Company, Ltd., for an order authorizing the commingling of production from two separate pools. Applicant, in the above-styled cause, seeks permission to commingle the Blinbry and Tubb production from a lease consisting of the S/2 SE/4 of Section 25, Township 25 South, Range 37 East, Lea County, New Mexico.

CASE 1820: Application of Carper Drilling Company, Inc., and T. J. Sivley for permission to commingle the production from two separate leases. Applicant, in the above-styled cause, seeks permission to commingle the Empire-Abo Pool production from that portion of State Lease B-1483 consisting of lot 2 of Section 2 and that portion of State lease 2029 consisting of lot 3 of said Section 2, Township 18 South, Range 27 East, Eddy County, New Mexico.

CASE 1821: Application of Cities Service Oil Company for establishment of a water flood project allowable. Applicant, in the above-styled cause, seeks an order establishing a project allowable for its Drickey Queen Sand Unit in Chaves County, New Mexico, and providing for the conversion of wells to water injection at the operator's election.

CASE 1822: Application of Cities Service Oil Company for approval of automatic custody transfer facilities. Applicant, in the above-styled cause, seeks an order authorizing the installation of automatic custody transfer facilities to handle the Caprock-Queen Pool production from the Drickey Queen Sand Unit in Chaves County, New Mexico.

J. M. HERVEY 1874-1953

HIRAN M. DOW
CLARENCE E. HINKLE
W. E. BONDURANT, JR.
GEORGE H. HUNKER, JR.
HOWARD C. BRATTON
S. B. CHRISTY IV
LEWIS C. COX, JR.

PAUL W. EATON, JR.
ROBERT C. BLEDSOE

LAW OFFICES
HERVEY, DOW & HINKLE
HINKLE BUILDING
ROSWELL, NEW MEXICO

October 27, 1959

Ex. hearing
TELEPHONE MAIN 2-6510
POST OFFICE BOX 547

Nov. 24

Mr. A. L. Porter, Jr.
New Mexico Oil Conservation Commission
P. O. Box 871
Santa Fe, New Mexico

Dear Sir:

On behalf of The Atlantic Refining Company, enclosed please find an Application to commingle the production from several pools underlying three separate leases in Lea County, New Mexico.

I would appreciate it if you would file this Application and set it down for hearing before an Examiner at the first available hearing.

