



# CONTINENTAL OIL COMPANY

DEC 11 1961

New Mexico Oil Conservation Commission  
Post Office Box 871  
Santa Fe, New Mexico

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

Re: CONTINENTAL OIL COMPANY  
APPLICATION FOR ADMINISTRATIVE  
APPROVAL TO COMMINGLE CRUDE  
OIL FROM ITS MARSHALL AND  
FIELDS LEASES, LOCATED IN LEA  
COUNTY, NEW MEXICO

Gentlemen:

Attached are copies of Continental Oil Company's application for administrative approval to commingle crude oil produced on its Marshall and Fields Leases in an undesignated Delaware Pool (nomenclature of Cruz Delaware Pool applied for), located in Sections 19 and 30, T23S, R33E and Sections 13, 24 and 25, T23S, R32E, Lea County, New Mexico.

The basic royalty ownership for these leases is owned by the United States government and the crude oil production is from a common source. However, there are several different over-riding royalty owners involved in these leases.

Continental Oil Company, therefore, is forwarding this date, by registered mail, copies of this letter and application to the United States Geological Survey and to all of the owners of over-riding royalty, and elects to wait 20 days for administrative approval.

Very truly yours,

*W. G. Mead*

JAG-sm  
Attachments

New Mexico Oil Conservation Commission  
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Copies of letter with application to:

- 2 - United States Geological Survey  
Roswell, New Mexico  
Attention: Mr. John R. Anderson
- 1 - I. J. and Claribel Marshall  
401 N. Michigan  
Roswell, New Mexico
- 1 - Eugene H. Pipkin  
308 North Penn.  
Roswell, New Mexico
- 1 - Jewel E. Fields  
Box 82  
Spur, Texas
- 1 - Faye L. Klein  
Carlsbad Highway  
Hobbs, New Mexico
- 1 - Thomas Allen  
Box 611  
Roswell, New Mexico
- 1 - Robert N. Enfield  
131 West Walnut  
Roswell, New Mexico
- 1 - George L. Buckles  
Box 56  
Monahans, Texas
- 1 - Robert C. Hart  
1939 Rockridge Terrace  
Fort Worth 10, Texas

Lea Co., New Mexico

New Mexico Oil Conservation Commission  
Post Office Box 171  
Santa Fe, New Mexico

Attention: Mr. E. L. Porter, Jr., Executive Director

Subject: Continental Oil Company Application  
for permission to commingle, after  
separate measure, the crude oil  
obtained on the Marshall and Fields  
leases in an undesignated Delaware  
Pool, located in Sections 19 and 30,  
T-23S, R-33E and Sections 13, 24 and  
25, T-23S, R-32E, Lea County, New  
Mexico.

Gentlemen:

Continental Oil Company respectfully requests your favorable approval  
under the provisions of Rule 109-1 for permission to commingle the crude oil pro-  
duced on the Marshall and Fields Leases in an undesignated Delaware Pool located  
in Sections 19 and 30, T-23S, R-33E and Sections 13, 24 and 25, T-23S, R-32E, Lea  
County, New Mexico.

Exhibit No. 1, attached hereto, is a location and ownership plat showing  
the area in question. As shown thereon, the Marshall Lease (L-666968), in addition  
to other lands, covers Section 19, and E/2, NE/4, E/2 SE/4 and SW/4 SE/4 Section 30,  
T-23S, R-33E. The Fields Lease (L-663228), in addition to other lands, covers SE/4,  
N/2 NE/4 and SE/4 NW/4 Section 13, E/2 Section 24, E/2, SE/4, and SE/4 NW/4 Section  
25, T-23S, R-32E, Lea County, New Mexico.

Exhibit No. 2 also shows the location of the Marshall No. 1 located 660 feet  
from South and East lines of Section 19 and the location of the Fields No. 1 located  
660 feet from South and East lines of Section 24. These wells have established pro-  
duction from an undesignated Delaware sand reservoir at the approximate depth of  
5095 feet. Both wells produce crude oil of approximately 31.5° API gravity with  
GOR approximately 567%.

Exhibit No. 3, attached hereto, is a schematic diagram of the proposed in-  
stallation. As shown thereon, the proposed system will provide mixing and sampling  
facilities to ensure separately the production from each lease prior to commingling.  
A test system will be installed which will permit an accurate determination of each  
well's producing characteristics. As shown, this system incorporates the features  
required by the "Manual for the Installation and Operation of Commingling Facilities"  
dated September 15, 1967.

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Continental Oil Company. The royalty interests in both lease are owned by the Federal Government. An overriding royalty on the Marshall lease is held by Dr. I. J. Marshall, Carroll, New Mexico. An overriding royalty on the Fields Lease is held by Gerald E. Fields et vir of Hobbs, New Mexico.

In view of this request, we should like to point out the following:

1. All production to be commingled is from the same licensed areas of supply.
2. Adequate facilities will be provided for accurately determining production from each well of reasonable intervals.
3. All parties owning an interest in the leases and the agreed share of the commingled production therefrom have been notified by copy of this application sent registered mail.
4. The production from the individual leases will be accurately metered and sampled prior to commingling.

