

Getty Oil Company | P.O. Box 730 Hobbs, New Mexico 88240 OIL CONSERVATION DIVISION
(505) 397-3571

Central Exploration and Production Division

December 13, 1983

Oil Conservation Division
State of New Mexico
P.O. Box 2088
Santa Fe, NM 87501

Attention: Mr. Joe Ramey, Division Director

RE: Discontinue surface commingling, Order CTB-297
Getty Oil Company
Salt Mountain Federal 25 Well #1
Brushy Draw Cherry Canyon Pool
Sec. 25, T-26-S, R-29-E, Eddy County, NM
Salt Mountain 36 State Well #1
Brushy Draw Delaware Pool
Sec. 36, T-26-S, R-29-E, Eddy County, NM

Gentlemen:

Getty Oil Company respectfully requests Division approval to discontinue the surface commingling of production from its Salt Mountain Federal 25 lease and its Salt Mountain 36 State lease.

As per verbal approval on December 5, 1983 from Mr. Jerry Sexton of the Hobbs NMOCD office and from Mr. Armando Lopez of the Roswell BLM, we propose to install an additional 500 barrel oil tank that will be used solely for the Federal 25 well. The tank will be located on the Salt Mountain 36 State lease. This arrangement will result in separate facilities for oil production from each lease. However, water production will still be commingled into a common tank. See attached facility diagram.

If you have any questions regarding this proposed change, contact our office in Hobbs at 397-3571.