Very truly yours,

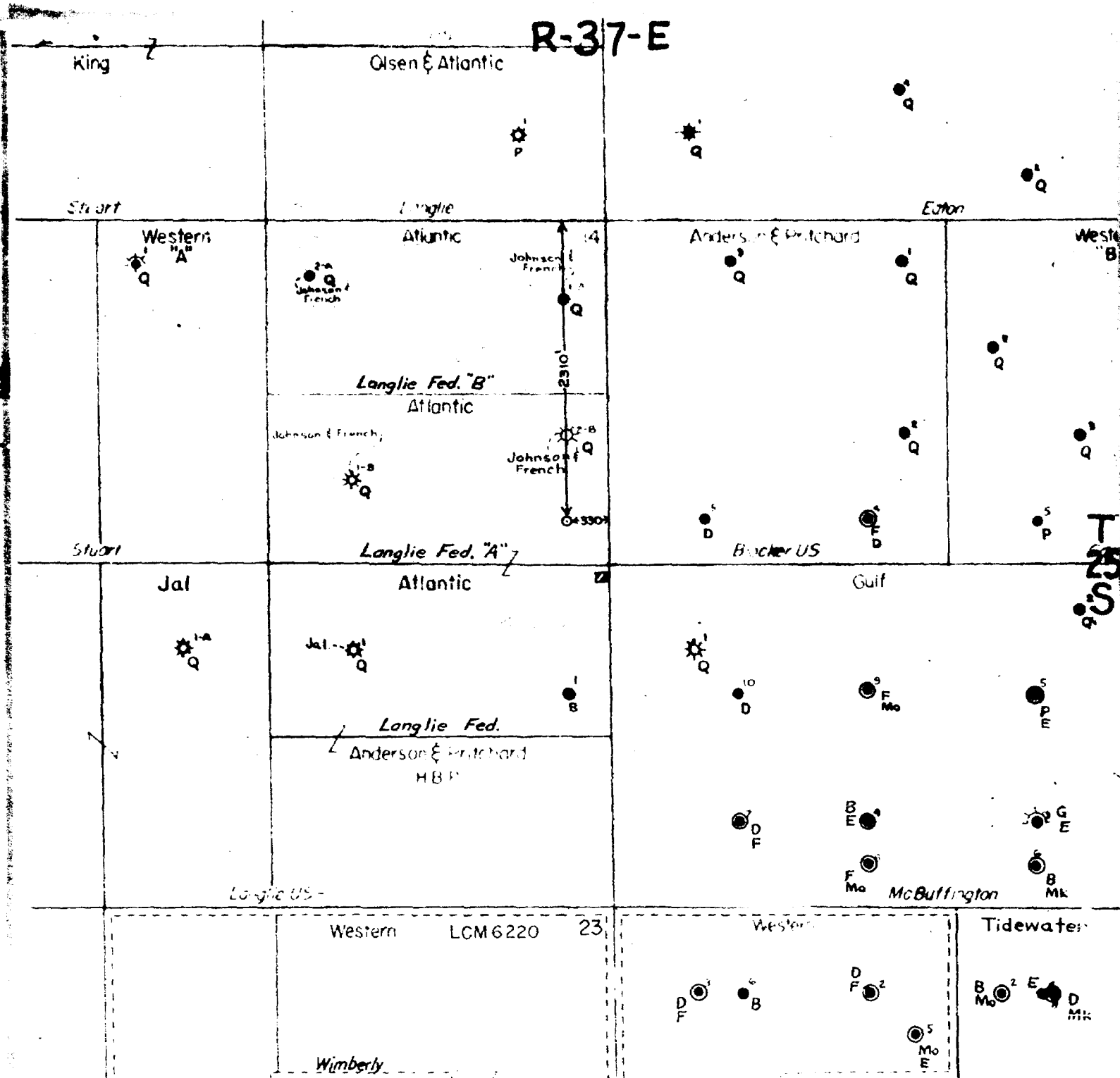
HERVEY, DOW & HINKLE

By 

HCB:db

cc: Mr. A. B. Tanco
The Atlantic Refining Company
P. O. Box 2819
Dallas, Texas
cc: Mr. Phil Tomlinson
The Atlantic Refining Company
P. O. Box 6640
Roswell, New Mexico

Do not Mail
Nov. 12, 1959
L.K.

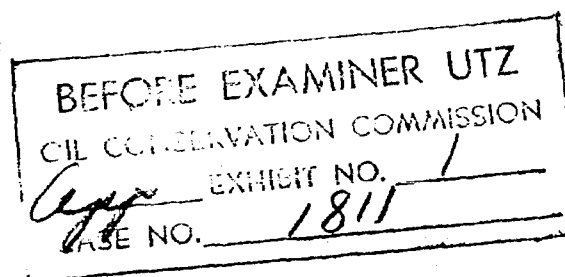


THE ATLANTIC REFINING COMPANY
WEST TEXAS-NEW MEXICO REGION

AREA OF ATLANTIC LANGLEIE FEDERAL LEASE
Justis Pool
Scale: 1" = 1000'

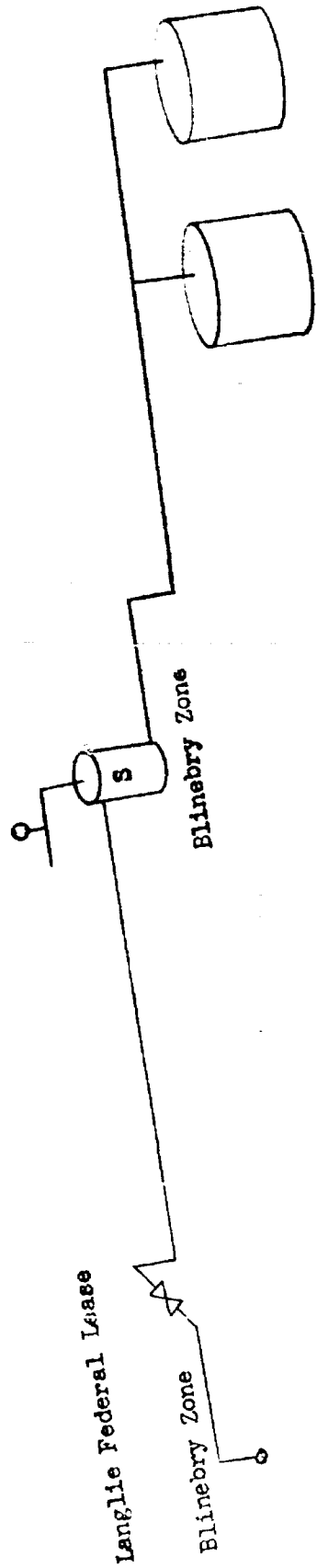
LEGEND:

