

CITIES SERVICE PETROLEUM COMPANY



FORMERLY NAMED OFFICE SCC

CITIES SERVICE OIL COMPANY

BOX 97

HOBBS, NEW MEXICO
February 6, 1962

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

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

Gentlemen:

Cities Service Petroleum Company respectfully requests administrative approval to commingle the production from the Dean Devonian and Dean Permo Penn Pools from wells State "AW" No. 1, 2, 3 and 4, located in Section 35, T 15S, R 36E, Lea County, New Mexico.

The following data is submitted in support of this application:

Formation	Wells	API Gravity	Value/Bbl.	Expected Daily Production *	Gross Daily Value
Devonian	2	53.5	\$2.83	105.8	\$299.41
Permo Penn	2	41.5	\$3.01	32.0	96.32
				137.8	\$395.73

* Based on November and December, 1961 production.

Expected gravity of combined crudes 50.7°.

Expected value of combined crudes \$2.89.

Expected gross value of combined crudes $\$2.89 \times 137.8 = \398.24

The proposed commingling facilities will meet all requirements as presented in the New Mexico Oil Conservation Commission "Manual for the Installation and Operation of Commingling Facilities", dated September 13, 1961. All wells covered in this application are marginal in character, and the average daily production rate clearly shows that none of the wells are capable of top allowable production.

*OK - commingling
of marginal
production -
allocation to
be on basis
of quarterly
well
tests*

*stop.
that
over
shall
notify
OCC*

*if
any
well be-
comes
capable of
top allow.*

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HOBBS, NEW MEXICO

-2-

All parties owning an interest in the lease and the crude purchaser have been notified by registered mail of the intent of Cities Service Petroleum Company to commingle production on the State "AW" Lease.

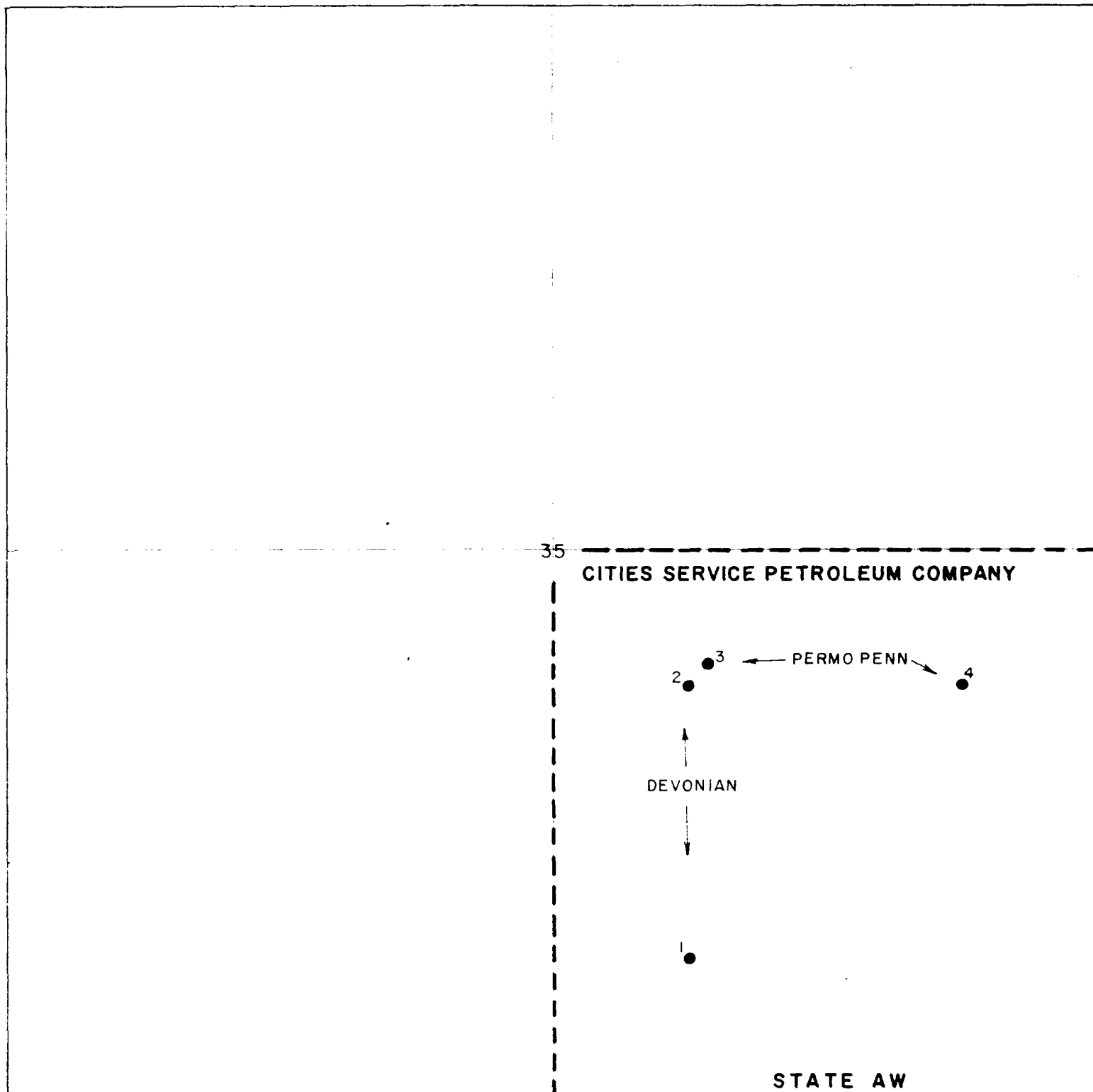
A schematic diagram of the proposed installation, a plat of the lease and C-115's for these wells for the months of November and December, 1961 are attached.