Sincerely yours,

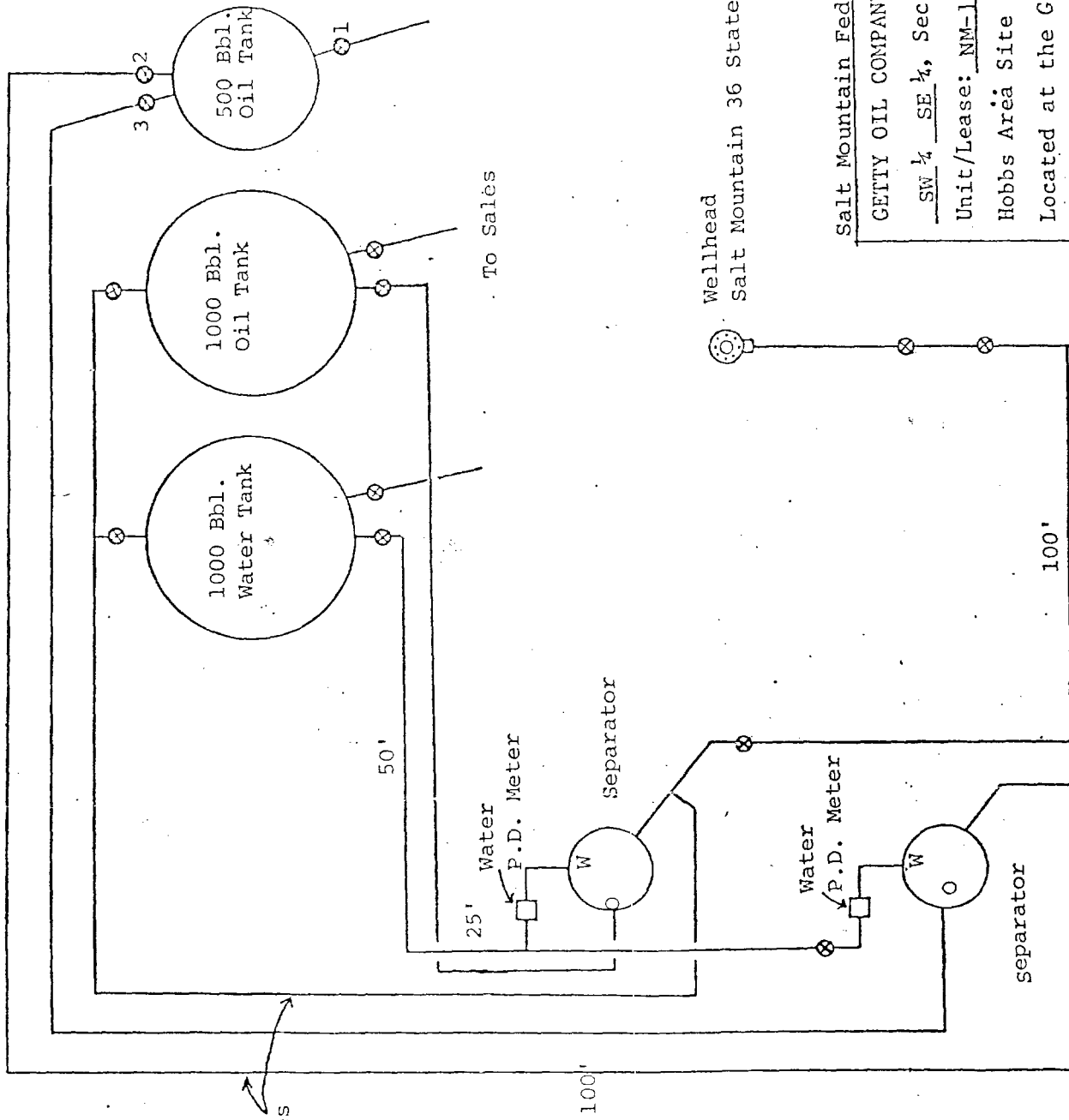
GETTY OIL COMPANY

Dale R. Crockett
Area Superintendent

BDB/ly

Attachments

cc: Mr. Jerry Sexton - NMOCD - Hobbs
Well file (w/attach.)



Salt Mountain Federal 25 No. 1

GETTY OIL COMPANY

SW $\frac{1}{4}$ SE $\frac{1}{4}$, Sec. 25, T. 26 S., R. 29 E.

Unit/Lease: NM-17225-A

Hobbs Area Site Security Plan, 1983

Located at the Getty Camp, French Dr.,

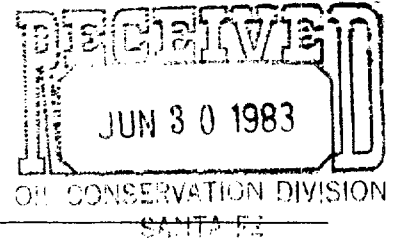
Hobbs, New Mexico

Open ☒ or Closed ☐ System

Metering system: ☐ Gauging

Production from
Salt Mountain Federal 25 No. 1

Getty Oil Company



Central Exploration and Production Division
P.O. Box 730
Hobbs, NM 88240

April 28, 1983

Oil Conservation Division
Drawer DD
Artesia, NM 88210

Gentlemen:

Getty Oil Company:

Getty Oil Company respectfully requests permission to surface commingle production from its Salt Mountain Federal 25 lease and its Salt Mountain State 36 lease.

The Salt Mountain Federal 25 lease is located in section 25, T26S, R29E in Eddy County, New Mexico.

There is one producing well on the lease, Salt Mountain Federal 25-1, which is located 660' FSL and 1980' FEL of section 25. The subject well is completed in the Undesignated Brushy Draw Cherry Canyon interval 5574'-5620'. Currently, the well is producing 20 BOPD and 80 BWPD. (Exhibit I)

The Salt Mountain State 36 lease is located in section 36, T26S, R29E in Eddy County, New Mexico. The lease has one producing well, Salt Mountain State 36-1, which is located 660' FNL and 660' FWL of section 36. This well is also completed in the Undesignated Brushy Draw Cherry Canyon with perforations from 5080 to 5102 and 5110 to 5120. The well's production rate is 37 BOPD and 155 BWPD. (Exhibit I)

At the present time Getty has a storage facility located in Section 36 for the Salt Mountain State 36-1 well. This facility consists of (1) 6' X 20' heater treater, and (2) 1000 bbl. welded steel tanks, one tank for oil and one tank for water.

The production facility for the Salt Mountain Federal 25-1 currently consists of (1) 4' x 20' heater treater, and (2) 500 bbl. rental frac tanks for oil and water production. Production from the 25-1 well will be piped to the existing storage facility on Salt Mountain State 36-1.

