

MAIL OFFICE OCC
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P. O. Box 728
Hobbs, New Mexico
January 8, 1963

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

Re: Application for Permit to Commingle
Production, TEXACO Inc., C. C.
Fristoe (b) NCT-2 Lease, North
Justis (Blinebry, Tubb-Drinkard,
Fusselman) Pools, Lea County,
New Mexico

ATTENTION: Mr. A. L. Porter, Jr.

Gentlemen:

In accordance with New Mexico Oil Conservation Commission Rule 303 (b) TEXACO Inc. hereby makes application for administrative approval of an exception to Rule 303 (a) to permit commingling operations to be conducted on the C. C. Fristoe (b) NCT-2 Lease, North Justis (Blinebry, Tubb-Drinkard, Fusselman) Pools, Lea County, New Mexico. This proposal was originally made August 27, 1962, and approved by the New Mexico Oil Conservation Commission October 31, 1962, by an Amendment to Administrative Order PC-96. On October 29, 1962, TEXACO filed an application to delete the Blinebry from the subject commingling proposal due to this zone being tested as sour crude. Recently TEXACO completed Well No. 7 on the subject lease in the Blinebry zone and this well tested as intermediate-sweet crude; therefore it is desirable to commingle the crude from Well No. 7 into the intermediate-sweet facilities now serving the Fusselman and Tubb-Drinkard Zones.

Also it is requested that Administrative Order Nos. PC-108 and CTB-95, granted December 3, 1962, be cancelled. These orders allowed TEXACO to commingle the sour Blinebry production from the G. L. Erwin (b) NCT-2 Lease with the sour Blinebry and Langlie-Mattix production on the C. C. Fristoe (b) NCT-2 Lease. The reason for not proceeding with this installation is the very good probability that the Blinebry production now classed as sour may be reclassified as intermediate-sweet in the near future; therefore, no commingling of sour Blinebry production is anticipated.

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1. TEXACO is the operator of the C. C. Fristoe (b) NCT-2 Lease, consisting of 400 acres, being the E/2 of NW/4 and NE/4 of Section 35 and the SE/4 of Section 26, T-24-S, R-37-E, Lea County, New Mexico. Attached is a Plat showing the location of all wells on this lease and the pools from which they are producing.

2. The C. C. Fristoe (b) NCT-2 Lease has seven (7) wells, the status of which are as follows:

<u>Well No.</u>	<u>Type</u>	<u>Langlie Mattix</u>	<u>N. Justis Tubb- Drinkard</u>	<u>N. Justis Blinebry</u>	<u>N. Justis Fusselman</u>
1	Single	X			
2	Single	X			
3	Single	X			
4	Single	X			
5	Single	X			
6	Triple		X	X	X
7	Dual		X	X	

X - Denotes Producing Wells

3. The expected daily liquid hydrocarbon production from the North Justis-Blinebry Pool is 48 barrels of 37.0° API gravity oil at \$2.95 per barrel, that from the North Justis-Tubb-Drinkard Pool is 11 barrels of 35.8° API gravity oil at \$2.91 per barrel, that from the North Justis-Fusselman Pool is 50 barrels of 36.5° API gravity oil at \$2.93 per barrel. The combined daily production after commingling is expected to be 109 barrels of 36.7° API gravity liquid hydrocarbon at \$2.93 per barrel, resulting in a \$0.74 per day loss in revenue. The production from the zones to be commingled is considered as intermediate Sweet.

4. In accordance with Item II, Section 2-B of the current "Manual for the Installation and Operation of Commingling Facilities", it is proposed to meter prior to commingling all but one zone (Subtraction Method). The proposed zone not to be metered is the Blinebry zone which produces the highest gravity crude. Positive displacement type meters with samplers and non-reset counters will be installed on the Tubb-Drinkard, and Fusselman zones for accurate measurement prior to commingling. A schematic diagram of the proposed commingling is attached, and is in substantial compliance with Figure 6 in the aforementioned manual.

New Mexico Oil Conservation Commission
January 8, 1963
Page 3.

5. Royalty interest in the subject lease is common and is held in part by the U. S. Federal Government and a copy of this application is being sent this date to U. S. Geological Survey, Box 1838, Hobbs, New Mexico, requesting their approval in writing of the proposed installation. Immediately upon receipt of this approval, it will be forwarded to the Commission.

