

EXXON COMPANY, U.S.A.

POST OFFICE BOX 1600 • MIDLAND, TEXAS 79701

February 25, 1976

File No. 22-3

PRODUCTION DEPARTMENT
MIDCONTINENT DIVISION

Request to Commingle Oil and
Casinghead Gas
Hobbs (Grayburg-San Andres) Pool
Bowers "A" Federal and Bowers "A"
Federal Com. #35 Leases
Lea County, New Mexico

Mr. J. D. Ramey
New Mexico Oil Conservation Commission
P. O. Box 2088
Santa Fe, New Mexico 87501

Gentlemen:

Currently the Bowers "A" Federal Com. 35, a one well lease, producing from the Hobbs (Grayburg-San Andres) Pool, has its own separating, treating, and storage facilities. These facilities are in very poor condition and will require significant expenditures for repair if use is continued.

It is requested that we be permitted to surface commingle the production from the above mentioned well with production from wells on the Bowers "A" Federal lease which are also producing from the Hobbs (Grayburg-San Andres) Pool.

Positive displacement metering as required by the New Mexico Oil Conservation Commission will be installed to separately meter production from each lease.

The gravity, volume, and pricing of the Hobbs (Grayburg-San Andres) production will create no monetary loss due to commingling. The gravity of the commingled product will be in the 35° API range; the transporter, Shell Pipeline Company, classifies this oil as sour and presently takes it into a common line. We have been advised by the purchaser, Shell Oil Company, that they have no objections to this proposal and that no oil price penalty will be imposed.

In support of this proposal we are attaching the following:

1. Listing of recent well tests and monthly production by leases.
2. A lease plat showing wells on the leases and the producing horizon of each.
3. A plat of battery facilities on the Bowers "A" Federal lease showing current and proposed changes to commingle production from the Bowers "A" Federal Com. #35 with the Bowers "A" Federal Lease.

.../

4. Letter of approval of this proposal from the U.S.G.S.

Casinghead gas will continue to be separately metered and sold to Phillips Petroleum Company at existing meter points; however, flash gas from the Bowers "A" Federal Com. No. 35 will now be sold through the Bowers "A" Federal vapor recovery unit.

Your favorable consideration of this request will be appreciated.

