TEXACO
INC.

PETROLEUM PRODUCTS

P. O. Box 810
Farmington, New Mexico
87401

November 30, 1964

Mr. A. L. Porter, Jr.
Secretary and Director
New Mexico Oil Conservation Commission
Box 871
Santa Fe, New Mexico

Dear Sir:

TEXACO Inc. respectfully requests administrative approval for an exception to Commission Rule No. 309-A to allow commingling of crude oil and gas production from two leases. The two leases are the Navajo Tribe "AL" and the Navajo Tribe "AR" Leases located in Sections 28 and 27, Twp. 26N, R18W, San Juan County, New Mexico. The production from these two leases is from the Tocito Dome-Pennsylvanian "D" Field.

TEXACO Inc. proposes to separate gas and oil production at each flowing well. The oil production will be conducted to the tank battery located 410 feet from the west line and 870 feet from the south line of Section 27. Facilities at the battery will allow low pressure separation and monthly well tests. Production will be allocated on the basis of these tests. The low pressure gas will be piped to the compressor station near Navajo Tribe "AL" No. 1. The high pressure gas separated at each well will be piped to the dehydrator at Navajo Tribe "AL" No. 1 where it will enter the gas sales line.

The royalty interest belongs to the Navajo Tribe and the approval of the Regional Oil and Gas Supervisor of the USGS is being requested. A copy of the letter to the USGS is attached.

Your early consideration of this request will be appreciated. Until commingling is approved, it will be necessary to flare produced gas from TEXACO's Navajo Tribe "AR" No. 1 during December, 1964. Facilities are presently avail-

able to prevent gas flaring if commingling is allowed. It is respectfully requested, therefore that TEXACO be notified of your approval at the earliest possible date.

