



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION



BRUCE KING
GOVERNOR

ANITA LOCKWOOD
CABINET SECRETARY

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87504
(505) 827-5800

2nd AMENDMENT - COMMINGLING ORDER CTB-374

Texaco Exploration and Production
P.O. Box 730
Hobbs, NM 88241

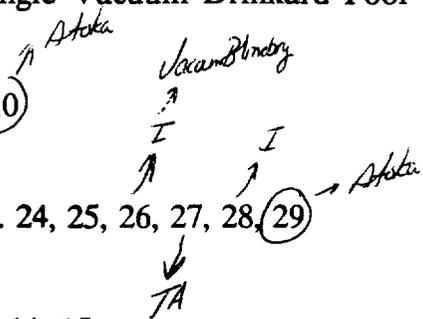
Attention: Monte C. Duncan

The above named company is hereby authorized to commingle Vacuum Drinkard Pool production from the following leases:

Lease: New Mexico "M" State Well Nos. 7, 9, (10)
Description: E/2 NW/4, SW/4 NW/4;

Lease: New Mexico "R" State NCT-3 Well Nos. 24, 25, 26, 27, 28, (29)
Description: SE/4, N/2 SW/4; and,

Lease: New Mexico "L" State Well Nos. 12, 13, 14, 15
Description: NE/4,



all in Section 1, Township 18 South, Range 34 East, NMPM, Lea County, New Mexico, and;

Lease: New Mexico "R" State NCT-1 Well Nos. 13, 14, 15
Description: N2/ NE/4, SW/4 NE/4; and,

Lease: New Mexico "AB" State Well No. 10
Description: NW/4 SE/4,

both in Section 6, Township 18 South, Range 35 East, NMPM, Lea County, New Mexico.

Production shall be allocated to each lease by well test. (If this method or the subtraction method is to be authorized, all commingled production must be of identical ownership including working interest, royalty interest and overriding royalty interest.)

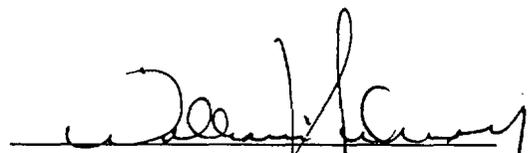
2nd Amendment - Commingling Order CTB-374
Texaco Exploration and Production, Inc.
October 18, 1993
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NOTE: This installation shall be installed and operated in accordance with the applicable provisions of Rule 303 of the Division Rules and Regulations and the Division "Manual for the Installation and Operation of Commingling Facilities." It is the responsibility of the producer to notify the transporter of this commingling authority. (Sent Jonette Hayes w/ 7 NMPL copies on 11-3-93)

Further, the operator shall notify the Hobbs District Office prior to the implementation of the commingling process.

REMARKS: Commingled production shall be stored in the Vacuum Drinkard Consolidated Battery located in Unit P of Section 1, Township 18 South, Range 34 East, NMPM, Lea County, New Mexico.

DONE at Santa Fe, New Mexico, on this 18th day of October, 1993


WILLIAM J. LEMAY,
Division Director

cc: Oil Conservation Division - Hobbs
NM State Land Office - Santa Fe (Pete Martinez)



**State of New Mexico
Commissioner of Public Lands**

**RAY FOWELL, M.S., D.V.M.
COMMISSIONER**

310 OLD SANTA FE TRAIL P.O. BOX 1148
SANTA FE, NEW MEXICO 87504-1148

(505) 827-5760
FAX (505) 827-5766

June 24, 1996

**Texaco Exploration & Production Inc.
Post Office Box 730
Hobbs, New Mexico 88241-0730**

Attn: Mr. Monte C. Duncan

**Re: Amendment for Off-Lease Storage & Surface Commingling
Vacuum Drinkard Consolidated Battery
Section 1-18S-34E, SE4SE4
Vacuum Drinkard, Vacuum Blinebry, Vacuum Wolfcamp and Wildcat Atoka Pools
Lea County, New Mexico**

Dear Mr. Duncan:

We received your application letter on June 13, 1996, requesting approval to amend a previously approved request for off-lease storage and surface commingling of production from the above-referenced tank battery.