Yours very truly,



D. L. Clemmer, Unit Head
Oil & Gas Accounting

DLC:rf
Attachments

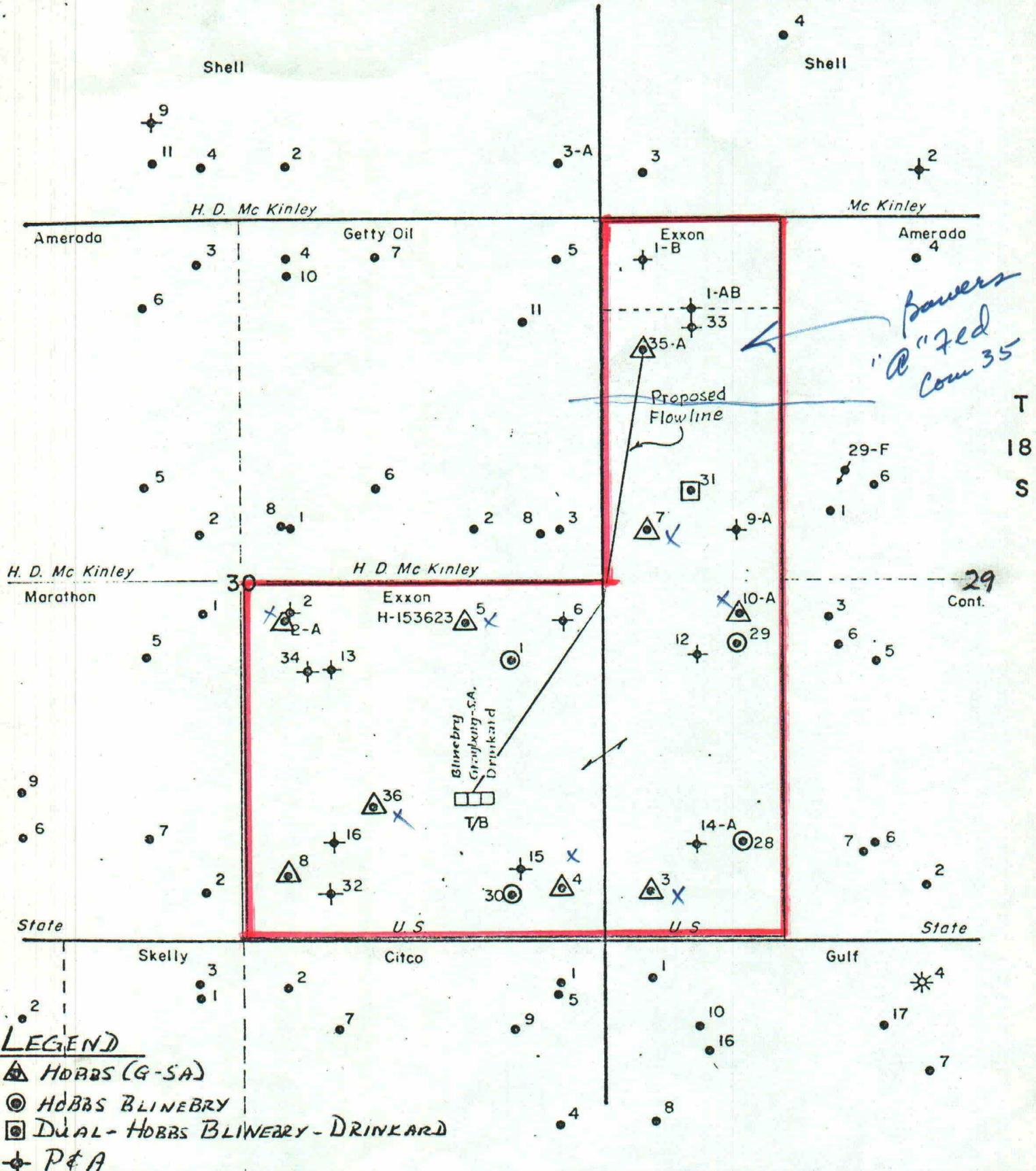
cc: Mr. Jerry Sexton
N.M. Oil Conservation Commission
Box 1980
Hobbs, N.M. 88240

TABLE I

<u>Bowers "A"</u> <u>Federal</u> <u>Well No.</u>	<u>Representative</u> <u>Well Tests</u>		<u>Monthly Production</u>			
	<u>BOPD</u>	<u>BWPD</u>	<u>Month</u>	<u>BOPM</u>	<u>AVG.</u> <u>BOPD</u>	<u>AVG.</u> <u>GRAV.</u>
2	32	257	1975			
3	58	1	Nov.	10,818	361	35.1
4	82	21				
5	90	271				
7	64	0				
8	Shut-In					
10	76	2				
36	81	62				
 <u>Bowers "A"</u> <u>Federal Com.</u> <u>#35 Well No.</u>			1975			
35	65	48	Nov.	1,739	58	35.0

Hobbs (Grayburg-San Andres) - Pipeline Classification - Sour;

Top allow. - 80 BOPD



LEGEND

- ▲ HOBBS (G-SA)
- HOBBS BLINEBRY
- ◻ DUAL-HOBBS BLINEBRY-DRINKARD
- ✦ P&A

BOWERS "A" FEDERAL
 PROPOSED SURFACE COMMINGLING OF GRAYBURG-SAN ANDRES
 Lea County, N. M.

