



CONTINENTAL OIL COMPANY

P. O. Box 460
Hobbs, New Mexico 88240

July 17, 1970

ATB - 10

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

Attention: Mr. A. L. Porter, Jr., Secretary Director

Gentlemen:

Subject: Application for Authority to Commingle Langlie-Mattix Production
From Jack A-29 and Jack B-29 Leases, Lea County, New Mexico

Forwarded herewith in triplicate is our application for Authority to Commingle Langlie-Mattix waterflood oil on our Jack A-29 and Jack B-29 leases. The proposed method of handling the production from this waterflood project has been approved by the USGS, as shown by the attached letter, and with the written consent of each of the owners of overriding royalty under the two leases.

The Jack A-29 lease will be metered by a metering heater treater which will provide accurate metering of a constant temperature fluid. This method will provide the most accurate measurement possible with currently accepted equipment.

Your further handling and approval of this application will be sincerely appreciated.

Yours very truly,

L. P. Thompson

LPT:JM

Attachment

CC: NMOCC - Hobbs

RLA JJB NGP NEL JAW JWK CES

Atlantic Richfield Company

Chevron Oil Company

Pan American Petroleum Corporation

JUN 25 PM 1 37

C O N T I N E N T A L O I L C O M P A N Y

P. O. Box 460
Hobbs, New Mexico

New Mexico Oil Conservation Commission (2)
P. O. Box 2088
Santa Fe, New Mexico

*File
OTC-214*

Attention of Mr. A. L. Porter, Jr., Secretary-Director

Gentlemen:

Subject: Application of Continental Oil Company for Administrative Approval as Provided by Rules 309-B and 309-C to Commingle Langlie-Mattix Oil Production from its Jack A-29 and Jack B-29 Leases, located in Section 29, T-24S, R-37E, NMPM, Lea County, New Mexico

Continental Oil Company requests administrative approval as provided by Rules 309-B and 309-C to commingle Langlie-Mattix oil production from its Jack A-29 and Jack B-29 leases located in Section 29, T-24S, R-37E, Lea County, New Mexico, and in support thereof submits the following data.

1. The Jack A-29 and Jack B-29 leases produce from a common reservoir - the Langlie Mattix.
2. The Jack B-29 lease consists of the SE/4 SE/4 of Section 29, and the Jack A-29 lease consists of the W/2 E/2, SE/4 NE/4 and NE/4 SE/4 of Section 29, T-24S, R-37E, Lea County, New Mexico. A plat, Exhibit No. 1, attached hereto, shows the leases, the wells thereon, and the location of the proposed commingling facility.
3. The two tracts comprise a cooperative waterflood project authorized by order No. R-3862. Although a different royalty schedule applies to the two federal leases, the proposed method of measurement has been given preliminary approval by the USGS.
4. All overriding royalty interests have consented in writing to the method of measurement proposed herein.

5. Production from the Jack A-29 lease will be metered prior to commingling. Production from the Jack B-29 will be measured by the subtraction method.
6. A schematic diagram, Exhibit No. 2, attached hereto, shows the proposed installation. The facility conforms to the requirements of the "Manual for the Installation and Operation of Commingling Facilities" dated September 13, 1961.
7. Commingling of production will result in the prevention of waste and will not impair correlative rights.

In view of the facts stated above, it is respectfully requested that Administrative approval be granted under Rules 309-B and 309-C for the commingling of Langlie-Mattix oil production from the applicant's Jack A-29 and Jack B-29 leases as described above.