P - Paddock	F - Fusselman
B - Blinebry	Mo - Montoya
T - Tubb	Mk - McKee
D - Drinkard	E - Ellenburger
Q - Queen	☐ - Tank Battery



Atlantic Exhibit No.
Case No. 1811

ATLANTIC EXHIBIT



THE ATLANTIC REFINING COMPANY
 PROPOSED TANK BATTERY TO
 COMINGLE PRODUCTION
 LANGLIE FEDERAL, LANGLIE FEDERAL "A",
 AND LANGLIE FEDERAL "B" LEASES
 JUSTIS FIELD, LEA COUNTY, NEW MEXICO
 FIGURE 1
 EXISTING TANK BATTERY FOR FIRST WELL

BEFORE EXAMINER UTZ
 OIL CONSERVATION COMMISSION
 CASE NO. 1811 EXHIBIT NO. 2

- LEGEND:
- S - Separator
 - 9 - Gas Meter
 - ⋈ - Manual block valve

Case No. 1811

Langlie Federal Lease

Blinebry Zone (Existing)

Tubb Zone (Possible)

Langlie Federal "A" Lease

Blinebry Zone (Possible)

Drinkard Zone (Possible)

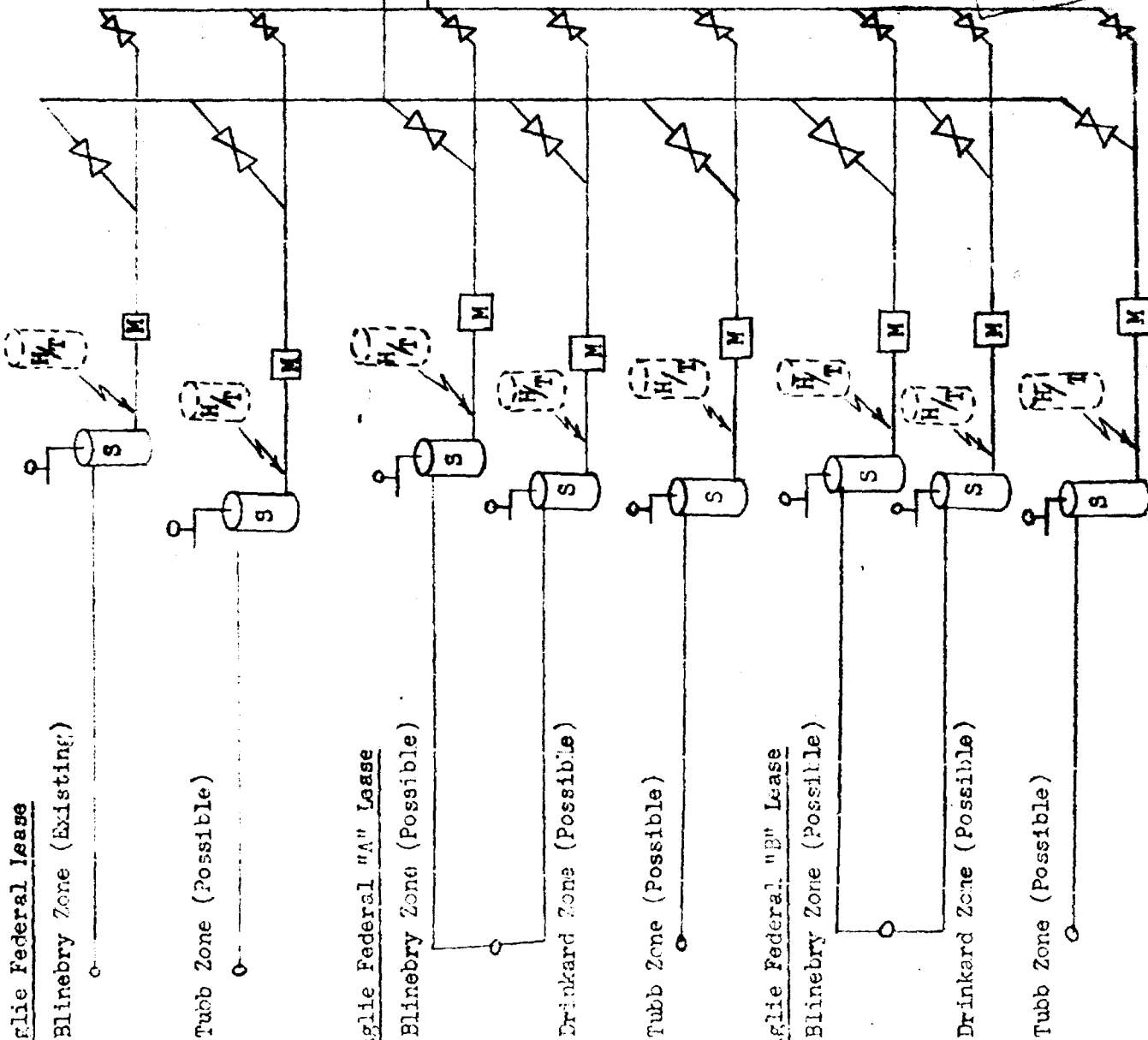
Tubb Zone (Possible)