EXXON COMPANY, U.S.A.
 A DIVISION OF EXXON CORPORATION
PRODUCTION DEPARTMENT
 ANDREWS, TEXAS

DRAWN W.E.H.	ENGR. SECTION	REVISED	SCALE 1"=1000'	JOB NO.	FILE NO.
CHECKED E.C.	APPROVED		DATE 12-4-75		AA-317

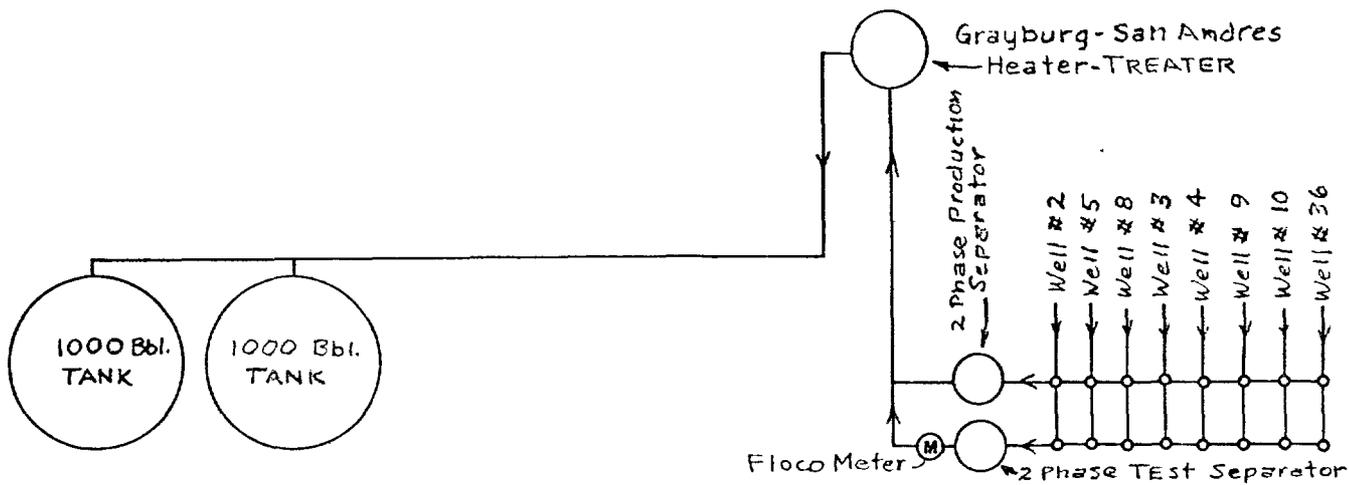


Fig. 1 PRESENT CONFIGURATION

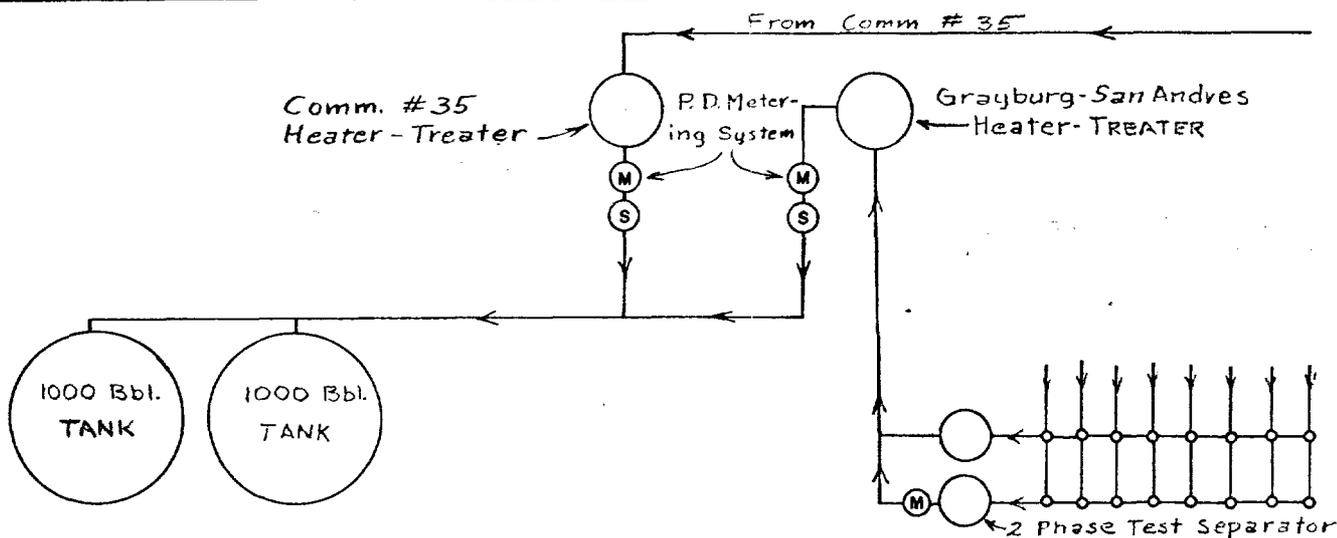
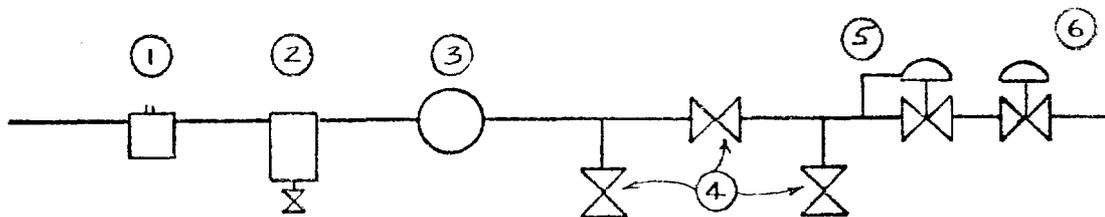