The purpose of this application is in the interest of preventing waste and the protection of correlative rights.

In view of the facts set out herein, it is respectfully requested that the Commission enter an order permitting the commingling of production from Applicant's Marshall and Fields factors as described above.

respectfully submitted,

W. A. Mearns  
Division Superintendent  
of Production  
New Mexico Division

WAM-OFU

Enc.

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Dr. Harrell  
Mrs. Fields

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STATE OF NEW MEXICO )  
COUNTY OF CHAVES )

Wm. A. Mead, upon being duly sworn, deposes and says  
that he is the Division Superintendent, of Continental Oil Company,  
Applicant herein; that he is familiar with the facts involved in this application  
and that the matters and things stated therein are true and correct to the best  
of his information and belief.

W. A. Mead

Subscribed and sworn to before me this 11<sup>th</sup> day of  
December, 1961.

Louis B. Houston  
Notary Public

My commission expires May 25, 1964.

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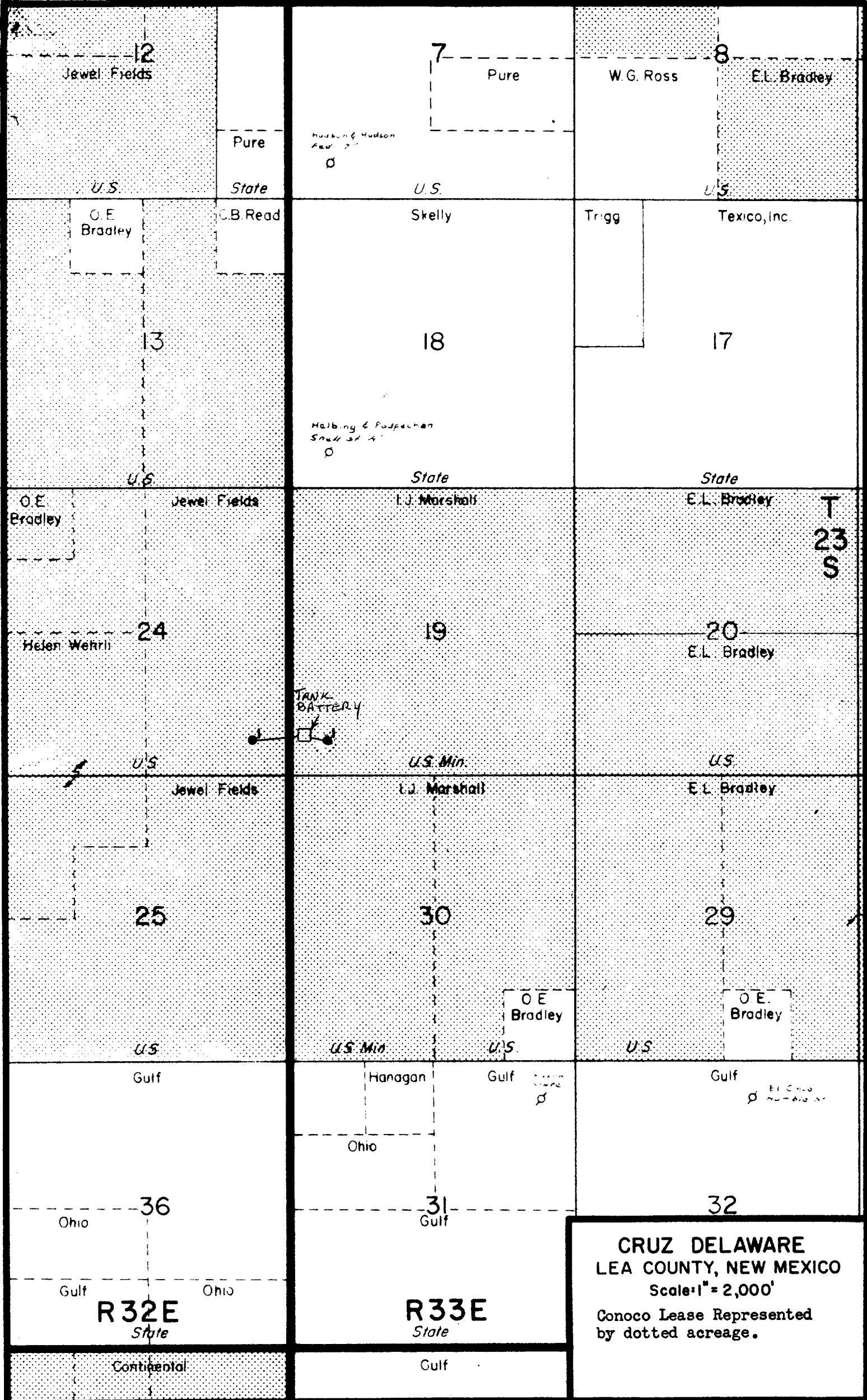
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**CRUZ DELAWARE**  
**LEA COUNTY, NEW MEXICO**  
Scale: 1" = 2,000'  
Conoco Lease Represented  
by dotted acreage.

CONTINENTAL OIL COMPANY

PROPOSED COMMINGLING

CRUZ DELAWARE POOL