The Salt Mountain Federal 25-1 production will come from the wellhead to the 4' X 20' heater treater. From the oil dump on the heater treater, the oil will flow into a 2" polyethylene line to the 1000 bbl. oil storage tank located in section 36. This distance is 1 1/2 miles. The oil will be metered at the heater treater by a positive displacement meter. This will be the method of allocating oil production to the 25-1 well. Water will be handled in a similar manner. From the water dump on the heater treater, the water will flow into a

2" polyethelene line to the 1000 bbl. water storage tank located in section 36. The water will also be metered at the heater treater by a positive displacement meter. This will be the method of allocating water production to the 25-1 well. (Exhibit II)

Production from the Salt Mountain State 36-1 well will go from the wellhead to the 6' x 20' heater treater on the lease. From the heater treater, oil and water will be piped into their respective 1000 bbl. storage tanks on the lease. Oil and water production will be allocated to the 36-1 well by gauging the individual tanks for oil and water, and then subtracting out the metered volumes of oil and water, at the heater treater on the Salt Mountain Federal 25 lease. (Exhibit II)

No pump will be needed to move the oil and water from the 25-1 location to the 36-1 location. The 25-1 location is at a higher elevation. Gravity should provide sufficient energy.

The two subject leases are both owned 100% by Getty Oil Company.

Certain economic considerations make this application a necessity for Getty Oil Company. The approval of surface commingling of the two subject leases will eliminate the need for a tank battery facility on the Salt Mountain Federal 25 lease. The cost of this facility is estimated to be \$20,000. As a result of the large storage capacity on the Salt Mountain 36 lease, and the close proximity of the two wells and leases, we feel that a single tank battery would be the most prudent and economical method of operations for the subject leases.

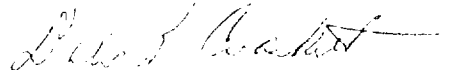
Oil will be metered and allocated as described above. No federal royalties will be reduced through approval of this application.

Approval from the BLM has been obtained. A copy of their response is attached. As stated, the positive displacement meter will be proved monthly for the first three months and thereafter on a quarterly basis. Also, no additional wells will be put into the facility without prior approval.

Your consideration in this matter is greatly appreciated. If further information is needed or a question needs answering, please contact the Getty Hobbs Area Office. (397-3571)

Very truly yours,

GETTY OIL COMPANY



Dale R. Crockett
Area Superintendent

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PJB/ly

Attachments

Lease & Well Information

Salt Mountain State 36-1 - Unit ltr. D, 660' FNL & 660' FWL
Section 36-26S-R29E, Eddy County, NM

Lease No.: LG-8794

Producing Zone: Undesignated Brushy Draw Cherry Canyon

Producing Interval: 5080-5101 and 5110-5120, 1 spf, 33 holes

Daily Production: 37 BOPD, 155 BWPD

Salt Mountain Fed 25-1 - Unit ltr. O, 660' FSL & 1980 FEL
Section 25-T26S-R29E, Eddy County, NM