In view of the facts recited in this application, it is respectfully requested that administrative approval of an exception to Rule 303 (a) be granted TEXACO Inc. to permit commingling into a common tank battery liquid hydrocarbon production from the North Justis-Blinebry, North Justis Tubb-Drinkard, and North Justis-Fusselman Pools, on the C. C. Fristoe (b) NCT-2 Lease and from all similar wells which may be completed in these reservoirs on this lease in the future.

Yours very truly,



H. D. Raymond
Assistant District Superintendent

ODB/om

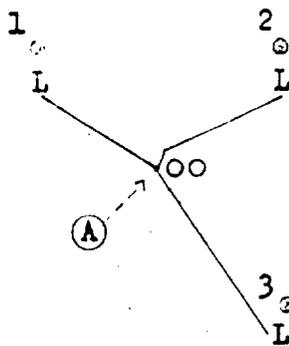
cc: NMOCC, Hobbs
U.S.G.S., Hobbs

Attachments

TEXACO
DISCOVERIES

LEGEND

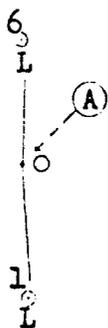
- Y - North Justis-Montoya
 - E - North Justis-Ellenburger #
 - W - North Justis-Waddell #
 - M - North Justis-McKee #
 - F - North Justis-Fusselman
 - D - North Justis-Devonian
 - T - North Justis Tubb-Drinkard #
 - B - North Justis-Blinebry
 - G - North Justis-Glorieta
 - L - Langlie-Mattix
- A - Sour Crude Batteries
B - Inter. Sweet Crude Batteries



Blinebry Zone

- (a) - Sour Well
- (b) - Inter. Sweet Well

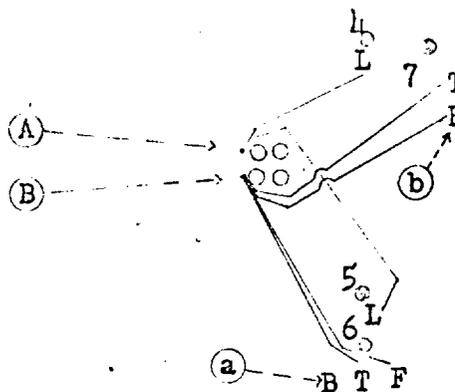
Texaco



C. C. Fristoe
(a) NCT-1

Texaco

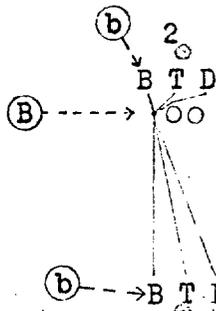
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C. C. Fristoe (b) NCT-2

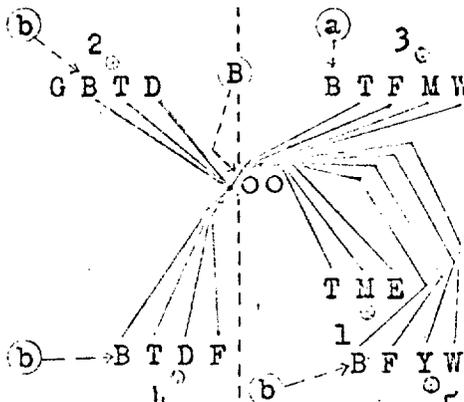
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Texaco