Langlie Federal "B" Lease

Blinebry Zone (Possible)

Drinkard Zone (Possible)

Tubb Zone (Possible)



THE ATLANTIC REFINING COMPANY
PROPOSED TANK BATTERY TO
COMMINGLE PRODUCTION

JUSTIS AREA, LEA COUNTY, NEW MEXICO

FIGURE II
TANK BATTERY WITH SIX WELLS

BEFORE EVANGELINE

CIL OIL FIELD NO. 1811

CASE NO. 1811

LEGEND:

- S - Separator
- H/T - Emulsion Treater
- M - Oil Meter
- ◇ - Gas Meter
- Δ - Manual Block Valve

OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

December 17, 1959

Mr. Sin Christy
Harvey, Dow & Minkle
Box 547
Roswell, New Mexico

Dear Mr. Christy:

On behalf of your client, The Atlantic Refining,
we enclose two copies of Order No. R-1557 issued
by the Oil Conservation Commission in Case 1811.

Very truly yours,

A. L. PORTER, Jr.
Secretary-Director

ir/

OIL CONSERVATION COMMISSION
P. O. BOX 871
SANTA FE, NEW MEXICO

February 17, 1961

The Atlantic Refining Company
P. O. Box 1610
Midland, Texas

Attention: Mr. H. E. Bond

Gentlemen:

Reference is made to your letter of February 13, 1961, wherein you request permission to modify the commingling installation which you operate under authority of Order No. R-1557 on your Langlie Federal, Langlie Federal "A", and Langlie Federal "B" Leases in the Justis Field, Lea County, New Mexico.

It is our understanding that you wish to remove the heater-treaters from their position directly between the separators and the meters and instead use a sampler downstream from the meter, treating the commingled product rather than the individual production from each pool underlying each lease.

This arrangement will be satisfactory to the Commission provided that continuous sampling is made and complete mixing of the sample is accomplished prior to grind-out. Free water knockouts shall also be installed upstream from the meters at any time accurate measurement of the oil becomes impossible.

Meters shall continue to be checked for accuracy and reports of meter calibration tests filed with the Commission. You should also keep records of the tests made of the accumulated samples although it will not be necessary to file these with the Commission at this time.

Very truly yours,

A. L. PORTER Jr.,
Secretary-Director

ALP/DSN/mzs

CC: Oil Conservation Commission - Hobbs, New Mexico



THE ATLANTIC REFINING COMPANY
INCORPORATED 1870
PETROLEUM PRODUCTS

February 13, 1961

DOMESTIC PRODUCING DEPARTMENT
WEST TEXAS-NEW MEXICO REGION
R. T. COX, MANAGER
P. E. PLETCHER, OPERATIONS MANAGER
MARVIN L. MILLS, DRILLING SUPERINTENDENT
S. L. SMITH, EXPLORATION MANAGER
CLAUDE WILLIAMS, LAND MANAGER

MIDLAND SAVINGS & LOAN BLDG.
MAILING ADDRESS
P. O. BOX 1610
MIDLAND, TEXAS

*File Call
1811*

New Mexico Oil Conservation Commission
P. O. Box 871
Santa Fe, New Mexico

Attention: Mr. A. L. Porter

Re: Change in Method of Allocating
Commingled Production, Langlie
Federal Leases, Justis Field,
Lea County, New Mexico

Gentlemen:

In December, 1959 the New Mexico Conservation Commission in Order No. R-1557 granted The Atlantic Refining Company permission to commingle production on its Langlie Federal, Langlie Federal "A", and Langlie Federal "B" leases in Justis Field. The existing method of metering production is shown in Figure 1. We respectfully request permission to change the method of metering production to that shown in Figure 2.