Yours very truly,


E. H. Furrey, Jr.
District Engineer

EHF/js

SECTION 35 TOWNSHIP 15-S RANGE 36-E COUNTY LEA STATE NEW MEXICO



CITIES SERVICE PETROLEUM COMPANY

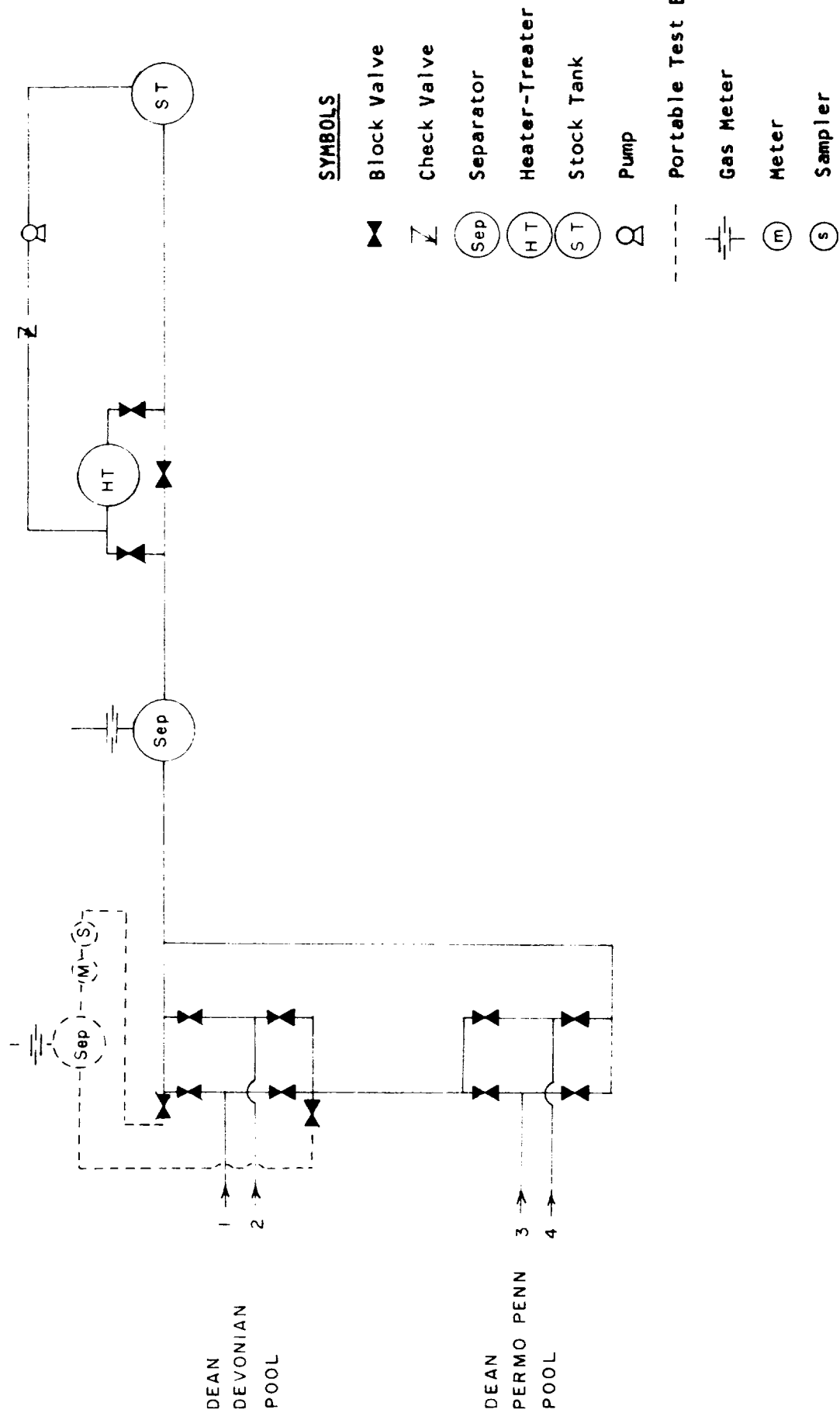
STATE AW LEASE

WELLS AND PRODUCING HORIZONS

DEAN DEVONIAN AND PERMO PENN POOLS

STATE 'AW' LEASE

Schematic Diagram for Conmngling



NEW MEXICO OIL CONSERVATION COMMISSION
BOX 871 SANTA FE, NEW MEXICO
OPERATOR'S MONTHLY REPORT

Company of: Cities Service Petroleum Company (Address) Box 97 - Hobbs, New Mexico FOR MONTH OF November, 1961 Page 6 of 66

WELL NO. UNIT SEC. TWP. RNO. POOL NAME (UNDERLINE)	WELL STATUS	TOTAL LIQUIDS PRODUCED			GAS PRODUCED MCF	DAYS PROD.	DISPOSITION OF GAS				DISPOSITION OF OIL					
		MONTHLY OIL ALLOWABLE	ACTUAL BARRELS PRODUCED	BARRELS OF WATER PRODUCED			VENTED	USED ON LEASE	SOLD	PURCH.	OTHER	C O D E	OIL ON HAND BEG. OF MONTH	BARRELS TO TRANS-PORTER	OTHER	C O D E
LEASE NAME AND STATE LAND LEASE NUMBER OR FEDERAL LEASE NUMBER																
<u>DEAN DEVONIAN</u>																
State AW																
1 0 35 15 36	P	E-605 3150	2265	2453	278	28										
2 J 35 15 36	P	1500	1079	3049	406	28										
Lease Total		4650	3344	5502	684		600	84	WAR				522	3333	-	TNM 533
<u>DEAN PERMO PENN</u>																
State AW																
3 J 35 15 36	P	E-605 630	658	370	816	30										
4 I 35 15 36	P	300	313	1528	1051	30										
Lease Total		930	971	1898	1867		450	1417	WAR				515	943	-	TNM 543

