

OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

April 18, 1960

Texaco Incorporated
P. O. Box 352
Midland, Texas

Attention: Mr. Joe Mefford

Administrative Order PC-4

Gentlemen:

Reference is made to your application dated March 23, 1960, for administrative approval of an exception to Rule 303 (a) of the Rules and Regulations of the Oil Conservation Commission to permit the commingling of the oil produced from the Blinbry Oil Pool, Tubb Gas Pool and Drinkard Pool from all wells presently completed or hereafter drilled on the C. H. Lockhart (NCT-1) lease comprising the N/2 NW/4 and the E/2 of Section 18, Township 22 South, Range 38 East, NMPM, Lea County, New Mexico.

By the authority vested in me under the provisions of Rule 303 (b) of the Rules and Regulations of the Oil Conservation Commission, I hereby authorize you to commingle the oil production from the Blinbry Oil Pool, Tubb Gas Pool and Drinkard Pool from all wells presently completed or hereafter drilled on the above-described C. H. Lockhart lease after separately metering the production from each pool.

There shall be no common line connecting the metering separators.

Very truly yours,

A. L. PORTER, Jr.,
Secretary-Director

ALP/OEP/og

cc: Mr. Joe Ramey

Oil Conservation Commission - Hobbs

C
O
P
Y

cc to
Hickox 3/28/60

TEXACO
INC.

PETROLEUM PRODUCTS



Rec'd April 14, 1960

DOMESTIC PRODUCING DEPARTMENT
MIDLAND DIVISION

P. O. Box 352
Midland, Texas

March 23, 1960

PC
(waiting period)
4

New Mexico Oil Conservation Commission
P. O. Box 871
Santa Fe, New Mexico

Re: Application for Permit to
Commingle Production, TEXACO
Inc. C. H. Lockhart (NCT-1)
Lease, Blinebry (Oil), Tubb
(Gas), and Drinkard Pools,
Lea County, New Mexico

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

Gentlemen:

In accordance with New Mexico Oil Conservation Commission Rule 303 (b), TEXACO Inc. hereby makes application for administrative approval of an exception to Rule 303 (a) to permit commingling operations to be conducted on the C. H. Lockhart (NCT-1) Lease involving production from the Blinebry (Oil), Tubb (Gas), and Drinkard Pools, in support of which is stated the following:

1. TEXACO Inc. is owner and operator of the C. H. Lockhart (NCT-1) Lease comprising 400 acres, being the N/2 of the NW/4 and the E/2 of Section 18, T-22-S, R-38-E, Lea County, New Mexico. Attached is a plat showing the location of all wells on this lease and the pools from which they are producing.

2. The C. H. Lockhart (NCT-1) Well No. 2 in Unit "D" was recently dually completed in the Blinebry (Oil) and Tubb (Gas) Pools, and it is desirous that the liquid hydrocarbon production from these two reservoirs be commingled with the Drinkard production from the remaining six wells on this lease into the Drinkard tank battery consisting of three 500-barrel tanks.

3. The expected daily liquid hydrocarbon production from the Blinebry (Oil) is eight barrels of 41.4° API gravity oil at \$3.01 per barrel, that from the Tubb (Gas) is six barrels of 46.5° API oil at \$2.97 per barrel, and that from the Drinkard is 74 barrels of 40.4° API gravity oil at \$3.01 per barrel. The combined daily production after commingling is expected to be 88 barrels of 40.9° API gravity oil at \$3.01 per barrel, resulting in an expected gain of \$0.24 per day. A statistical summary sheet showing these figures is attached.

4. The liquid hydrocarbon production from the three reservoirs will be accurately measured by positive displacement type meters prior to commingling. A schematic diagram of the proposed commingling installation is attached.

5. Royalty interests in the subject lease are as shown on the attached list and a copy of this application is being sent this date by registered mail to the addresses shown.

In view of the facts recited in this application, it is respectfully requested that administrative approval of an exception to Rule 303(a) be granted TEXACO Inc. to permit the commingling into a common tank battery of liquid hydrocarbon production from the Blinebry (Oil), Tubb(Gas) and Drinkard Pools from the wells now completed on the C. H. Lockhart (NCT-1) Lease and from all wells which may be completed in these reservoirs on this lease in the future.

