



CONTINENTAL OIL COMPANY

P. O. BOX 1377
ROSWELL NEW MEXICO
DEC 22 1961

WM. A. MEAD
DIVISION SUPERINTENDENT
OF PRODUCTION
NEW MEXICO DIVISION

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

Attn: Mr. A. L. Porter, Jr., Secretary-Director

Dear Sir:

Re: Continental Oil Company
Application For Administrative
Approval To Commingle Crude Oil
Production on Its Wantz Lease
Located in Section 21 T-21S,
R-37E, NMPM, Lea County, New
Mexico

Attached for your information and approval is subject
application by Continental Oil Company. Your early approval
of this application is respectfully requested.

Yours very truly,

W. A. Mead

JAQ-DM
Enc

CC: RGP HD JWK JRP

*PC 5d
now OK
JSC*

*note to Hobbs
OCC to check
could system
for proving
interests*

825 PETROLEUM BUILDING
TELEPHONE: MAIN 2-4202

DEC 22 1961

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

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

Re: Application of Continental Oil Company for exemption to Rule 303(A) in order to continue the oil production from the Drinkard and Hare Oil Pools and the distillate production from the Elinebry and Tule Gas Pools on its Wantz Lease located in Section 21, T-21S, R-37E, NMPM, Lea County, New Mexico.

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Gentlemen:

Continental Oil Company requests exemption to Rule 303(A) for permission to commingle liquids produced from the Wantz Lease and in support thereof submits the following information,

1. Applicant's Wantz Lease consists of SE/4, NE/2 SE/4 and SE/4 SE/4, Section 21, T-21S, R-37E, Lea County, New Mexico. A plat, Exhibit No. 1, attached hereto, shows the lease, the wells thereon and the battery site.

2. The mineral rights under the Wantz Lease are held by Mrs. Mary E. Wantz.

3. Distillate production from the Tubb and Elinebry Gas Pools will be measured by suitable meters and separators prior to commingling. Production from the Drinkard and Hare Oil Pools will be allocated on the basis of periodic gas-oil ratio tests, since there are no top flowline wells in these pools. A tabulation, Exhibit No. 2, attached hereto, shows the latest test on each well and the average daily production by pools during the period from September 1 to November 1, 1961.

4. The anticipated gravity of the commingled production has been calculated to be approximately 43.6° API with a value of \$4.01 per barrel. The gravity and volume of present production by pools is shown on Exhibit No. 2. The actual commercial value of the commingled production for this lease will be approximately \$4.01 per day more than it is at the present time.

5. One test facility (separator, meter and venturi) will be utilized for all wells on the lease and will provide accurate measurement of the performance of each individual well. A schematic diagram, Exhibit No. 3, attached hereto, shows the proposed installation. As shown, the facility conforms to the requirements of the manual for the installation and operation of commingling facilities dated September 22, 1961.

Applicant
Page 2

It is noted that the applicant has stated that the level of waste
and will not be a problem for the applicant.

It is noted that the applicant has stated that the applicant has reported that an
exceptional level of waste is being produced from the production of production from
the applicant's production facility. The applicant has stated that the

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W. G. Mead
Division Superintendent