Very truly yours,

G. L. Eaton
Acting District Superintendent

JMG-LC

Attachment

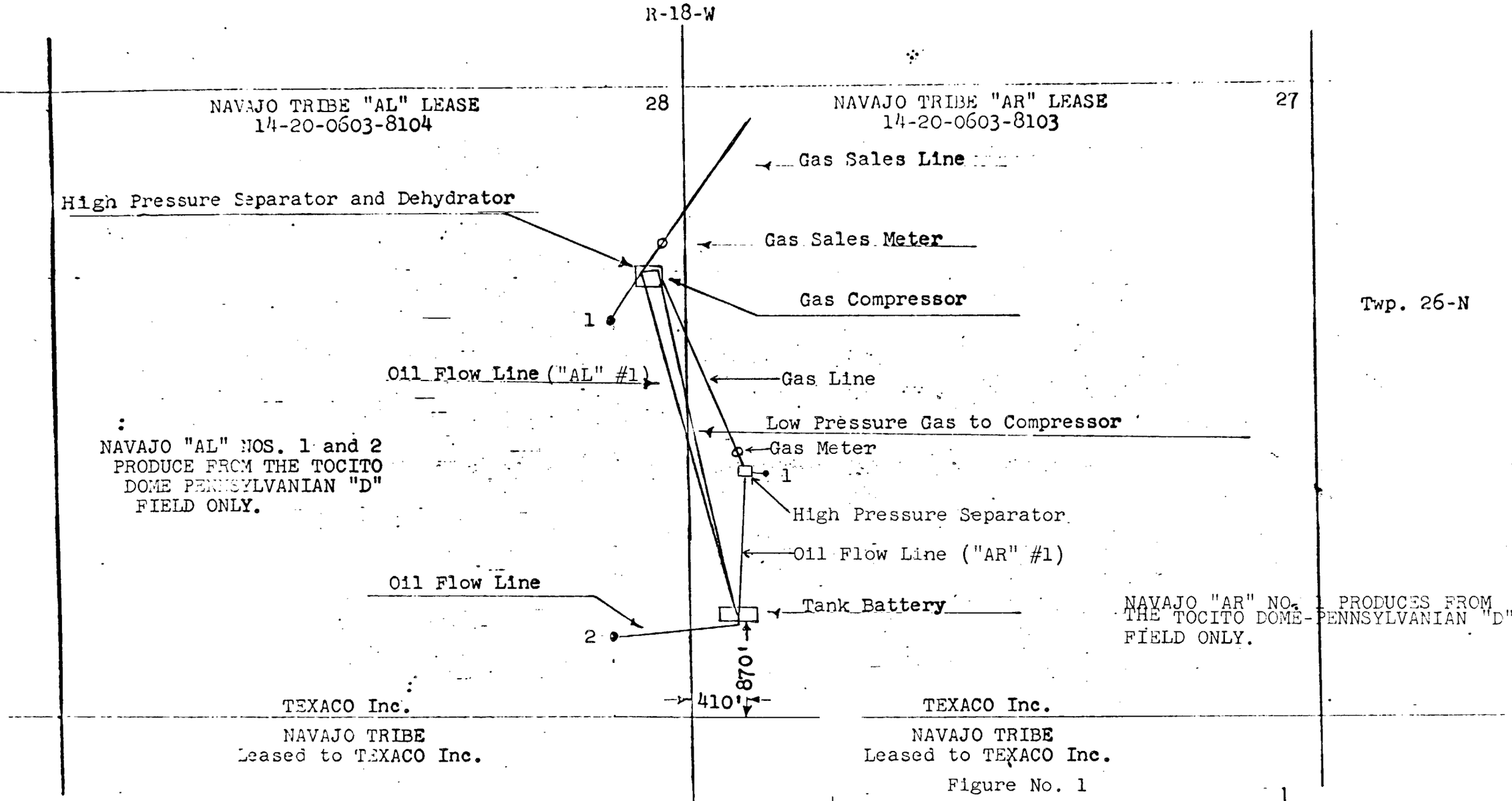

Figure No. 1

PORTION OF TOCITO DOME PENN. "D" FIELD

San Juan County, New Mexico

SCALE: 1" = 1000'

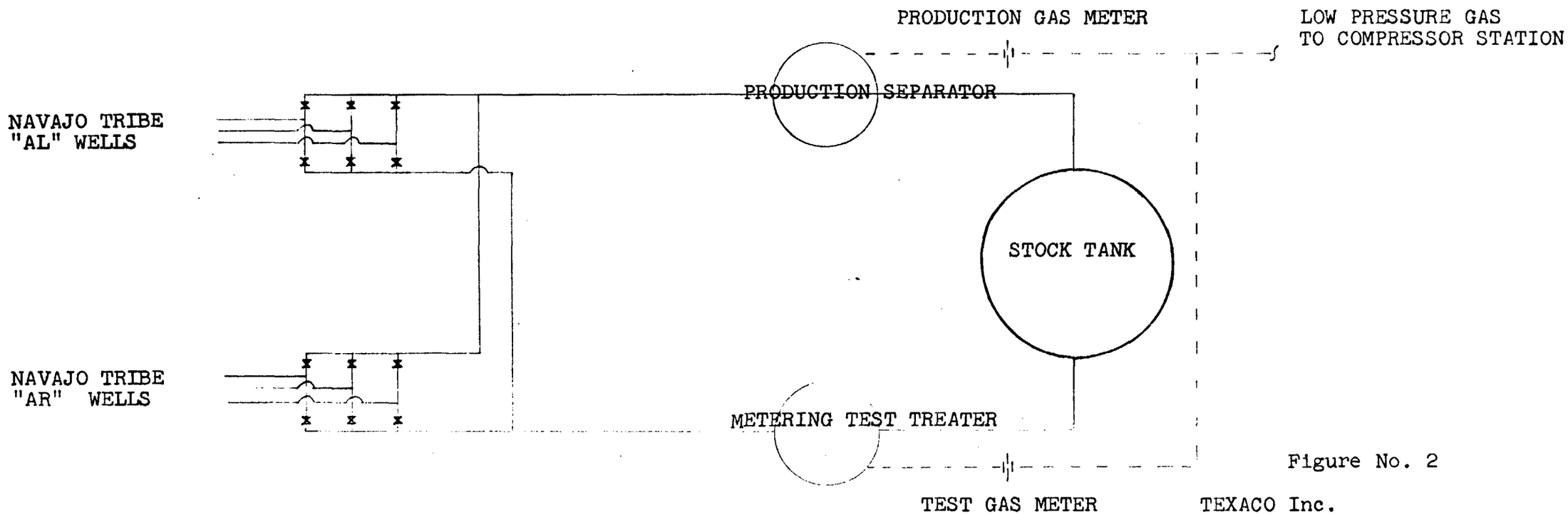

Figure No. 2

TEXACO Inc.
Schematic Commingling System
Two Leases with Common Ownership
NAVAJO "AL" LEASE
and
NAVAJO "AR" LEASE
Tocito Dome-Pennsylvanian "D" Fiel

12-27-

MR. NUTTER,

HERE IS A COPY OF USGS APPROVAL TO COMMINGLE OUR NAVAJO TRIBE "AL" & "AR" LEASES. YOU ARE INDICATED FOR A COPY BUT IT MUST HAVE GONE ASTRAY.