Yours very truly,



J. G. Blevins, Jr.
Assistant District Superintendent

LMF-MAB
ERF, Jr.

cc: NMOCC, Hobbs

Attachments

LIST OF ROYALTY OWNERS
TEXACO Inc. C. H. Lockhart (NCT-1) Lease
Section 18, T-22-S, R-38-E
Lea County, New Mexico

The First National Bank of Denver,
Successor Trustee under the Will
of Josephine M. Smith, Deceased,
c/o Trust Department, Denver 17,
Colorado

Mariee I. Kyte
P. O. Box 817
Los Altos, California

Selma E. Andrews
c/o Trust Department,
Albuquerque National Bank
Albuquerque, New Mexico

Albuquerque National Bank
Testamentary Trustee of
Frank A. Andrews, Deceased,
Albuquerque, New Mexico

First National Bank of Nevada in Reno,
Independent Executor and Trustee
under the Will of Allie M. Lee, Deceased,
Reno, Nevada

Cecil H. Kyte (Deceased),
P. O. Box 1,
Roswell, New Mexico

M. W. Coll
Box 919
Roswell, New Mexico

Mrs. Blanche McCallister
c/o Nickson Hotel
Roswell, New Mexico

Argo Oil Corporation
1700 Broadway
Denver 2, Colorado

U. S. Geological Survey
P. O. Box 6721
Roswell, New Mexico

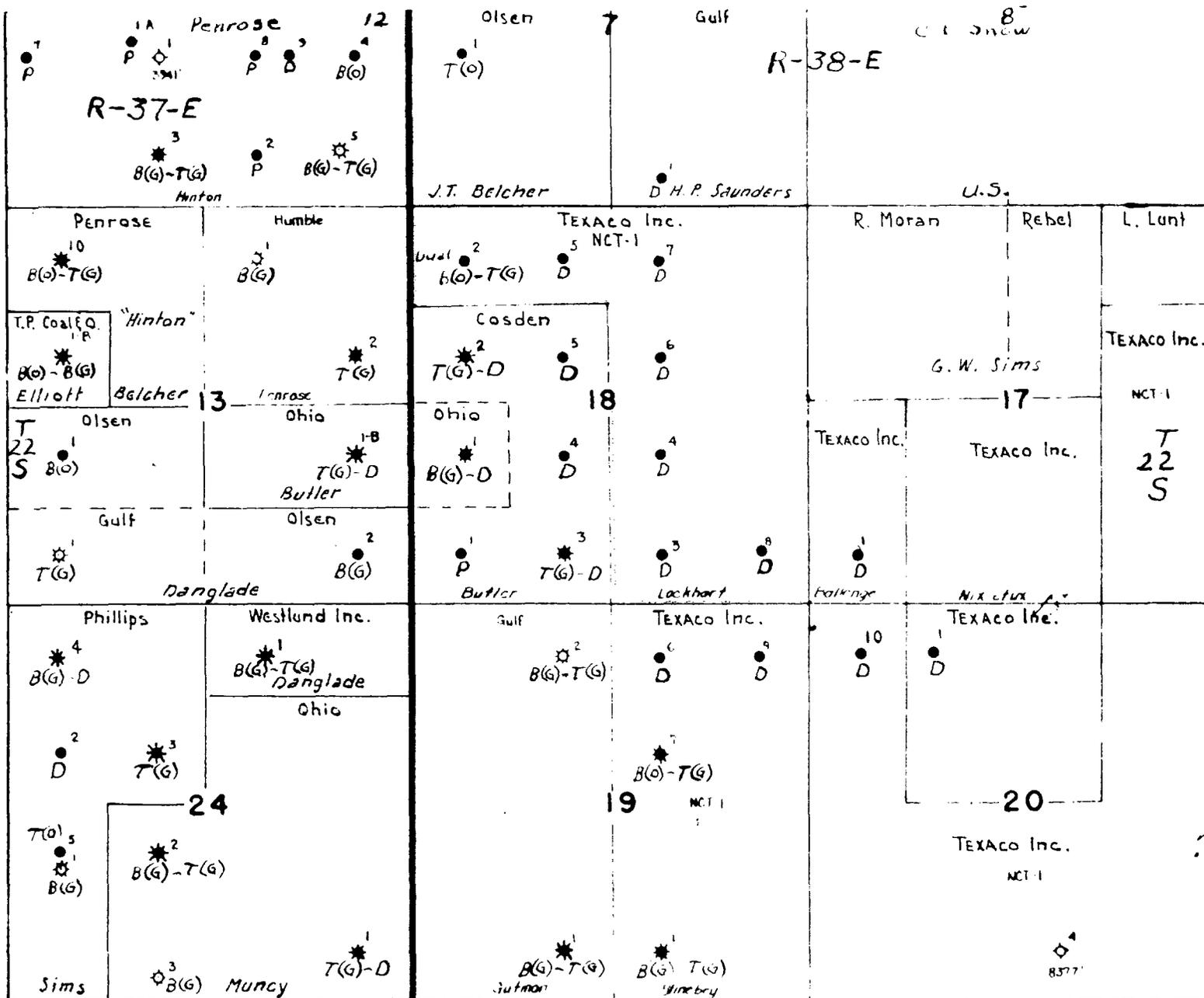
TEXACO Inc.
 C. H. Lockhart (NCT-1) Lease
 Blinebry (Oil), Tubb (Gas) and Drinkard Pools
 N/2 NW/4 and E/2 Section 18, T-22-S, R-38-E
 Lea County, New Mexico