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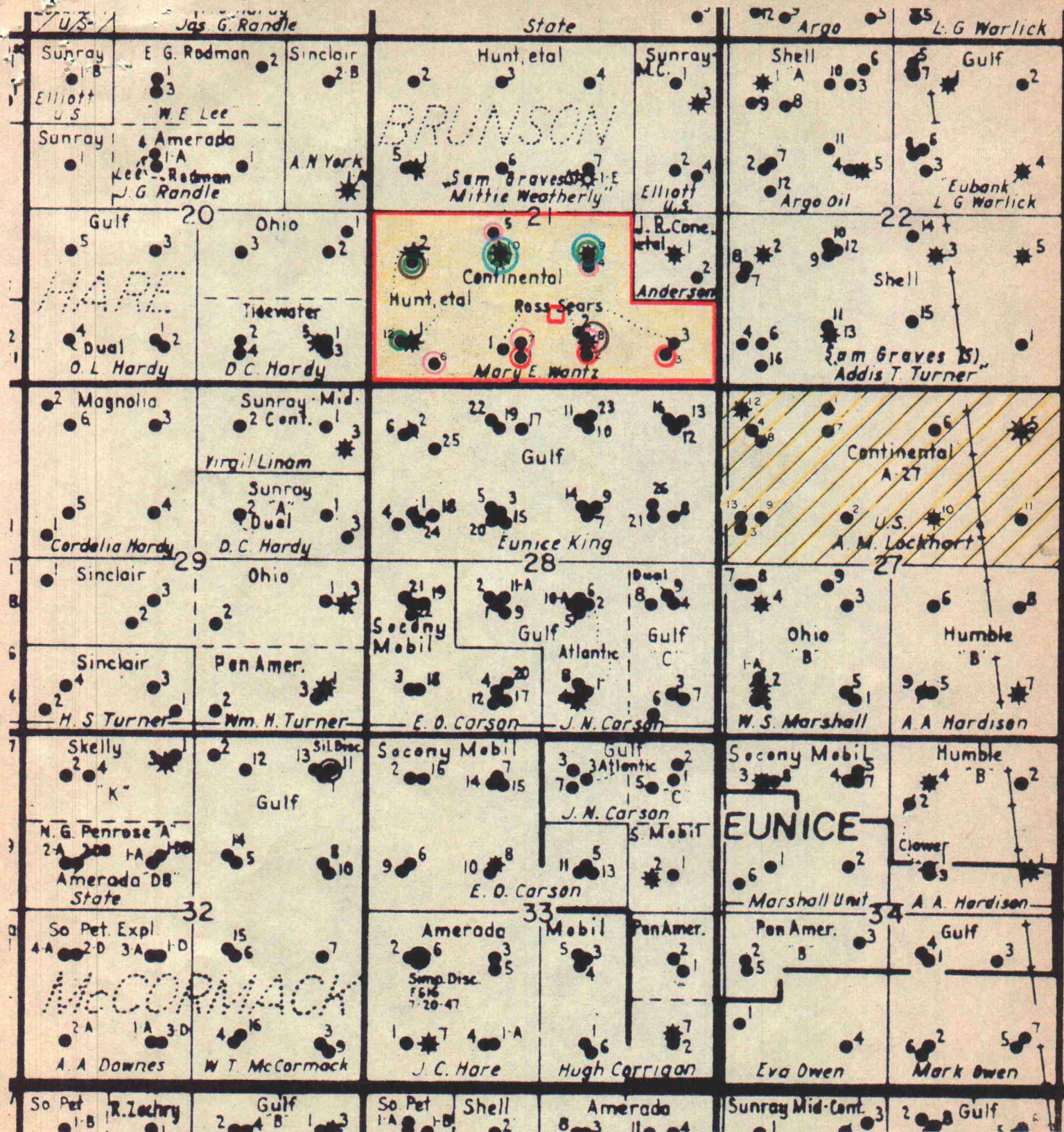
STATE OF NEW MEXICO)
COUNTY OF CHAVES)

Wm. A. Mead, upon being duly sworn, deposes and says that he is the Division Superintendent, of Continental Oil Company, Applicant herein; that he is familiar with the facts involved in this application and that the matters and things stated therein are true and correct to the best of his information and belief.

W. A. Mead
Subscribed and sworn to before me this 22nd day of
December, 1961.

Louis B. Houston
Notary Public

My commission expires May 25, 1964.



CONTINENTAL OIL COMPANY

Scale 1" = 2,000'