G. L. Erwin (a) 1

Texaco



*G. L. Erwin (b) NCT-2

PLAT OF TEXACO Inc. LEASES, NORTH JUSTIS POOLS

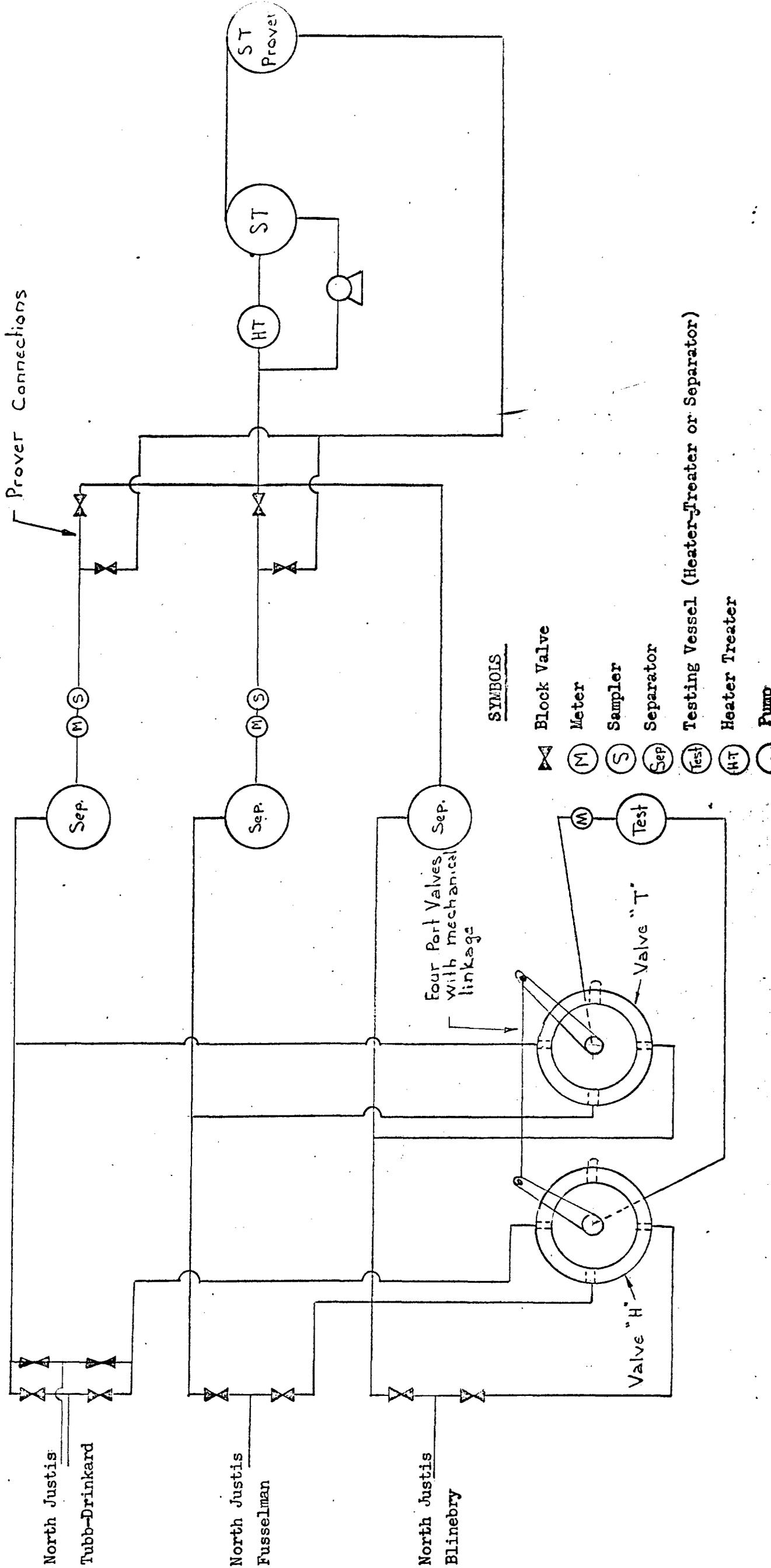
- G. L. Erwin (a), Federal Lease No. LC-032874-A
- *G. L. Erwin (b) NCT-2, Federal Lease No. LC-057509
- C. C. Fristoe (a) NCT-1, Federal Lease No. LC-032592
- C. C. Fristoe (b) NCT-2, Federal Lease No. LC-032592(b)

Scale 1" = 1000' 1-3-63 Lea County, New Mexico

NOTE: This plat supersedes and revises all plats of earlier dates.

* Subject lease has separate royalty payment scales. The E/2 is a standard payment, and the W/2 has a sliding scale for all zones that were not discovered by TEXACO. Zones discovered by TEXACO have standard payments on both halves.

SCHEMATIC DIAGRAM OF PROPOSED COMINGLING INSTALLATION
 TEXACO Inc. C. C. Fristoe (b) NCT-2 Lease
 Lea County, New Mexico



OIL CONSERVATION COMMISSION

**P. O. BOX 871
SANTA FE, NEW MEXICO**

December 3, 1962

**Texaco Inc.
P. O. Box 728
Hobbs, New Mexico**

Attention: Mr. H. N. Wade

**✓ Administrative Order PC-108
Administrative Order CTB-95**

Gentlemen:

Reference is made to your application dated October 29, 1962, for administrative approval of an exception to Commission Rule 303 (a) and Rule 309-A to permit the commingling of Langlie-Mattix and North Justis-Blinebry oil produced on your C. C. Fristoe (b) (NCT-2) Lease comprising the NE/4 and the E/2 NW/4 of Section 35, Township 24 South, Range 37 East, Lea County, New Mexico, with North Justis-Blinebry production on your G. L. Erwin (b) NCT-2 Lease comprising the SE/4 of said Section 35, after separately metering the production from each pool and from each lease.