We understand that the following wells are to be included in the amended off-lease storage and surface commingling application:

N.M. O State NCT-1, #34	P-36-17S-34E	B-155	Vacuum Drinkard
N.M. O State NCT-1, #35	O-36-17S-34E	B-155	Vacuum Drinkard
N.M. O State NCT-1, #36	N-36-17S-34E	B-155	Vacuum Drinkard
N.M. O State NCT-1, #37	I-36-17S-34E	B-155	Vacuum Drinkard
N.M. Z State NCT-1, #1	C-2-18S-34E	B-3011	Vacuum Wolfcamp
N.M. L State #18	A-1-18S-34E	B-1733	Wildcat Atoka
N.M. R State NCT-1, #18	H-6-18S-35E	B-1306	Vacuum Blinebry

Since it appears that there will be no loss of revenue to the State of New Mexico as a result of your proposed operation, your request for off-lease storage and surface commingling of the production from the above-mentioned wells is hereby approved. Any deviation from the substance of your request will be sufficient grounds for rescinding our approval. Our approval is subject to like approval by the New Mexico Oil Conservation Division.

Texaco Exploration & Production Inc.
June 24, 1996
Page 2

Since the above-mentioned wells are utilizing the tank battery on State Lease No. B-1306-2, a right-of-way easement and business lease may be required. Please contact Ms. Debra Padilla of our Right-of-Way Section for further information regarding a right-of-way easement. Ms. Padilla's telephone number is (505) 827-5729. Also, please contact Mr. Nick Mace of our Commercial Resources Division at (505) 827-5727 regarding a business lease for this site. Our approval is contingent upon Texaco's obtaining any required right-of-way or business lease.

Your \$30.00 filing fee has been received.

If you have any questions, or if we may be of further help, please contact Pete Martinez at (505) 827-5791.

Very truly yours,

RAY POWELL, M.S., D.V.M.
COMMISSIONER OF PUBLIC LANDS

BY: 
LARRY KEHOE, Director
Oil, Gas and Minerals Division
(505) 827-5744

RP/LK/cpm

Enclosure

cc: Reader File
OCD--Attention: David Catanach and Ben Stone
Debra Padilla
Nick Mace



June 18, 1996

New Mexico Oil Conservation Division
 P.O. Box 1980
 Hobbs, New Mexico 88240
 Attn: Mr. Jerry Sexton, District I Supervisor

COPY

RE: METER PROVING SCHEDULE

Vacuum Drinkard Consolidated Tank Battery
 Ltr P, Sec. 1, T-18-S, R-34-E (Battery Location)
 Satellite #1
 Ltr J, Sec. 36, T-17-S, R-34-E (Satellite Location)
 New Mexico Z State NCT-1 #1 Production Separator
 Ltr C, Sec. 2, T-18-S, R-34-E (Well Location)
 Lea County, New Mexico

Mr. Sexton:

Texaco Exploration and Production Inc. proposes proving of oil meters on all three-phase separators at the above facilities on a quarterly basis. There are a total of six three-phase separators in use at the subject facilities. All of these meters are Halliburton turbine meters. The locations of the separators are as follows:

Vacuum Drinkard Tank Battery: two production & one test separator.
Satellite #1: one production & one test separator
New Mexico Z State NCT-1 #1: one production separator on location.

The meter proving procedure will be in accordance with the applicable provisions of the NMOCD's "Manual for the Installation and Operation of Commingling Facilities". The meters will be proven by use of a Master Meter. The corrected meter factor @ 60 degrees Fahrenheit will be maintained within 2% of the Master Meter factor. The meter proving reports will be kept on file at TEPI's offices in Hobbs and Buckeye.

Please indicate your approval of the above proposal by signing in the space provided below and returning one copy to Texaco.

If you have any questions concerning this matter, please contact myself at 397-0418 or Wayne Minchew, Buckeye Field Management Team Leader, at 393-4031.