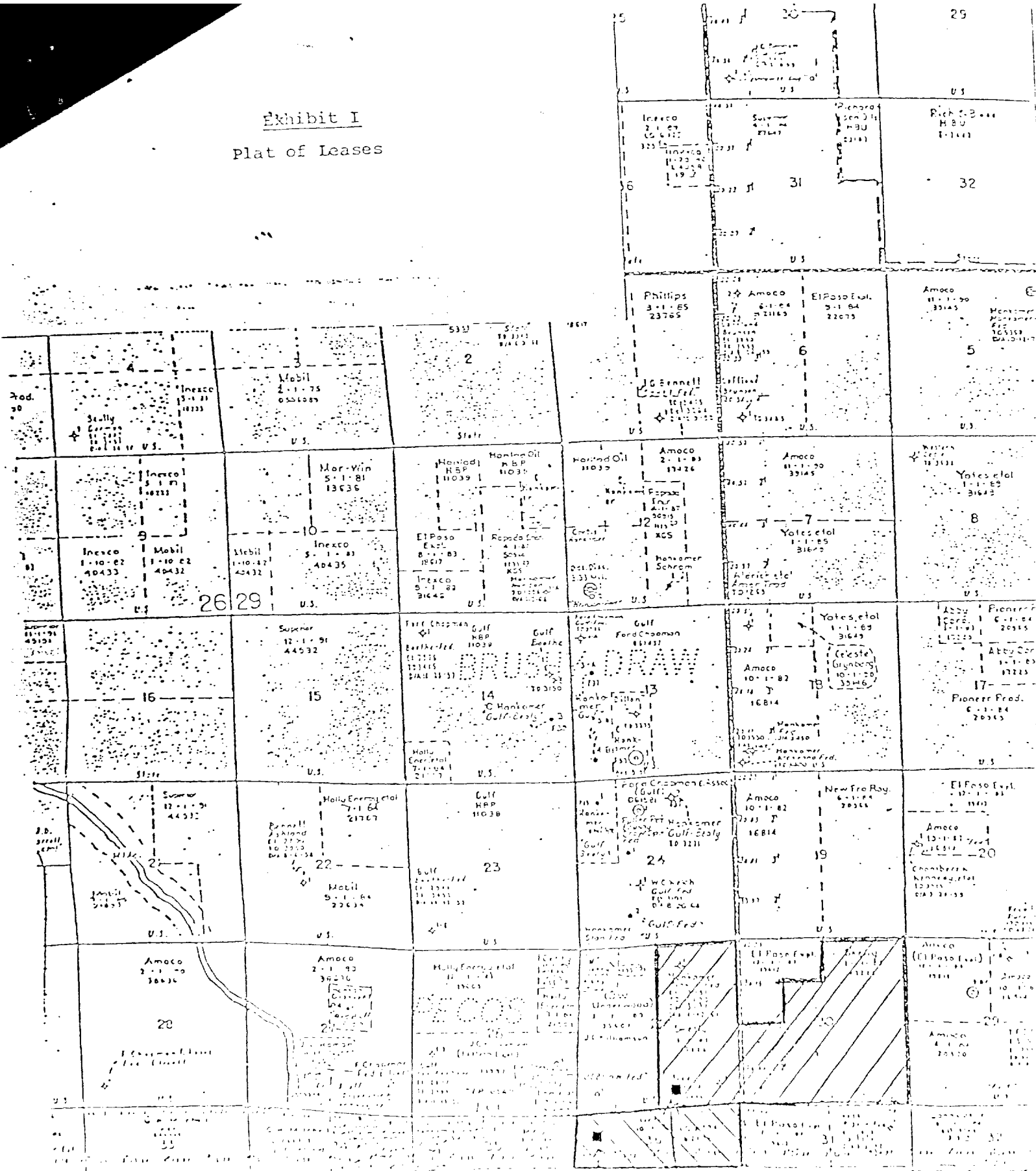
Lease No.: USA-17225A

Producing Zone: Undesignated Brushy Draw Cherry Canyon

Producing Interval: 5574'-5620', 1 spf, 47 holes

Daily Production: 20 BOPD, 80 BWPD

Exhibit I
Plat of Leases





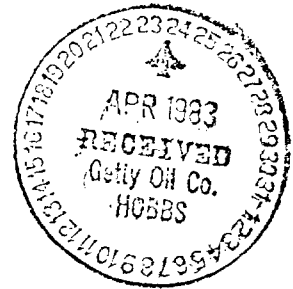
DOV
United States Department of the Interior

BUREAU OF LAND MANAGEMENT

P. O. Box 1857
Roswell, New Mexico 88201

April 22, 1983

Getty Oil Company
P. O. Box 730
Hobbs, New Mexico 88240
Attention: Dale R. Crockett



Gentlemen:

Your application of March 14, 1983 request approval to commingle production from well No. 25-1 Salt Mountain Federal, located on lease NM 17225-A in the SW $\frac{1}{4}$ SE $\frac{1}{4}$ sec. 25 with production from well No. 36-1 Salt Mountain State located on State land in the NW $\frac{1}{4}$ NW $\frac{1}{4}$ sec. 36 both in T. 26 S., R. 29 E., Eddy County, New Mexico.

According to your letter the production from well No. 25-1 Salt Mountain Federal will be measured by positive displacement meter prior to being commingled. Allocation of production to the No. 36-1 Salt Mountain State will be by gauging the individual tanks for oil and water and subtracting the metered volumes from the total volumes gaged.

Your application for commingling production from the subject wells is hereby approved. The meter will be proved for accuracy of measurement at least monthly for the first three months. Thereafter this meter may be proved on a quarterly basis. Any wells proposed to be added to this commingling system must be approved by this office prior to being included in the facility.

Sincerely yours,

Armando A. Lopez

Armando A. Lopez
Acting Assistant District
Manager for Minerals

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✓
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