Under the authority granted me pursuant to Rule 303 (b) and Rule 309-B, you are hereby authorized to commingle the above-described production as proposed, subject to the provisions of the Commission "Manual for the Installation and Operation of Commingling Facilities," including the requirement for non-reset counters on the meters.

Very truly yours,

**A. L. PORTER, Jr.,
Secretary-Director**

ALP/DSN/esr

**cc: Oil Conservation Commission (with enclosure) - Hobbs
Oil & Gas Engineering Committee - Hobbs**

OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

MEMORANDUM

TO: DIRECTOR
FROM: [Illegible]

DATE: [Illegible]

RE: [Illegible]

1. [Illegible]

2. [Illegible]

3. [Illegible]

Very truly yours,

[Illegible Signature]

[Illegible]

Oil Conservation Commission (with enclosure) - 10/11/54
Oil Conservation Commission - 10/11/54

TEXACO
INC.

PETROLEUM PRODUCTS



P.O. Box 728
Hobbs, New Mexico
November 7, 1962

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

Re: Application for Permit to Commingle
Production, TEXACO Inc., C. C.
Fristoe (b) NCT-2 and G-L Erwin (b)
NCT-2 Leases Langlie Mattix and
North Justis - Blinbry Pools
Lea County, New Mexico.

Attention: M. A. L. Porter Jr.

Gentlemen:

Attached are three copies of U. S. Geological Survey
approval of the subject commingling installation.

Your earliest consideration of our application to
commingle dated October 29, 1962, would be greatly appreciated.

Yours very truly,



H. N. Wade
Assistant District Superintendent

ODB/maa

Attachment.

TEXACO
INC.

PETROLEUM PRODUCTS



108
95
P. O. Box 728
Hobbs, New Mexico
October 29, 1962

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

Re: Application for Permit to Commingle
Production TEXACO Inc., C. C. Fristoe
(b) NCT-2 and G. L. Erwin (b) NCT-2
Leases, Langlie-Mattix and North
Justis-Blinebry Pools, Lea County,
New Mexico.

ATTENTION: Mr. A. L. Porter, Jr.

Gentlemen:

In accordance with New Mexico Oil Conservation Commission Rule 303 (b) and Rule 309-B, TEXACO Inc. hereby makes application for administrative approval of an exception to Rule 303 (a) to permit commingling operations to be conducted on the C. C. Fristoe (b) NCT-2 Lease, Langlie-Mattix and North Justis-Blinebry Pools. An exception to Rule 309-A is requested to commingle the North Justis-Blinebry (sour) production from the G. L. Erwin (b) NCT-2 Lease with the aforementioned lease and pools. An application was mailed to the New Mexico Oil Conservation Commission August 27, 1962, requesting approval for commingling the Blinebry Zone on this lease with the Tubbs-Drinkard and Fusselman Zones. However, since that time the pipeline has classified the Blinebry Zone in the C. C. Fristoe (b) NCT-2 Well No. 6 and the G. L. Erwin (b) NCT-2 Well No. 3 as sour; therefore, it is desirable to delete the Blinebry from the proposed application dated August 27, 1962, and to commingle the Blinebry Zone with the Langlie-Mattix production which is sour. In support of this request the following facts are stated:

1. TEXACO Inc. is the operator of the C. C. Fristoe (b) NCT-2 Lease, consisting of 400 acres, being the E/2 of NW/4 and NE/4 of Section 35 and the SE/4 of Section 26, and the G. L. Erwin (b) NCT-2 Lease, consisting of 160 acres, being the SE/4 of Section 35, T-24-S, R-37-E, Lea County, New Mexico. Attached is a Plat showing the location of all wells on these leases and the pools from which they are producing.