In the existing installation water is removed from each pool on each lease. The clean oil is metered separately from each pool on each lease before being commingled. In the proposed method shown in Figure 2, each pool on each lease will be equipped with a meter and sampler. The fluid will then be commingled and water removed in a common treating system. The net oil production from each pool on each lease will then be determined from the metered volumes and samples obtained. At such time as water production from any pool becomes too great for accurate metering a free water knockout can be installed upstream of the meters.

All meters can be checked for accuracy at intervals specified. Approval of this proposal will neither cause waste nor impair correlative rights.

Below is a list of the wells and the pool in which each is completed at the present time.

<u>Well</u>	<u>Producing Zone</u>
Langlie Federal #1 UT	Blinbry
Langlie Federal #1 LT	Drinkard-Tubb
Langlie Federal "A" #1 UT	Blinbry
Langlie Federal "A" #1 LT	Drinkard-Tubb

Yours very truly,

THE ATLANTIC REFINING COMPANY



H. E. Bond
Regional Production Superintendent

HTF/en

LEGEND

- S— Separator
- H/T—Emulsion Treater
- M— Oil Meter
- Q— Gas Meter
- SA— Sampler
- Δ— Manual Block Valve

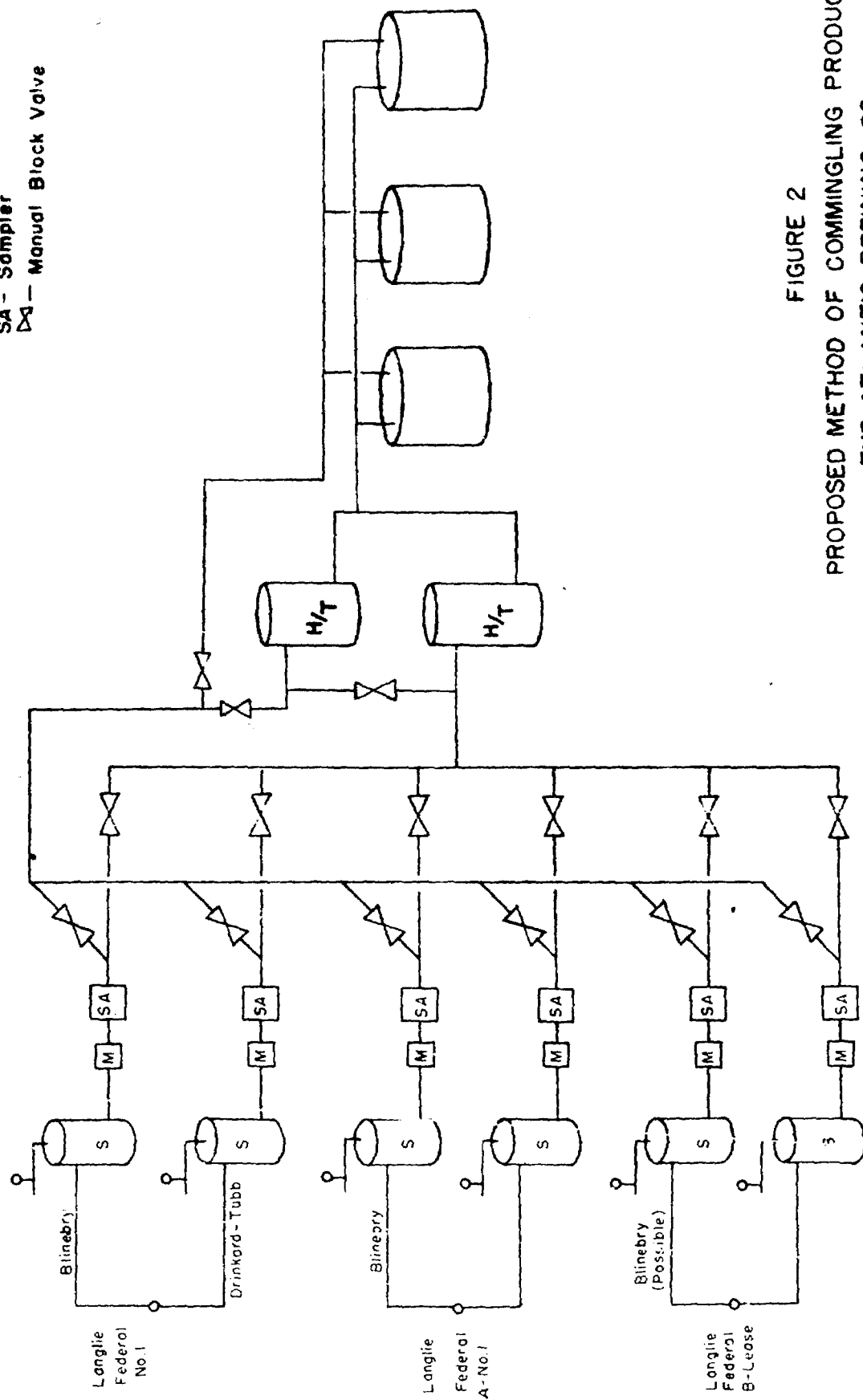


FIGURE 2

PROPOSED METHOD OF COMMINGLING PRODUCTION
THE ATLANTIC REFINING CO.