STATUS CODE
F-----FLOWING
P-----PUMPING
G-----GAS LIFT
S-----SHUT IN
T-----TEMP ABANDONED
I-----INJECTION

"OTHER" GAS DISPOSITION CODE
X-----USED OFF LEASE
D-----USED FOR DRILLING
G-----GAS LIFT
L-----LOST (MCF ESTIMATED)
E-----EXPLANATION ATTACHED
R-----PRESSURING OR PRESSURE MAINTENANCE

"OTHER" OIL DISPOSITION CODE
C-----CIRCULATING OIL
L-----LOST
S-----SEDIMENTATION (BS&W)
E-----EXPLANATION ATTACHED

I HEREBY CERTIFY THAT THE INFORMATION GIVEN IS TRUE AND COMPLETE TO THE BEST OF MY KNOWLEDGE.

12-19-61 (DATE)

Authorized Agent (SIGNATURE)

(POSITION)

NEW MEXICO OIL CONSERVATION COMMISSION

BOX 871 SANTA FE, NEW MEXICO

OPERATOR'S MONTHLY REPORT

Company or Operator: Cities Service Petroleum Company (Address) Box 97 - Hobbs, New Mexico FOR MONTH OF December, 1961 Page 6 of 66

WELL NO. UNIT SEC. TWP. RNG.					WELL STATUS	TOTAL LIQUIDS PRODUCED			GAS PRODUCED MCF	DAYS PROD.	DISPOSITION OF GAS				DISPOSITION OF OIL						
FOOL NAME (UNDERLINE)						MONTHLY OIL ALLOWABLE	ACTUAL BARRELS PRODUCED	BARRELS OF WATER PRODUCED			VENTED	USED ON LEASE	SOLD	PURCH.	OTHER	C O D E	OIL ON HAND BEG. OF MONTH	BARRELS TO TRANS-PORTER	OTHER	C O D E	TRANS-PORTER
LEASE NAME AND STATE LAND LEASE NUMBER OR FEDERAL LEASE NUMBER																					
DEAN DEVONIAN																					
State AW																					
1	0	35	15	36	P	E-605	2945	2186	2367	284	28										
2	J	35	15	36	P		1240	921	2621	415	28										
Lease Total							4185	3107	4988	699		620	79	WAR			533	2810	-	TNM	830
DEAN PERMO PENN																					
Stae AW																					
3	J	35	15	36	P	E-605	651	665	374	782	31										
4	I	35	15	36	P		310	317	1548	1008	31										
Lease Total							961	982	1922	1790		465	1325	WAR			543	949	-	TNM	576

I HEREBY CERTIFY THAT THE INFORMATION GIVEN IS TRUE AND COMPLETE TO THE BEST OF MY KNOWLEDGE.

"OTHER" OIL DISPOSITION CODE
 C - - - - CIRCULATING OIL
 L - - - - LOST
 S - - - - SEDIMENTATION (BS&W)
 E - - - - EXPLANATION ATTACHED

"OTHER" GAS DISPOSITION CODE
 X - - - - USED OFF LEASE
 D - - - - USED FOR DRILLING
 G - - - - GAS LIFT
 L - - - - LOST (MCF ESTIMATED)
 E - - - - EXPLANATION ATTACHED
 R - - - - REPRESSURING OR PRESSURE MAINTENANCE

STATUS CODE
 F - - - - FLOWING
 P - - - - PUMPING
 G - - - - GAS LIFT
 S - - - - SHUT IN
 T - - - - TEMP ABANDONED
 I - - - - INJECTION

1-22-62
 (DATE)

(SIGNATURE)
Authorized Agent
 (POSITION)

OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

Handwritten initials

February 13, 1962

Cities Service Petroleum Company
Box 97
Hobbs, New Mexico

Attention: Mr. E. H. Furrey

Gentlemen:

Reference is made to your application dated February 6, 1962, wherein you have requested authority to commingle Dean-Devonian and Dean Permo-Penn production on your State "AW" Lease in Lea County, New Mexico.

Although you do not specifically say so, we presume that it is your intent to allocate production to each of the two pools on the basis of periodic well tests. This, of course, is an acceptable procedure in the case of marginal production.