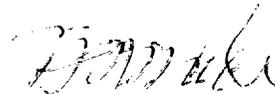
2. The expected daily liquid hydrocarbon production from the Erwin Lease, Well No. 3, North Justis-Blinebry Pool is 7 barrels of 40.1° API gravity oil at \$2.95 per barrel; that from the Fristoe Lease, North Justis-Blinebry Pool is 11 barrels of 40.1° API gravity oil at \$2.95 per barrel; and that from the Fristoe Lease, Langlie-Mattix Pool is 4 barrels of 38.0° API gravity oil at \$2.89 per barrel. The combined daily production after commingling is expected to be 22 barrels of 39.7° API gravity liquid hydrocarbon at \$2.92 per barrel, resulting in a \$0.42 per day loss in revenue. The production from the zones to be commingled is considered as sour.

3. In accordance with Item III, Section 2, of the current "Manual for the Installation and Operation of Commingling Facilities", it is proposed to meter prior to commingling production from the North Justis-Blinebry Pool, G. L. Erwin (b) NCT-2 Well No. 3 and the North Justis-Blinebry and Langlie-Mattix Pools, C. C. Fristoe (b) NCT-2 Lease. Approved temperature compensated meters with the required relative equipment and vapor proof samplers (30-day capacity) will be installed for accurate measurement prior to commingling. A schematic diagram of the proposed commingling is attached, and is in substantial compliance with Figure 2 of the aforementioned manual.

4. Royalty interest and/or working interest in the subject leases are diversified and copies of this application are being sent this date by registered mail to each owner on the attached list and to the Texas-New Mexico Pipe Line Company.

In view of the facts recited in this application, it is respectfully requested that administrative approval of an exception to Rule 303 (a) and Rule 309-A be granted TEXACO Inc. to permit commingling into a common tank battery liquid hydrocarbon production from the North Justis-Blinebry and Langlie-Mattix Pools, on the G. L. Erwin (b) NCT-2 and C. C. Fristoe (b) NCT-2 Leases and from all comparable wells which may be completed in these reservoirs on these leases in the future.

Yours very truly,



H. N. Wade

Assistant District Superintendent

ODB/om

cc: NMOCC, Hobbs

Attached Mailing List
Attachments

MAILING LIST

U. S. Geological Survey
P. O. Box 1838
Hobbs, New Mexico

ATTENTION: Mr. E. W. Standley

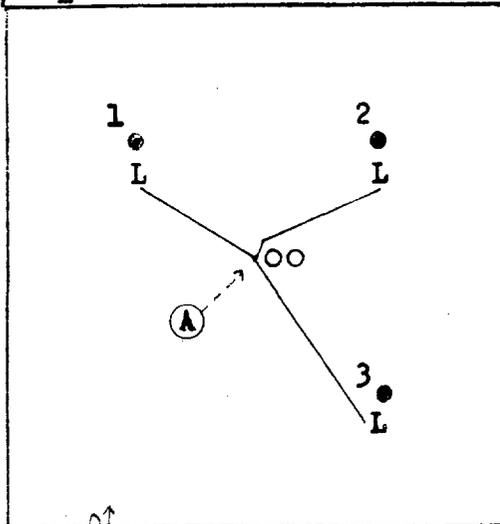
Texas-New Mexico Pipe Line Company
P. O. Box 1510
Midland, Texas

ATTENTION: Mr. F. B. Whitaker, Jr.

