

TENNECO OIL COMPANY

A Major Component of Tenneco Inc.

P. O. BOX 1031 • 1800 WILCO BUILDING • MIDLAND, TEXAS 79701



1969 JUL 9 9 41 AM '69

July 8, 1969

New Mexico Oil Conservation Commission
P. O. Box 2088
Santa Fe, New Mexico 87501

ATTENTION: Mr. A. L. Porter

RE: Commingling Application
Vada Area
Lea County, New Mexico

Gentlemen:

Attached in triplicate is Tenneco Oil Company's application to commingle production from two separate leases with wells producing from a common source. The leases covered by this application are Tracts I and II on the Attachments. Tract III is not intended to be covered by this application but will be covered by a separate application at a later date.

Tracts I and II are described and located on Attachment III. Their ownership, royalty interest, and overriding royalty interest breakdown is shown on Attachment I. Attachment IV is a statement of "No Objection" to the commingling proposal which has been signed by all interested parties in Tracts I and II. Again please note that Tract III is excluded.

Attachment II is a schematic drawing of the proposed tank battery. This depicts how the produced fluids will be handled and measured. These wells are hydraulically pumped. Each lease's power oil (one well per lease) is measured at Mp and each lease's power oil plus production is sampled and metered after passing through a heater-treater at (S) and (M).

The leases covered by this application will have only one well each, therefore, test facilities will not be needed. Production will be from the Bough "C" formation.

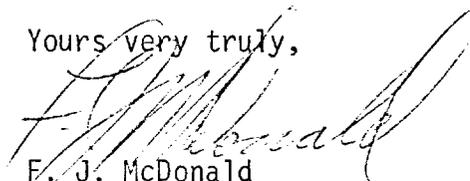
Tenneco Oil Company seeks this application to avoid economic waste. The cost of constructing two separate batteries is estimated to be some \$30,000 higher than one commingled battery. Moreover, salt water disposal will be more economical from a central battery as this produced water goes to a commercial disposal system.

TENNECO OIL COMPANY

New Mexico Oil Conservation Commission
Page 2
July 8, 1969

As a matter of interest, a Tenneco commingling application almost identical to this one was approved June 5, 1969 on CTB #200.

Yours very truly,

A handwritten signature in cursive script, appearing to read "F. J. McDonald".

