June 12, 1903

Tidewater oil Company P. O. Box 547 Hobbs, New Mexico

Re: Request to commingle production from Glorieta, Blinebry, Abo, Wolfcamp, and Devonian Zones in the Vacuum Pool on Getty Oil Company's State "F" Lease, Ning Section 36, Township 178, Range 34E, Lea County, New Mexico

: 5

Gentlemen:

This office has no objection to the above request since the ownership is Common throughout, and according to your figures, the State stands to gain on royalty. This is subject to approval by the Oil Conservation Commission.

Thank you for the schematic diagram and plat.

Very truly yours,

E. S. JUHNNY WALKER COMMISSIONER OF PUBLIC LANDS

By:

ROMULO MARTINEZ
Oil and Gas Department

EW/RM/pr

cc: Oil Conservation Commission.

Oil and Gas Accounting Commission



TIDEWATER OIL COMPANY

P. C. Box 547 Hobbs, New Mexico June 7, 1963

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

Re: Administrative approval to commingle production from the Glorieta, Blinebry, Abo, Wolfcamp, and Devonian zones in the Vacuum Pool on Getty Oil Company's State "F" Lease, Well Numbers 5, 6, 7, 8, 9, 10, Units, A, B, C, & D, Section 36, T17S, R34E, Lea County, New Mexico.

Gentlemen:

Tidewater Oil Company (Operator) respectfully requests approval to commingle oil produced from the Glorieta, Plinebry, Abo, Wolfcamp, and Devonian zones on Getty Oil Company's State "F" Lease Well Numbers 5, 6, 7, 8, 9, 10 in the Vacuum Pool. Well Number 5 has just recently been completed as a dual in the Glorieta and Blinebry zones. We are currently drilling well numbers 6 and 7. We propose to complete well number 6 as an Abo-Wolfcamp-Devonian triple and well number 7 as a Glorieta-Blinebry dual. In the near future we plan to drill and complete well numbers 8 and 9 as Glorieta-Blinebry duals and well number 10 as an Abo-Wolfcamp-Devonian triple.

Attached is a diagrammatic sketch showing the proposed installation for the five zones. Production from each zone is to pass through its respective 3-phase metering separator, where the oil will be metered and sampled before being commingted in the common heater-treater. The oil then passes from the common heater-treater to the tanks, where a LACT unit will transfer it to the pipeline. Since we plan to use common well testing facilities for the five zones, a manually operated pneumatic interlock valve system will be installed in the well testing lines.

We plan to install a zone meter proving loop downstream of the metering separators for testing our zone meter accuracy. We will use a positive displacement master meter in this loop to prove the accuracy of our zone meters. This prover loop will also be used as a heater-treater bypass whenever necessary.

The net production from each zone will be determined by applying the known meter factor to each zone's gross meter reading less BS&W content. If the summation of the net production from all zones does not agree with the net pipeline runs, from the commingling installation plus any increase in storage during the month, the difference between this summation and the pipeline runs plus storage will be proportionately distributed to each zone in accordance with the allocation formula in Section I of the NMOCC Manual for the Installation and Operation of Commingling Facilities.

The production from all five zones is expected to be intermediate grade crude. Upon completing the development of the lease the volumes and gravities are expected to be as follows:

ZONE	GRAVITY, API	BARRELS PER DAY
Glorieta	39.0	192
Bline bry	38• 9	256
Abo	38•0	216
Wolfcamp	40.8	344
Devonian	47.5	558

The expected composite gravity of the commingled oils is 42.3° API. At this gravity, the actual commercial value of the commingled oil will be 1.10 cents per barrel higher than the average value of the unmixed oils.

Under the authority of Rule 303 (b) of the Commission Rules and Regulations, we respectfully request approval to commingle the oils from these five zones on this lease.

Very truly yours,

TIDEWATER OIL COMPANY

C. L. Wade.

Area Superintendent

DWJ:bw

Attachment

cc: NMOCC - Santa Fe (3)

Commissioner of Public Lands - Santa Fe (1)

Midland (1)
File (1)