LEGEND

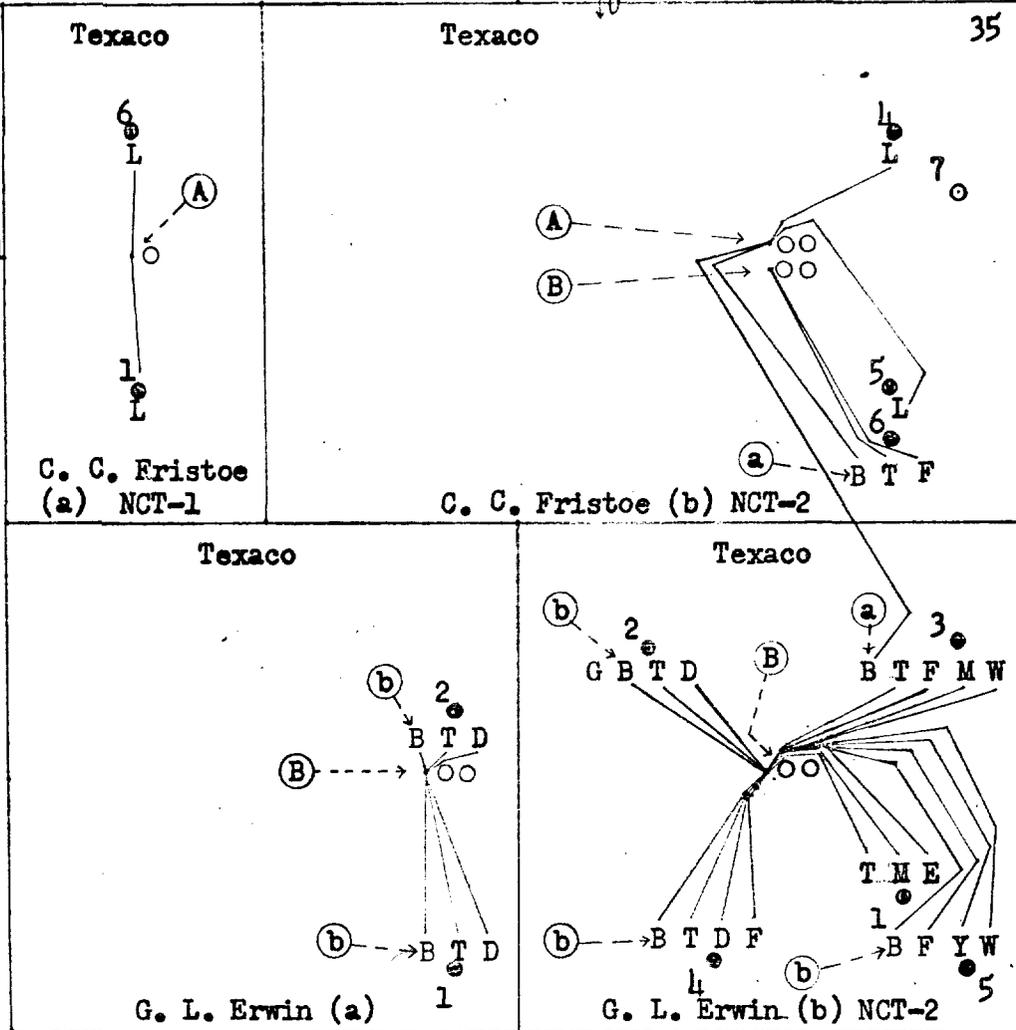
- Y - North Justis-Montoya
- E - North Justis-Ellenburger
- W - North Justis-Waddell
- M - North Justis-McKee
- F - North Justis-Fusselman
- D - North Justis-Devonian
- T - North Justis Tubb-Drinkard
- B - North Justis-Blinebry
- G - North Justis-Glorieta
- L - Langlie-Mattix

- (A) - Sour Crude Batteries
- (B) - Inter. Sweet Crude Batteries



Blinebry Zone

- (a) - Sour Well
- (b) - Inter. Sweet Well



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PLAT OF TEXACO Inc. LEASES, NORTH JUSTIS POOLS