PLEASE ADDRESS YOUR REPLY TO MR. C. P. FARMER, DIST. SUPT. MR. G.L. EATON IS NO LONGER LOCATED IN FARMINGTON.

THANKS

Bob Nabb

TGACO, INC.

IN REPLY REFER TO:

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

P. O. Drawer 1857
Roswell, New Mexico

December 10, 1964

Texaco Inc.
P. O. Box 810
Farmington, New Mexico

Attention: Mr. G. L. Eaton

Gentlemen:

Your letter of November 30 with attachments, requests approval for the commingling of production from your Navajo Tribe "AL" and "AR" leases in the Tocito Dome-Pennsylvanian "D" pool on Navajo Tribal leases 14-20-0603-8104 and -8103.

According to the system, as outlined in your letter, a metering test treater will be installed in parallel with the regular production separator to allow periodic individual well tests. The low pressure separator gas will be compressed to deliver into a sales line.

The method you propose for the commingling of production from leases 14-20-0603-8104 and -8103 is satisfactory to this office. For royalty purposes the volume of oil delivered to the stock tanks and gas delivered to a sales line should be prorated back to the leases based upon a test split. Form 9-361, Lessee's Monthly Report of Sales and Royalty, must show all computations used in the calculation of the oil and gas volume for each lease. Any change in this system must receive prior approval from this office.

You are requested to notify our Farmington office when the installation is completed so that a field inspection of the system can be made.

RETURN TO		NOTE	HANDLE
Lse file			
CPF	12-21	1	
ECH		5	
Bren		4	
AGW	12-23	2	
DLC		3	

Sincerely yours,

Carl C. Traywick

CARL C. TRAYWICK
Acting Oil & Gas Supervisor

cc:
NMOCC-Santa Fe

P. O. Box 810
Farmington, New Mexico
87401

November 30, 1964

Mr. John A. Anderson
Regional Oil & Gas Supervisor
c/o P. T. McGrath
District Engineer
United States Geological Survey
Farmington, New Mexico

Dear Sir:

TEXACO Inc. respectfully requests your authority to commingle production from wells completed on the Navajo Tribe "AL" Lease (14-20-0603-8104) and wells completed on the Navajo Tribe "AR" Lease (14-20-0603-8103). The Navajo Tribe "AL" Lease consists of Section 28, T-26-N, R-18-W, San Juan County, New Mexico. The Navajo Tribe "AR" Lease consists of the adjoining Section 27. The royalty and working interest of the two leases are identical. Production is obtained from the Tocito Dome-Pennsylvanian "D" Field.

If commingling permission is granted, TEXACO Inc. proposes to install high pressure separators at each flowing well. Gas lines will be laid from these separators to the dehydrator located near Navajo "AL" No. 1, where the gas will enter the gas sales lines (See Figure 1). Oil flow lines will be laid from the separators at each well to the battery located 870 feet from the south line and 410 feet from the west line of Section 27, T-26-N, R-18-W.

The battery facilities will include a production separator and metering test treater (See Figure 2) to allow low pressure separation and monthly testing. The low pressure gas will be compressed for sale at the compressor station located near Navajo Tribe "AL" No. 1.

Commingling as proposed above requires an exception to the New Mexico Oil Conservation Commission Rule No. 309-A, and TEXACO Inc. is filing application for administrative approval for this exception. If the Supervisor finds no objection to the proposed commingling it would be appreciated

if Mr. A. L. Porter, Jr., Secretary and Director of the Oil Conservation Commission at Box 871, Santa Fe, New Mexico was so advised by telegram or air mail letter. This will permit commingling and prevent flaring of produced gas on TEXACO's Navajo "AR" No. 1 at the earliest possible date.