F. J. McDonald
District Production Superintendent

LMW:1a

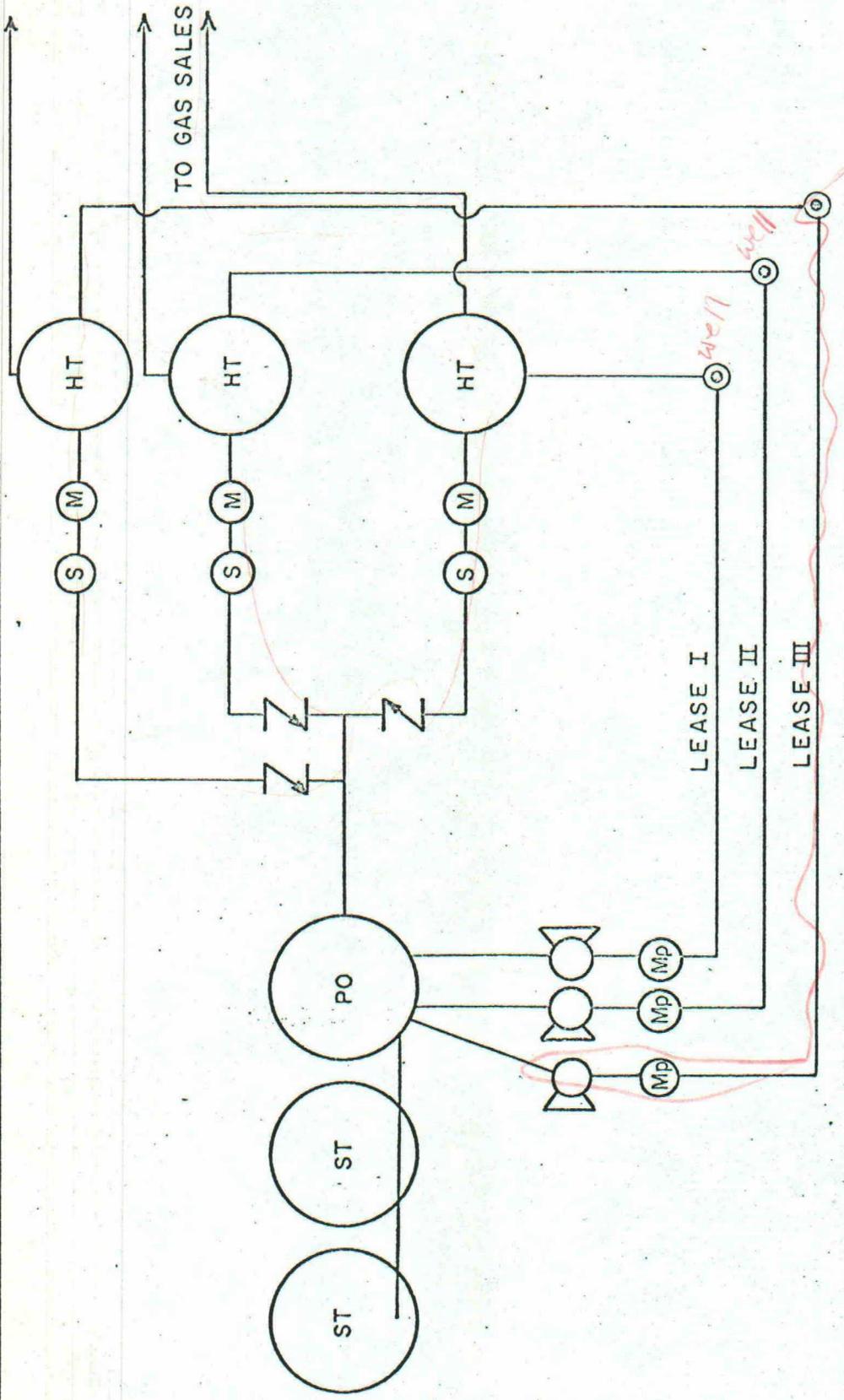
Attachment

TENNECO OIL COMPANY
 COMMINGLING APPLICATION
 LEASE DESCRIPTION AND INTEREST BREAKDOWN

INTEREST OWNERS	TRACT I	TRACT II	TRACT III
	<u>WORKING INTEREST</u>		
Tenneco Oil Company	1.00000	1.00000	1.00000
	<u>ROYALTY INTEREST</u>		
Samantha E. Anderson	0.0585937	0.1171875	0.10986328
Jennie Ludell Anderson Kinsolving	0.01171875	0.0234375	0.02197265
Lillian Annie Anderson Graham	0.01171875	0.0234375	0.02197265
Walter W. Anderson	0.01171875	0.0234375	0.02197265
General Crude Oil Company	0.06250000	-----	-----
Mobil Oil Corporation	0.06250000	-----	-----
The Citizens National Bank of Lubbock, Texas	-----	-----	0.01565000
TOTAL ROYALTY	<u>0.218750</u>	<u>0.187500</u>	<u>0.19143123</u>