Sincerely,

Approved by:

Date:

6-18-96

Monte C. Duncan
 Engineer's Assistant

/mcd

cc: New Mexico Oil Conservation Division, Santa Fe
 New Mexico Land Department, Santa Fe



Texaco E & P

205 E. Bender Blvd.
Hobbs NM 88240
505 393 7191

September 11, 1996

New Mexico Oil Conservation Division
2040 South Pacheco Street
Santa Fe, New Mexico 87505

Attn: Mr. David Catanach
Engineer, New Mexico Oil Conservation Division

RE: AMENDMENT TO OFF-LEASE STORAGE AND SURFACE COMMINGLING REQUEST
Vacuum Drinkard Consolidated Battery
Ltr P, Sec. 1, T-18-S, R-34-E (Battery Location)
Vacuum Drinkard, Vacuum Blinebry, Vacuum Wolfcamp, and
Vacuum Atoka Pools Lea County, New Mexico
Seven Additional Wells (List Attached)

CURRENT WELL INFORMATION:

Well Name and No.

<u>N.M. O State NCT-1 #34</u>	In process of DHC Vacuum Blinebry and Vacuum Drinkard by Administrative Order DHC-1314
<u>N.M. O State NCT-1 #35</u>	In process of DHC Vacuum Blinebry and Vacuum Drinkard by Administrative Order DHC-1314
<u>N.M. O State NCT-1 #36</u>	In process of DHC Vacuum Blinebry and Vacuum Drinkard by Administrative Order DHC-1314
<u>N.M. O State NCT-1 #37</u>	Pending DHC Vacuum Blinebry and Vacuum Drinkard by Administrative Order DHC-1314
<u>N.M. Z State NCT-1 #1</u>	Completed in Vacuum Wolfcamp
<u>N.M. L State #18</u>	Completed in Vacuum Atoka
<u>N.M. R State NCT-1 #18</u>	8/28/96 - Completed in Vacuum Drinkard, adding Vacuum Blinebry pay for possible DHC.

transporter for this battery is Texas New Mexico Pipeline, with the oil being metered through a LACT Unit into the pipeline. The gas is sold to Texaco Exploration and Production Inc.'s Gas Division. Water from the battery is routed to injection satellite 3 on the Vacuum Grayburg San Andres Unit for injection into the Vacuum Grayburg San Andres formation.

Production from the seven wells on the commingle pre-application is:

<u>Well Name and No.</u>	<u>BOPD</u>	<u>MCFPD</u>	<u>Water</u>	<u>Oil Gravity</u>
<u>N.M. O State NCT-1 #34</u>	<u>31</u>	<u>209</u>	<u>0</u>	<u>39.0</u>
<u>N.M. O State NCT-1 #35</u>	<u>11</u>	<u>72</u>	<u>0</u>	<u>39.0</u>
<u>N.M. O State NCT-1 #36</u>	<u>13</u>	<u>37</u>	<u>0</u>	<u>39.0</u>
<u>N.M. O State NCT-1 #37</u>	<u>31</u>	<u>175</u>	<u>0</u>	<u>39.0</u>
<u>N.M. Z State NCT-1 #1</u>	<u>17</u>	<u>60</u>	<u>155</u>	<u>39.4</u>
<u>N.M. L State #18</u>	<u>340</u>	<u>879</u>	<u>0</u>	<u>46.5</u>
<u>N.M. R State NCT-1 #18</u>	<u>To be drilled within 30 days</u>			

Attached for your review is a plat showing the location of the wells, satellite 1, and the tank battery. Also attached for your information is a schematic of the tank battery and acreage dedication plats for each of the seven wells. A check for \$30.00 for the filing fee is enclosed.

If you have any questions concerning this request, please contact me at 397-0418. Thank you for your assistance in the approval of this application.

Yours very truly,



Monte C. Duncan
Engineer's Assistant

/mcd
Chrono
Attachments

cc: New Mexico Oil Conservation Division, Santa Fe
New Mexico Oil Conservation Division, District I Office
Terry Frazier, Hobbs Operating Unit Manager, TEPI

NOTES- All 100% TEDI

N.M. "12" St6 NCT-3 Nos. 24, 25, 26, 27, 28, 29. } Noted
N.M.M.I. Benjamin } Separately
All other wells Comm. Schools

{ N.M. m St6 No 10 } Proposed State drills
N.M. R St6 NCT 3 No 29 }