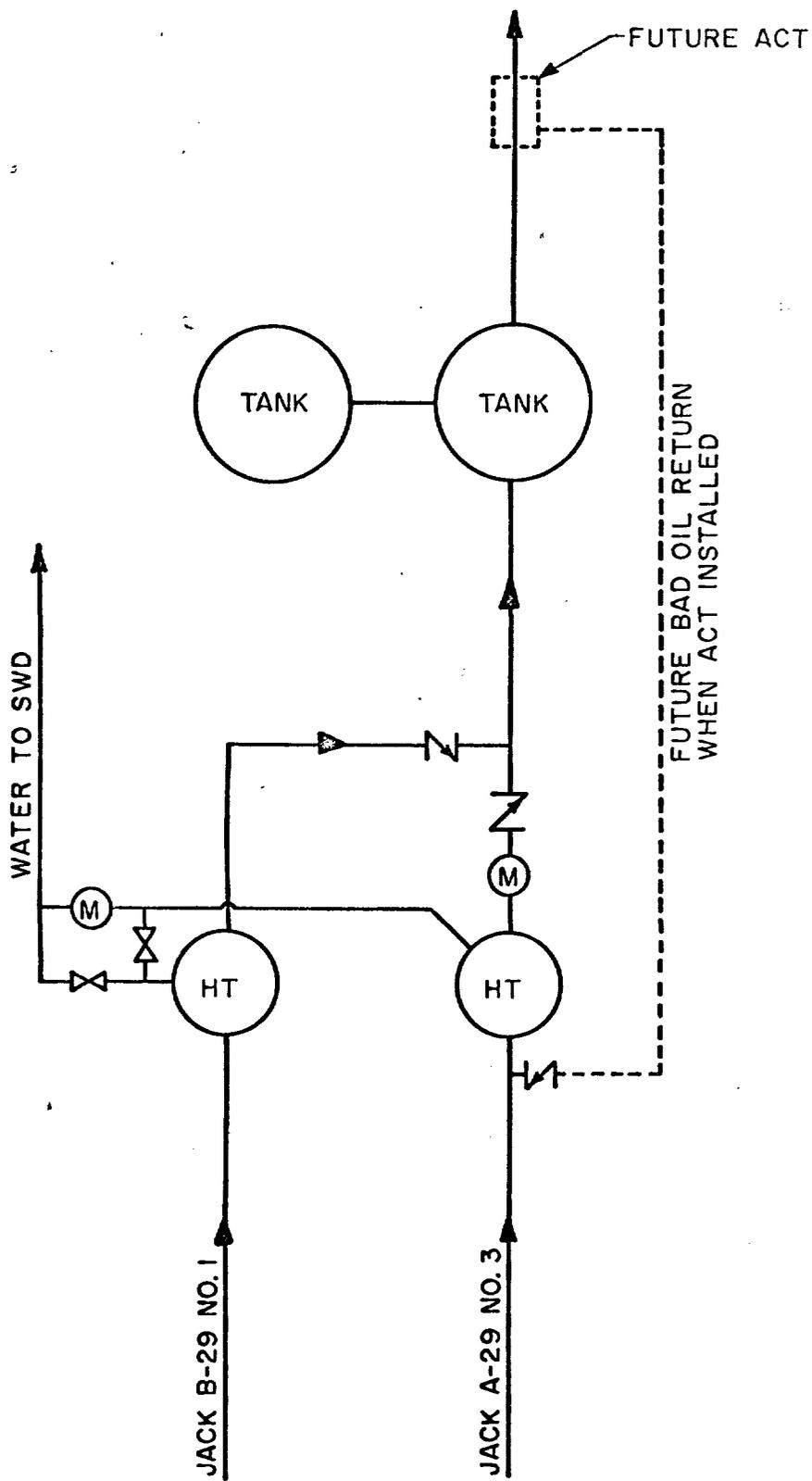
CONTINENTAL OIL COMPANY



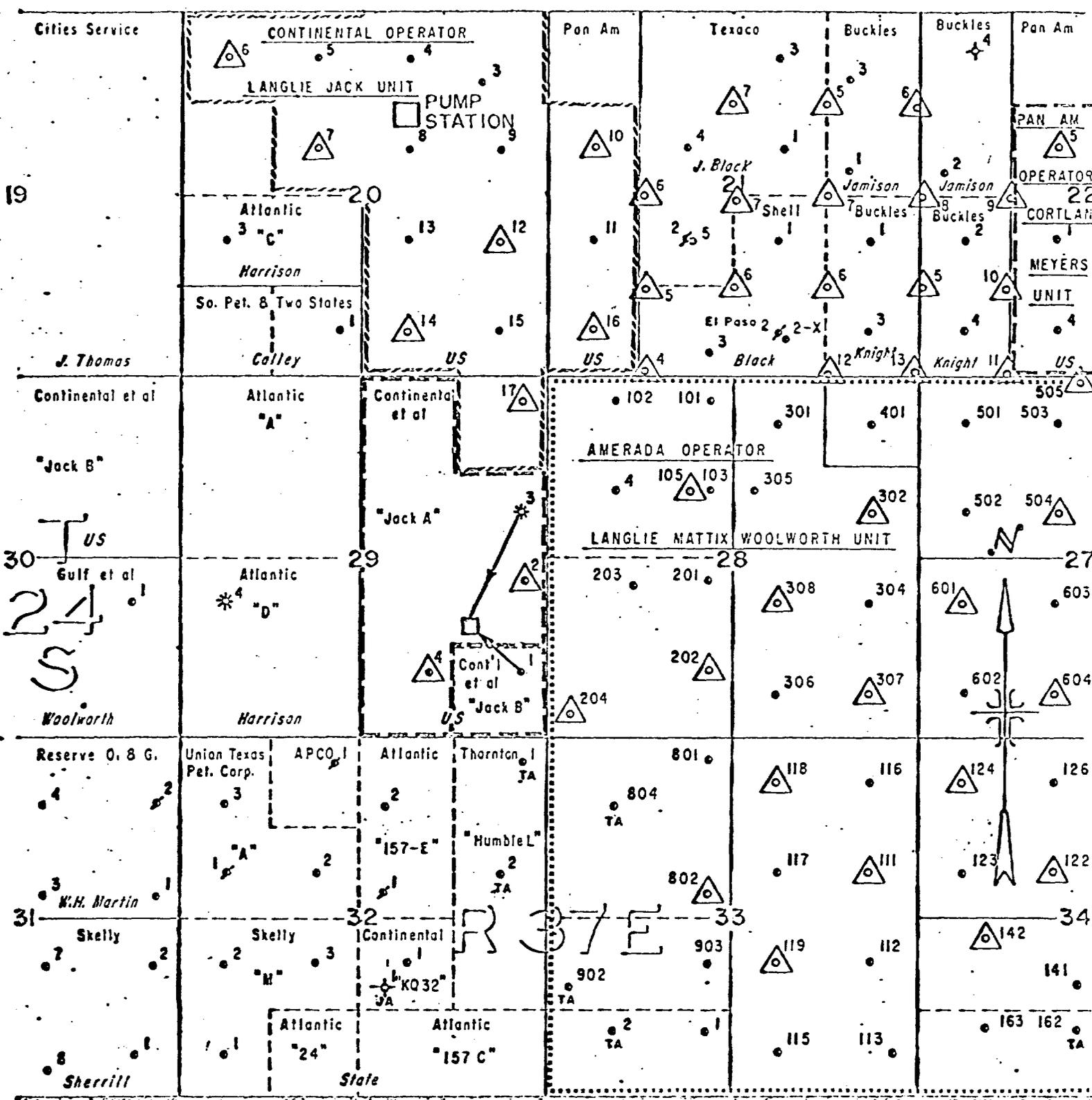
L. P. Thompson

VTL-VM

cc: NMOCC - Hobbs
RLA JJB NGP NEL JAW JWK CES
Atlantic Richfield Company
Chevron Oil Company
Pan American Petroleum Corporation



CONTINENTAL OIL COMPANY
 JACK A-29 & B-29
 COMMINGLED TANK BATTERY



△ WATER INJECTION WELL

□ TB-PROPOSED JACK A-29 & B-29 COMMINGLED TANK BATTERY

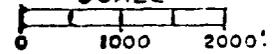
CONTINENTAL OIL COMPANY

PRODUCTION DEPARTMENT — HOBBS DIVISION

JACK A-29 & B-29 LEASES

Lea County, New Mexico

SCALE



RFL