OVERRIDING ROYALTY

N O N E

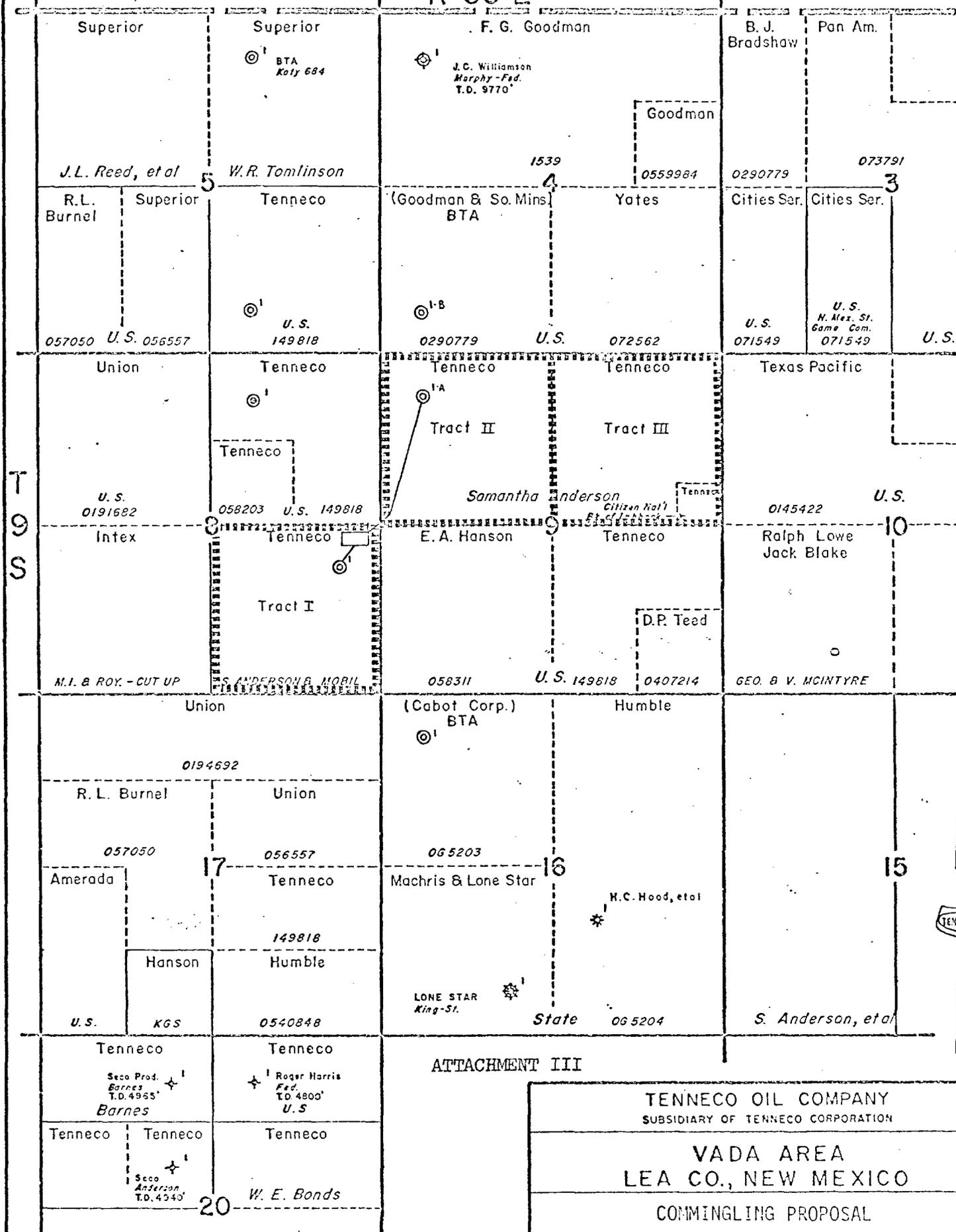


TENNECO OIL COMPANY

Schematic Diagram for Commingling Production from Separate Leases Having Only One Well Each.

Lease I = SE/4 Section 8, T-9-S, R-35-E
 Lease II = NW/4 Section 9, T-9-S, R-35-E
 Lease III = NE/4 Section 9, T-9-S, R-35-E

R 35 E



- TANK BATTERY
- ⊙ EXISTING WELL
- PROPOSED WELL-PROBABLE LOCATION

TENNECO OIL COMPANY
 SUBSIDIARY OF TENNECO CORPORATION

VADA AREA
LEA CO., NEW MEXICO

COMINGLING PROPOSAL

 Lease I = SE/4 Section 8, T-9-S, R-35-E
 Lease II = NW/4 Section 9, T-9-S, R-35-E
 Lease III = NE/4 Section 9, T-9-S, R-35-E

ATTACHMENT IV- A

STATEMENT OF NO OBJECTION

TO

COMINGLING PROPOSAL

SE/4 Section 8 (Tract I)

NW/4 Section 9 (Tract II)

NE/4 Section 9 (Tract III)

T-9-S, R-35-E, Lea County, New Mexico

We do not object to the comingling of production from the above Tracts according to New Mexico Oil Conservation Commission's Rule 309-B as proposed by Tenneco Oil Company.

Samantha E. Anderson

Date

Jennie Ludell Anderson Kinsolving

Date

Lillian Annie Anderson Graham

Date

Walter W. Anderson

Date

General Crude Oil Co.

Date

Ira B. Stiff

Mobil Oil Corporation

May 26, 1969

Date

ATTACHMENT IV-B

STATEMENT OF NO OBJECTION
TO
COMMINGLING PROPOSAL

SE/4 Section 8 (Tract I)
NW/4 Section 9 (Tract II)
NE/4 Section 9 (Tract III)
T-9-S, R-35-E, Lea County, New Mexico

We do not object to the commingling of production from the above Tracts according to New Mexico Oil Conservation Commission's Rule 309-B as proposed by Tenneco Oil Company.

Samantha E. Anderson

Date

Jennie Ludell Anderson Kinsolving

Date

Lillian Annie Anderson Graham

Date

Walter W. Anderson

Date

L. R. Bunn

General Crude Oil Co.

5-19-69

Date

Mobil Oil Corporation

Date

ATTACHMENT IV-C

STATEMENT OF NO OBJECTION

TO

COMMINGLING PROPOSAL

SE/4 Section 8 (Tract I)

NW/4 Section 9 (Tract II)

NE/4 Section 9 (Tract III)

T-9-S, R-35-E, Lea County, New Mexico

We do not object to the commingling of production from the above Tracts according to New Mexico Oil Conservation Commission's Rule 309-B as proposed by Tenneco Oil Company.

Samantha E. Anderson
Samantha E. Anderson

May 19, 1969
Date

Jennie Ludell Anderson Kinsolving
Jennie Ludell Anderson Kinsolving

May 19, 1969
Date

Lillian Annie Anderson Graham
Lillian Annie Anderson Graham

May 19, 1969
Date

Walter W. Anderson
Walter W. Anderson

May 19, 1969
Date

General Crude Oil Co.

Date

Mobil Oil Corporation

Date