Wantz Lease ———

Tank Battery

- Tubb Gas Pool
- Hare Pool
- Drinkard Pool
- Wantz Abo Pool
- Blinbry Gas Pool

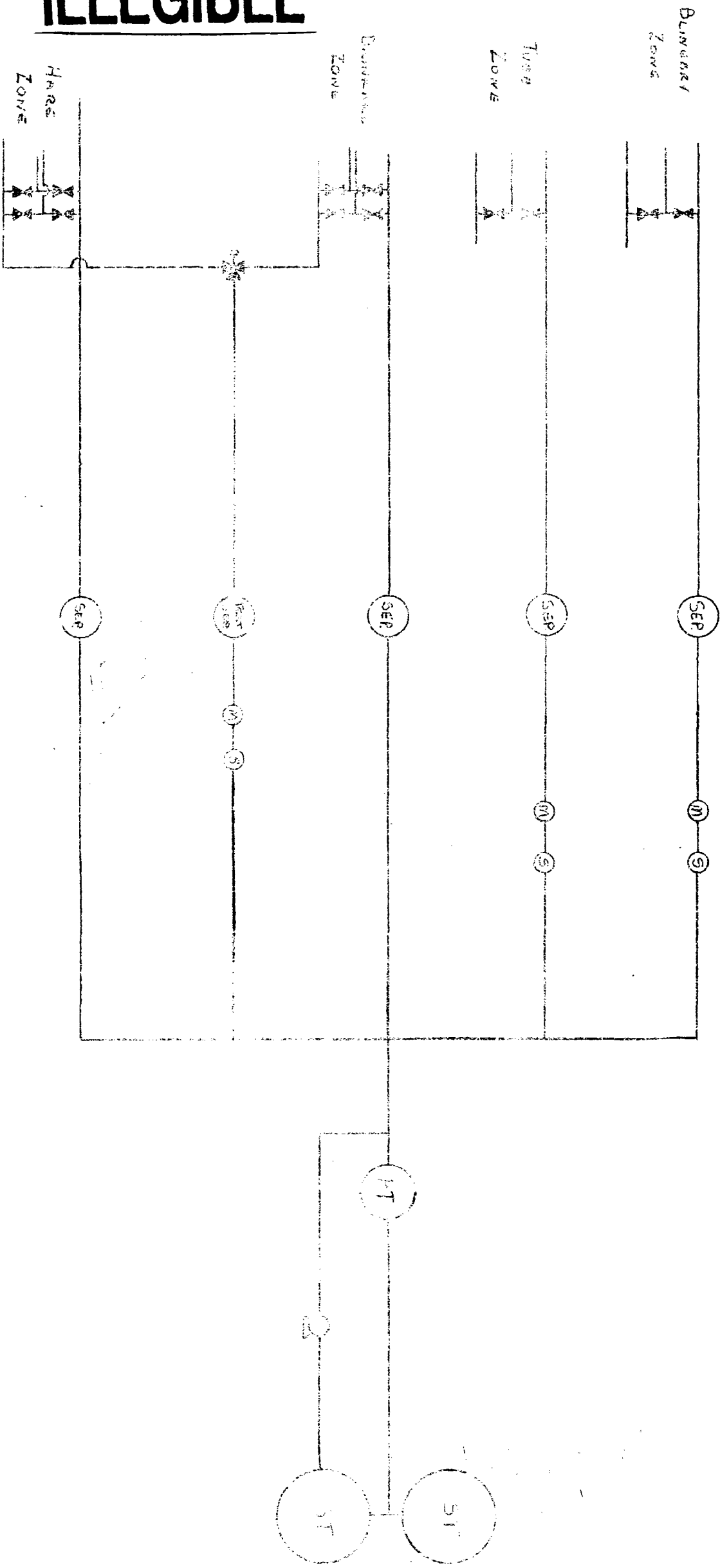
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MARY WANTZ

Well No.	Pool	Latest Test (Daily Rates)				9-1-61/11-1-61		Value
		Date	Oil	Water	Gas	Daily Average Oil Production	Oil Gravity	
11	Elinebry	Daily Avg. Last 12 Mos	2.8	0	305.8	3.5	57.9	2.73
8	Elinebry	"	3.3	0	482.0	0	57.9	2.73
11	Drinkard	8-6-61	4	1	39.0	3.5	37.1	2.86
9	Drinkard	8-10-61	3.3	0	23.5	2.6	37.1	2.86
10	Drinkard	8-5-61	7	1	34.5	2.6	37.1	2.86
12	Drinkard	8-12-61	8	0	16.7	2.6	37.1	2.86
3	Hare	9-21-61	7	7	140	4.7	41.4	2.95
2	Hare	9-18-61	47	13	132	28.6	41.4	2.95
1	Hare	9-19-61	10	3	127	15.3	41.4	2.95
9	Tubb	TSD						
10	Tubb	Daily Avg. Last 12 Mos.	7.5	0	318.7	4.2	57.9	2.73

Pool	Daily Volume			Oil Gravity	Value
	Oil	Water	Gas		
Elinebry	6.1	0	787.8	57.9	\$ 2.73
Drinkard	11.3	2	113.7	37.1	2.86
Hare	48.6	23	399.0	41.4	2.95
Tubb	7.5	0	318.7	57.9	2.73

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CONTINENTAL Oil Company
WARRANT LEASE