LANGLIE FEDERAL LEASES
JUSTIS FIELD, LEA COUNTY, NEW MEXICO

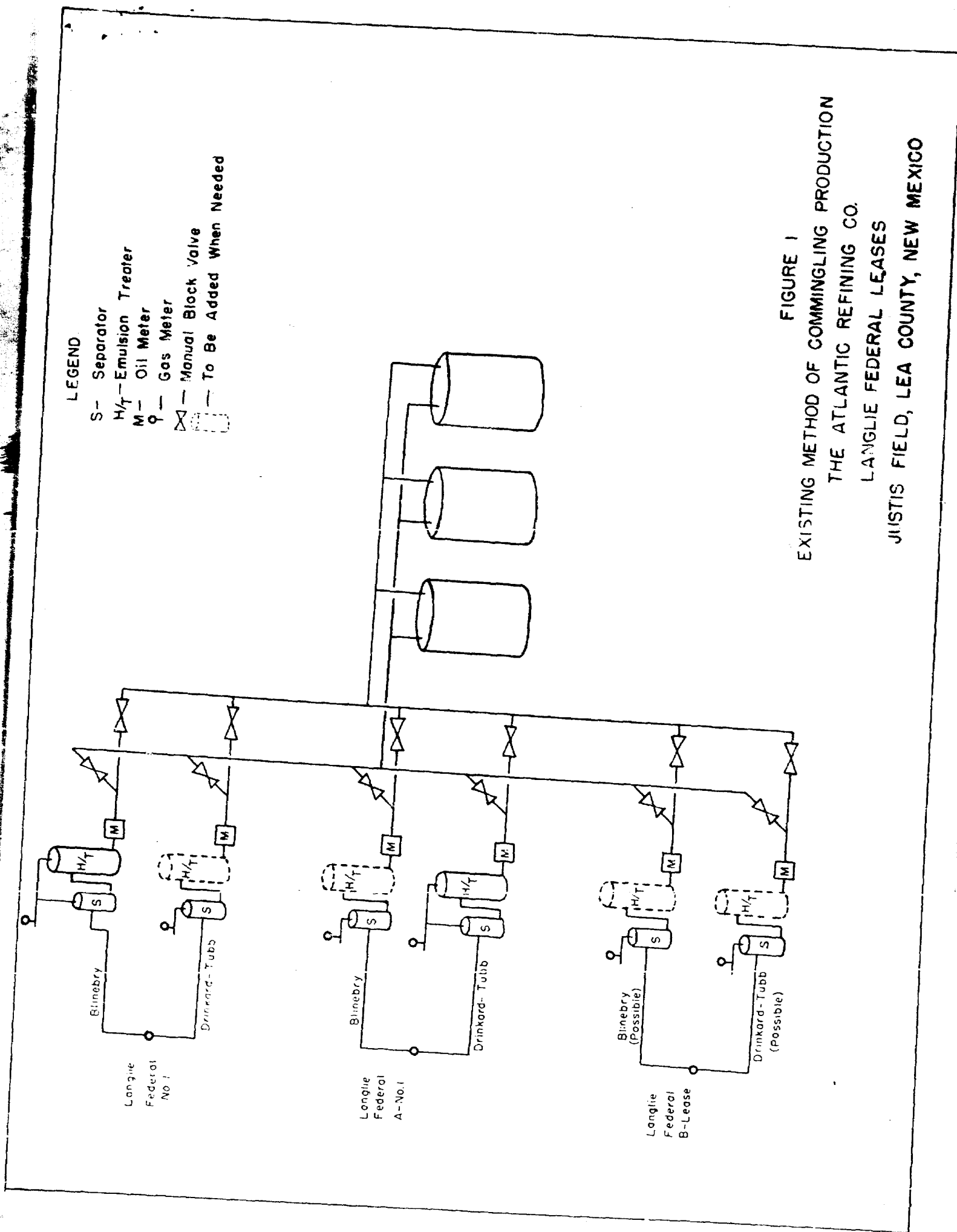


FIGURE 1
 EXISTING METHOD OF COMMINGLING PRODUCTION
 THE ATLANTIC REFINING CO.
 LANGLIE FEDERAL LEASES
 JUSTIS FIELD, LEA COUNTY, NEW MEXICO

Rough
draft
HF/ir
Dec. 14

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
COMMISSION OF NEW MEXICO FOR
THE PURPOSE OF CONSIDERING:

CASE NO. 1811
Order No. R- ~~1557~~ 1557

THE
APPLICATION OF ATLANTIC REFINING
COMPANY FOR PERMISSION TO COMMINGLE
THE PRODUCTION FROM THREE SEPARATE
POOLS FROM THREE SEPARATE LEASES IN
LEA COUNTY, NEW MEXICO

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on November 24, 1959, at Santa Fe, New Mexico, before Elvis A. Utz, Examiner duly appointed by the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission," in accordance with Rule 1214 of the Commission Rules and Regulations.

NOW, on this _____ day of December, 1959, the Commission, a quorum being present, having considered the application, the evidence adduced, and the recommendations of the Examiner, Elvis A. Utz, and being fully advised in the premises,

FINDS:

(1) That due public notice having been given as required by law, the Commission has jurisdiction of this cause and the subject matter thereof.

(2) That the applicant is the owner and operator of the following-described Federal Leases in Section 14, Township 25 South, Range 37 East, NMPM, Lea County, New Mexico.

(a) Langlie Federal Lease - N/2 SE/4 of Section 14

(b) Langlie Federal "A" Lease - S/2 NE/4 of Section 14

(c) Langlie Federal "B" Lease - N/2 NE/4 of Section 14

(3) That the applicant proposes to commingle the production from the Justis-Blinbry Oil Pool, from the Drinkard formation adjacent to the Justis-Drinkard Pool, and from the Tubb formation, if it is encountered, from ^{each of} the three above-described Federal leases after separately metering the production from each pool from each lease.