Very truly yours,

G. L. Eaton
Acting District Superintendent

JMG-LC

Attachments

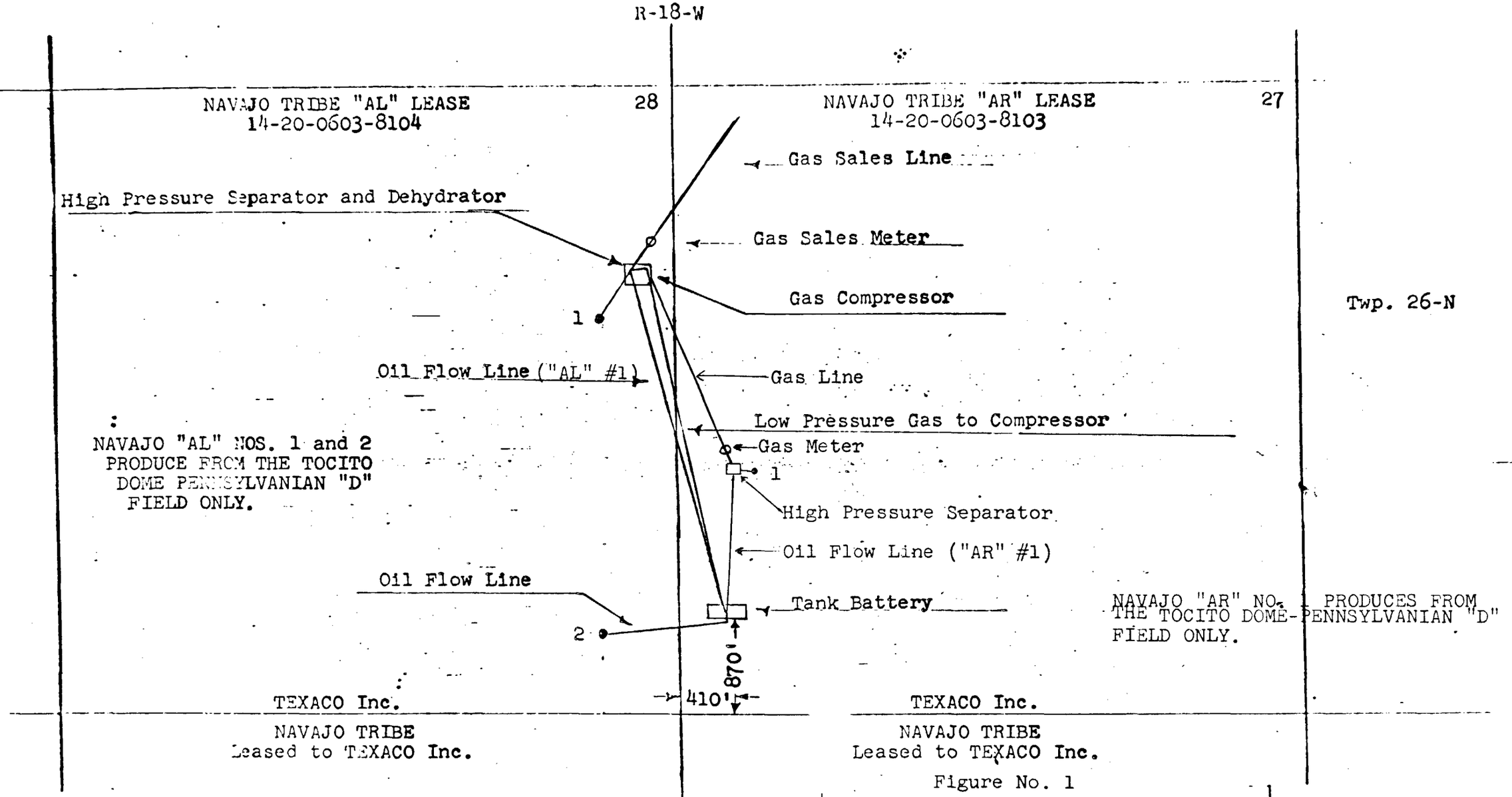

Figure No. 1

PORTION OF TOCITO DOME PENN. "D" FIELD

San Juan County, New Mexico

SCALE: 1" = 1000'