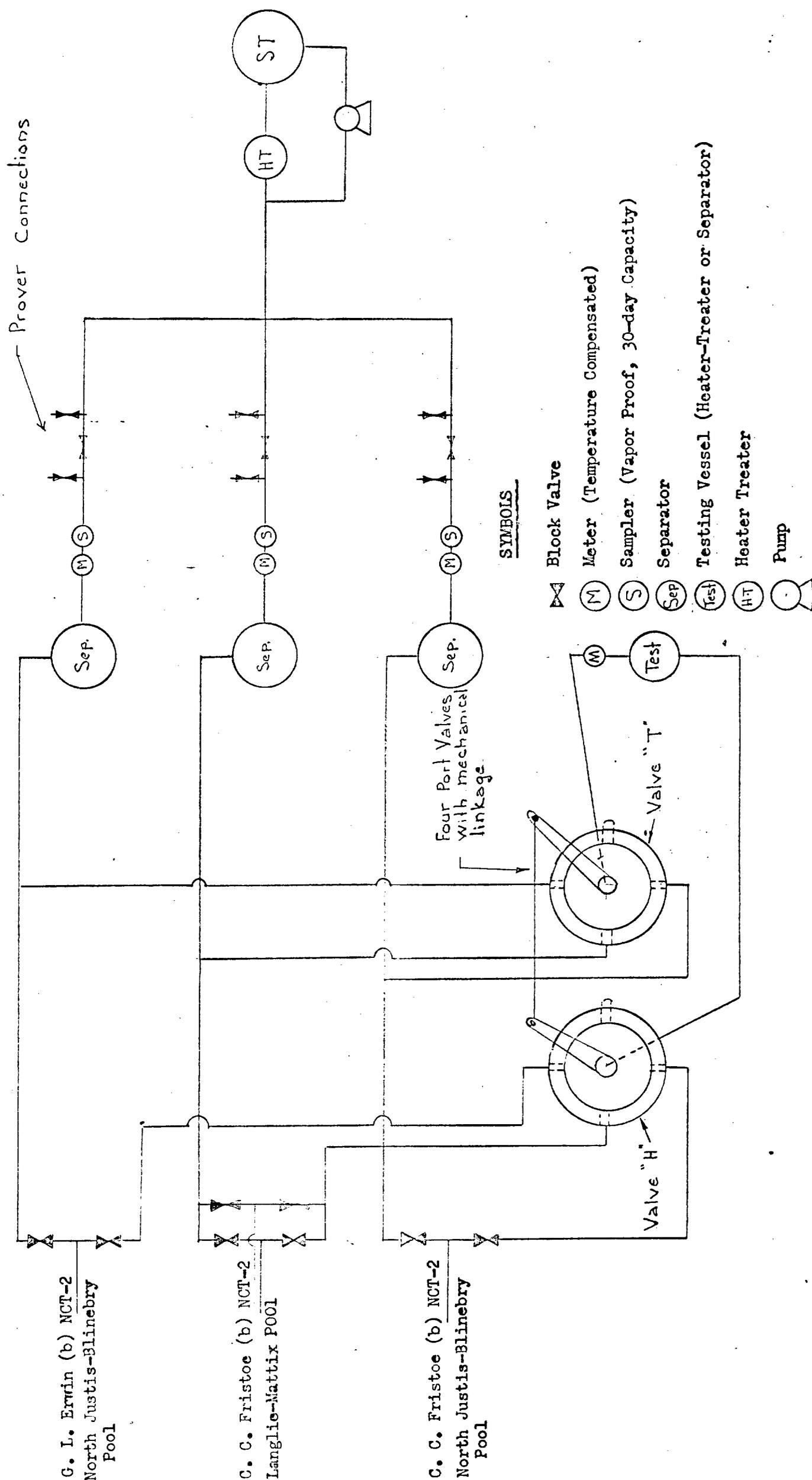
- G. L. Erwin (a), Federal Lease No. LC-032874-A
- G. L. Erwin (b) NCT-2, Federal Lease No. LC-057509
- C. C. Fristoe (a) NCT-1, Federal Lease No. LC-032592
- C. C. Fristoe (b) NCT-2, Federal Lease No. LC-032592(b)

Scale 1" = 1000' 10-22-62 Lea County, New Mexico

NOTE: This plat supersedes and revises all plats of earlier dates.

SCHEMATIC DIAGRAM OF PROPOSED COMMINGLING INSTALLATION

TEXACO Inc. C. C. Fristoe (b) NCT-2 and
 G. L. Erwin (b) NCT-2 Leases
 Langlie-Mattix and North Justis-Blaine Pools
 Lea County, New Mexico



SYMBOLS

- Block Valve
- Meter (Temperature Compensated)
- Sampler (Vapor Proof, 30-day Capacity)
- Separator
- Testing Vessel (Heater-Treater or Separator)
- Heater Treater
- Pump

G. L. Erwin (b) NCT-2
 North Justis-Blaine
 Pool

C. C. Fristoe (b) NCT-2
 Langlie-Mattix POOL

C. C. Fristoe (b) NCT-2
 North Justis-Blaine
 Pool



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

November 2, 1962

Tenneco, Inc.
P. O. Box 728
Hobbs, New Mexico

Attention: Mr. H. N. Wade

Gentlemen:

Your letter of October 29, 1962, requests approval to commingle Blinbry production (sour) from the G. L. Erwin (b) NCI-2 Well No. 3, Federal Lease Las Cruces 057509, with the sour crude produced from the North Susuis-Blinbry and Langlie-Mattix Pools on the C. C. Fristoe (b) NCI-2 lease, Federal lease Las Cruces 032592 (b).

The method of commingling described by the diagrams 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.

Very truly yours,

A handwritten signature in cursive script, which appears to read "John A. Anderson", is written over a circular stamp.

JOHN A. ANDERSON
Regional Oil and Gas Supervisor