PRODUCTION CHARACTERISTICS

| <u>Item</u> | <u>Blinebry</u> | <u>Tubb</u> | <u>Drinkard</u> |
|------------------------------|-----------------|---------------|-----------------|
| Type of Crude | Interm. Sweet | Interm. Sweet | Interm. Sweet |
| GOR (ft. ³ /bbl.) | 4,400 | 19,994 | 4,170 (av.) |
| Gravity (°API) | 41.4 | 46.5 | 40.4 |

COMMINGLING STATISTICS

| <u>Zone</u> | <u>Productivity (BOPD)</u> | <u>Gravity (°API)</u> | <u>Price Per Barrel</u> | <u>Revenue Per Day</u> |
|----------------------------|--------------------------------|---------------------------|-----------------------------|----------------------------|
| Blinebry | 8 | 41.4 | \$3.01 | \$24.08 |
| Tubb | 6 | 46.5 | \$2.97 | \$17.82 |
| Drinkard | 74 | 40.4 | \$3.01 | \$222.74 |
| | | | | <u>\$264.64</u> |
| Blinebry-Tubb- Drinkard | 88 | 40.9 | \$3.01 | <u>\$264.88</u> |
| | | | | \$ 0.24 per day gain |



PLAT SHOWING TEXACO Inc. C. H. LOCKHART (NCT-1) LEASE
AND OFFSET LEASES

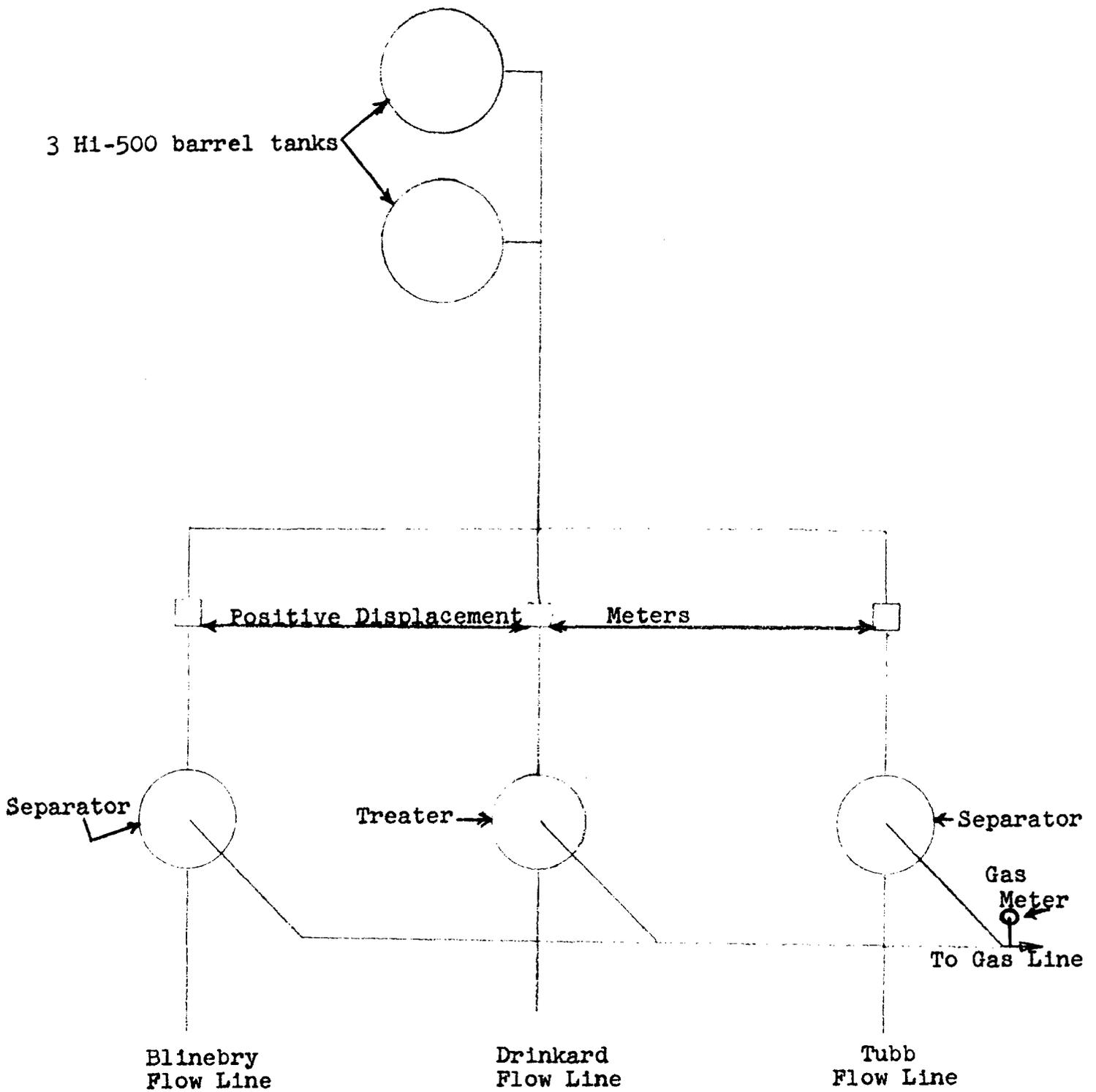
Lea County, New Mexico
Scale 1 inch = 2000 feet
LMF - January 14, 1960

LEGEND

- B (O) - Blinebry Oil Pool
- B (G) - Blinebry Gas Pool
- D - Drinkard Pool
- P - Paddock Pool