We also note that in your application you state that "... all parties owning an interest in the lease and the crude purchaser have been notified..." Apparently you have followed the procedure outlined for notification in obtaining administrative approval for lease commingling under Rule 309-B as amended by Order No. R-2060, entered September 13, 1961.

You will note that Rule 303 "Segregation of Production from Pools," sets up administrative procedures for approval of pool commingling, as for this case. It also provides that "Where State or Federal lands are involved,

C
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Y

CITIES SERVICE PETROLEUM COMPANY



FORMERLY NAMED

CITIES SERVICE OIL COMPANY

BOX 97

HOBBS, NEW MEXICO

February 14, 1962

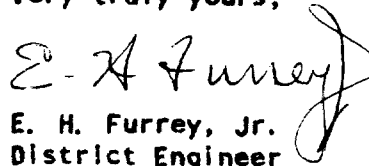
Commissioner of Public Lands for the State of New Mexico
E. S. Johnny Walker, Land Commissioner
State Lands Office
Santa Fe, New Mexico

Dear Mr. Walker:

Cities Service Petroleum Company respectfully requests approval to commingle production from the Dean Devonian Pool and Dean Permo Penn Pool which are produced from the State "AW" Lease, Section 35-T15S-R36E, Lea County, New Mexico, State Land Lease Number E-605. Attached for information is the request submitted to the New Mexico Oil Conservation Commission. In addition to this data, the request will also be submitted to test the wells semi-annually for purposes of allocating production.

Upon receipt of permission to commingle from the Land Commissioner, Cities Service Petroleum Company will request that administrative approval be given for the commingling of these two pools.

Very truly yours,


E. H. Furrey, Jr.
District Engineer

EHF/jjs
Encl.

cc: New Mexico Oil Conservation Commission
Attn: Mr. Daniel S. Nutter

Cities Service Petroleum Company
FORMERLY NAMED



MAIN OFFICE CCC

1962 FEB 20 AM 6:26
CITIES SERVICE OIL COMPANY

PC 62
now

BOX 97

HOBBS, NEW MEXICO
February 19, 1962

New Mexico Oil Conservation Commission
Box 871
Santa Fe, New Mexico

Attention: Mr. D. S. Nutter

Re: Cities Service Petroleum
Company's request to com-
mingle production on their
State "AW" Lease

Gentlemen:

Attached is a copy of the letter from the Commissioner of Public Lands granting permission to commingle production from the Dean-Devonian Pool and Dean Permo-Penn Pool on the State "AW" Lease, Section 35, T 14S, R 36E, Lea County, New Mexico, State Lease No. E-605.

Thank you for your cooperation in this matter and if there is any other items needed, please notify us.

Yours very truly,

Earl H. Furrey, Jr.
Earl H. Furrey, Jr.
District Engineer

EHF/js

Encl.

State of New Mexico



MAIN OFFICE 000

1962 FEB 16 AM

26
Commissioner of Public Lands

E. S. JOHNNY WALKER
COMMISSIONER



P. O. BOX 791
SANTA FE, NEW MEXICO

February 16, 1962

Cities Service Petroleum Company
Box 97
Hobbs, New Mexico

ILLEGIBLE

Attention: Mr. E. H. Furrey, Jr.

Dear Mr. Furrey:

Your request for permission to commingle the production from Dean Devonian Pool and Dean Permian Penn Pool, which are produced from State "AW" Lease, Section 35, T. 15 S., R. 36 E., Lea County, New Mexico, State Lease No. E-605, is hereby granted.

This permission is given, due to the fact, that there is no division of ownership involved and that it appears that the State's Royalty will amount to as much, if not more, after the oil has been commingled and properly handled.

We wish to thank you very much for your cooperation, in this matter, and for submitting the plans of the project, as well as plats and diagrams.

Yours very truly,

E. S. JOHNNY WALKER
Commissioner of Public Lands

By: *Ted Hilberry*
Ted Hilberry, Supervisor
Oil and Gas Division

ESW:TB:eq