Case No. 1811
Order No. R-

(4) That approval of the subject application will neither cause waste nor impair correlative rights, provided adequate treating, testing and storage facilities are installed.

IT IS THEREFORE ORDERED:

(1) That the applicant be and the same is hereby authorized to commingle in a common tank battery the production from the Justis-Blinebry Oil Pool, from the Drinkard formation adjacent to the Justis-Drinkard Pool, and from the Tubb formation, if it is encountered, from ^{each of} the following-described Federal leases in Section 14, Township 25 South, Range 37 East, NMPM, Lea County, New Mexico:

- (a) Langlie Federal Lease - N/2 SE/4 of Section 14
- (b) Langlie Federal "A" Lease - S/2 NE/4 of Section 14
- (c) Langlie Federal "B" Lease - N/2 NE/4 of Section 14

PROVIDED HOWEVER, That the production from each pool from each lease shall be separately metered prior to commingling.

(2) That in the event any well in any of the aforesaid pools produces water, the production from said pool shall be adequately treated prior to commingling.

(3) That all meters shall be operated and maintained in such a manner as to ensure an accurate measurement of production at all times.

That all meters shall be checked for accuracy at intervals not to exceed one month until further direction by the Secretary-Director. Meters shall be calibrated against a master meter or against a test tank of measured volume and the results of such calibration filed with the Commission on the Commission form entitled "Meter Test Report."

(4) That the applicant shall conduct monthly tests of all wells located on the subject acreage to determine the individual production from ^{each zone of} each well.

DONE at