- T (O) - Tubb Oil Pool
- T (G) - Tubb Gas Pool

OFFSET OPERATORS

- Olsen Oils, Inc., 2311 Liberty Bank Bldg. Oklahoma City
2, Oklahoma
- Gulf Oil Corp., P. O. Drawer 669, Roswell, N. Mex.
- C. B. Snow, Rt. 1, Box 17505, Smithfield, Texas
- R. M. Moran, Box 1718, Hobbs, New Mexico
- Cosden Petroleum Corporation, P. O. Box 1311, Big
Spring, Texas
- Humble Oil and Refining Co., P. O. Box 1600, Midland, Tex.
- N. G. Penrose, Inc., P. O. Box 988, Eunice, New Mexico



Schematic Diagram of Commingling Installation
 Blinebry (Oil), Tubb (Gas) and Drinkard Pools
 TEXACO Inc., C. H. Lockhart (NCT-1) Lease
 Section 18, T-22-S, R-38-E
 Lea County, New Mexico

OIL CONSERVATION COMMISSION

BOX 2045

HOBBS, NEW MEXICO

DATE April 7, 1960

OIL CONSERVATION COMMISSION
BOX 871
SANTA FE, NEW MEXICO

Re: Proposed NSP _____

Proposed NSL _____

Proposed NFC _____

Proposed DC _____

Gentlemen:

P.C. 4

I have examined the application dated March 30, 1960
for the Texaco Inc. C.H.Lockhart NCT-1 18-22-38 Blinbry, Tuib, & Drinkard
Operator Lease and Well No. S-T-R

and my recommendations are as follows:

C.K.....E.F.E.

C.K.....J.W.R.

Yours very truly,

OIL CONSERVATION COMMISSION