Fig. 2 PROPOSED CHANGES



1. C. E. NATCO AIR ELIMINATOR.
2. SAMPLER: SFM 0-10 CC VOLUME REG. W/2.5 GAL. JERRY JUG SAMPLE CONTAINER.
3. A. O. SMITH SC-13 P.D. METER ("2") W/ATC & SMALL NUMERAL NON-RESET COUNTER.
4. PROVER LOOP CONNECTIONS.
5. A. O. SMITH FLOW RATE CONTROL VALVE ("2")
6. KIMRAY 212 SMTDA DUMP VALVE, CLAY VALVE PILOT W/ARM & LINKAGE.

Fig. 3 POSITIVE DISPLACEMENT METERING Sys.

PROPOSED SURFACE COMMINGLING OF GRAYBURG-SAN ANDRES
BOWERS "A" FEDERAL LEASE
 Lea County, N. M.

EXXON COMPANY, U.S.A.
 A DIVISION OF EXXON CORPORATION
PRODUCTION DEPARTMENT
 ANDREWS, TEXAS

DRAWN W. E. H.

ENGR. SECTION

REVISED 1-15-76

SCALE NONE

JOB NO.

FILE NO.

CHECKED E.C.

APPROVED

DATE 12-5-75

AA-319



United States Department of the Interior

GEOLOGICAL SURVEY

P. O. Box 1157
Hobbs, New Mexico 88240

February 20, 1976

Exxon Company
P. O. Box 1600
Midland, Texas 79701

Gentlemen:

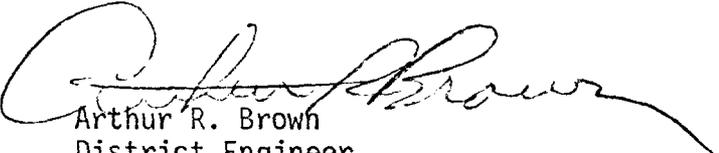
Your letter application of January 23 requests approval to commingle Hobbs Grayburg-San Andres pool production from well No. 35 Bowers "A" Federal Com, on communitization agreement No. Com. Agr.-SW-623, with like production on the Bowers "A" Federal lease, lease Las Cruces 032233(a).

The system for commingling described in the diagram included in your application is hereby approved subject to like approval by the New Mexico Oil Conservation Commission. Your Lessee's Monthly Report of Sales and Royalty, form 9-361, should show all computations used in allocating production to each lease. Duplicate copies of all meter proving reports should be furnished this office.

The addition of any wells or leases to the commingling facility must be approved by this office prior to their being added to the facility.

Please notify this office when the installation is completed so that a field inspection of the system can be made.

Sincerely yours,


Arthur R. Brown
District Engineer

ORIG: Central File
cc: Andrews List.
cc: A. L. Clemmer
cc: C. E. Holtkamp
cc: ENNIS COX