



UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
Drawer 1857
Roswell, New Mexico

April 19, 1962

ILLEGIBLE

Continental Oil Company
P. O. Box 1377
Roswell, New Mexico

Attention: Mr. William A. Mead

Gentlemen:

Your letter of March 23, 1962, requests approval for commencing oil production from the undesignated Blinberry Pool with the Engine No. 1 in E₂ and E₃W₂ of sec. 4, T. 21 S., R. 36 E., of Federal Lease No. 88 Gross 031740(b).

The method of commencing described by the diagrams attached to your letter is hereby approved.

You are requested to notify our Hobbs office when the installation is completed so that a field inspection of the well can be made.

Very truly yours,

Carl C. [Signature]

JOHN A. ANDERSON

Regional Oil and Gas Supervisor

RECEIVED	
NEW MEXICO DIVISION	
APR 23 1962	
Please Note	Noted
Div. Sup.	
Div. Adm. Coord.	
Div. Engineer	
Div. Gas Prod.	

*COPY to Bureau
4/23/62
[Signature]*



CONTINENTAL OIL COMPANY

P. O. BOX 1377
ROSWELL, NEW MEXICO

April 27, 1962

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

225 PETROLEUM BUILDING
TELEPHONE: MAIN 2-4202

*OK to commingle
by subtraction
method.*

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

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

Gentlemen:

Re: APPLICATION OF CONTINENTAL OIL COMPANY
FOR EXCEPTION TO RULE 303(A) IN ORDER
TO COMMINGLE THE OIL PRODUCTION FROM
THE EUNICE AND UNDESIGNATED BLINEBRY
OIL POOLS AND TRANSFER THIS PRODUCTION
THROUGH ONE ACT UNIT PRESENTLY IN-
STALLED ON ITS MEYER B-4 LEASE, LOCATED
IN SECTION 4, T21S, R36E, NMPM, LEA
COUNTY, NEW MEXICO

We forward herewith in triplicate the above captioned application and copies of a letter from the Regional Oil and Gas Supervisor of the United States Geological Survey approving the proposed commingling installation.

We shall appreciate your further handling of this application.

Yours very truly,

W. A. Mead

CCW-sm
Attachments

Carbon copies to: RGP

HGD

JRP

CONTINENTAL OIL COMPANY

1962 APR 30 AM 8:31

Roswell, New Mexico

April 27, 1962

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

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

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Re: Application of Continental Oil Company for exception to Rule 303(A) in order to commingle the oil production from the Eunice and Undesignated Blinbery Oil Pools and transfer this production through one ACT unit presently installed on its Mayer B-4 Lease, located in Section 4, T-21S, R-36E, NMPM, Lea County, New Mexico.

Gentlemen:

Continental Oil Company requests an exception to Rule 303(A) for permission to commingle liquids produced from the captioned lease and transfer the production through one ACT unit presently installed and in support thereof submits the following information:

1. Applicant's Mayer B-4 Lease consists of E/2 and E/2 W/2 of Section 4, T-21S, R-36E, NMPM, 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 above described lease are held by the Federal Government.
3. Production from the Undesignated Blinbery Oil Pool will be measured by a suitable meter with non-reset counter prior to commingling. Production from the Eunice Oil Pool will be allocated on the basis of periodic gas-oil ratio tests. A tabulation, Exhibit No. 2, attached hereto, shows the latest test on each well and the average daily production by pools during the period December 1, 1961, to February 1, 1962.
4. The anticipated gravity of the commingled production has been calculated to be approximately 35.2^o API with a value of \$2.80 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 \$4.24 per day more than it is at the present time.
5. One test facility (mastering heater treater) 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 New Mexico Oil Conservation Commission manual for the installation and operation of commingling facilities dated September 13, 1961.

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6. Production from the Eunice and Undesignated Blinbry Oil Pools under the Meyer B-4 Lease is presently being produced into separate tank battery facilities. By commingling this production into one common battery and transferring through one ACT unit, there will be less investment for equipment on the lease and it is anticipated that there will be a reduction in operating costs.

7. Commingling of production will result in the prevention of waste and will not impair correlative rights.

8. Continental Oil Company was granted permission to install ACT facilities by the New Mexico Oil Conservation Commission's Order No. R-1810 and Eunice Pool production is presently being run through the ACT unit.

In view of the facts stated above, it is respectfully requested that an exception to Rule 303(A) be granted permitting the commingling of production and that permission be granted to transfer the production through one ACT Unit on Applicant's Meyer B-4 Lease as described above.

CONTINENTAL OIL COMPANY

BY: W. A. Mead

TITLE: DIVISION SUPERINTENDENT

WAM-BFH

Copies to:

NMOCC-Santa Fe-3

USGS-2

HGP

HGD

JRP

File



CONTINENTAL OIL COMPANY
 OWNERSHIP PLAT- EUMONT-EUNICE AREA

Scale: 1"=2000'

MEYER B-4 LEASE

Tank Battery

Undesignated Blinbry Oil Well

Eunice Oil Pool Well

Eumont Gas Pool Well

MEYER P-4 LEASE

allow 12/1-61/2-1-62

1952 1112

monthly Prod

Latest Test (Daily Rates)

Well No.	Pool	Date	Oil	Water	Gas (MCF)	Daily Average Oil Production	Oil Gravity	Value
No. 1	Barice	12-13-61	14	1	-	21.1	34.0	2.77
No. 2	"	12-29-61	-38	16	26.5	-36.8	34.0	2.77
No. 3	"	11-9-61	8	1	15.0	8.4	34.0	2.77
No. 4	"	11-10-61	13	69	30.0	31.6	34.0	2.77
No. 5	"	11-14-61	19	3	31.5	31.6	34.0	2.77
No. 6	"	11-15-61	-40	4	15.0	-36.9	34.0	2.77
No. 7	"	11-16-61	18	7	13.4	31.6	34.0	2.77
No. 8	"	12-30-61	-39	5	33.5	-36.8	34.0	2.77
No. 9	"	11-28-61	8	114	-	22.1	34.0	2.77
No. 10	"	11-29-61	2	3	-	7.4	34.0	2.77
No. 11	"	11-22-61	-40	10	-	-36.9	34.0	2.77
No. 12	"	9-14-61	3	37	-	19.0	34.0	2.77
No. 13	"	9-22-61	-36	60	-	-36.9	34.0	2.77
No. 15	"	11-6-61	4	1	-	10.5	34.0	2.77
No. 16	"	12-7-61	2	1	-	4.2	34.0	2.77
No. 17	"	12-8-61	1	1	-	1.1	34.0	2.77
No. 18	"	8-4-61	8	2	14.1	8.4	34.0	2.77
No. 19	Undesignated Elsiebry	2-14-62	237	0	247		34.0	2.95

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Examine Jan

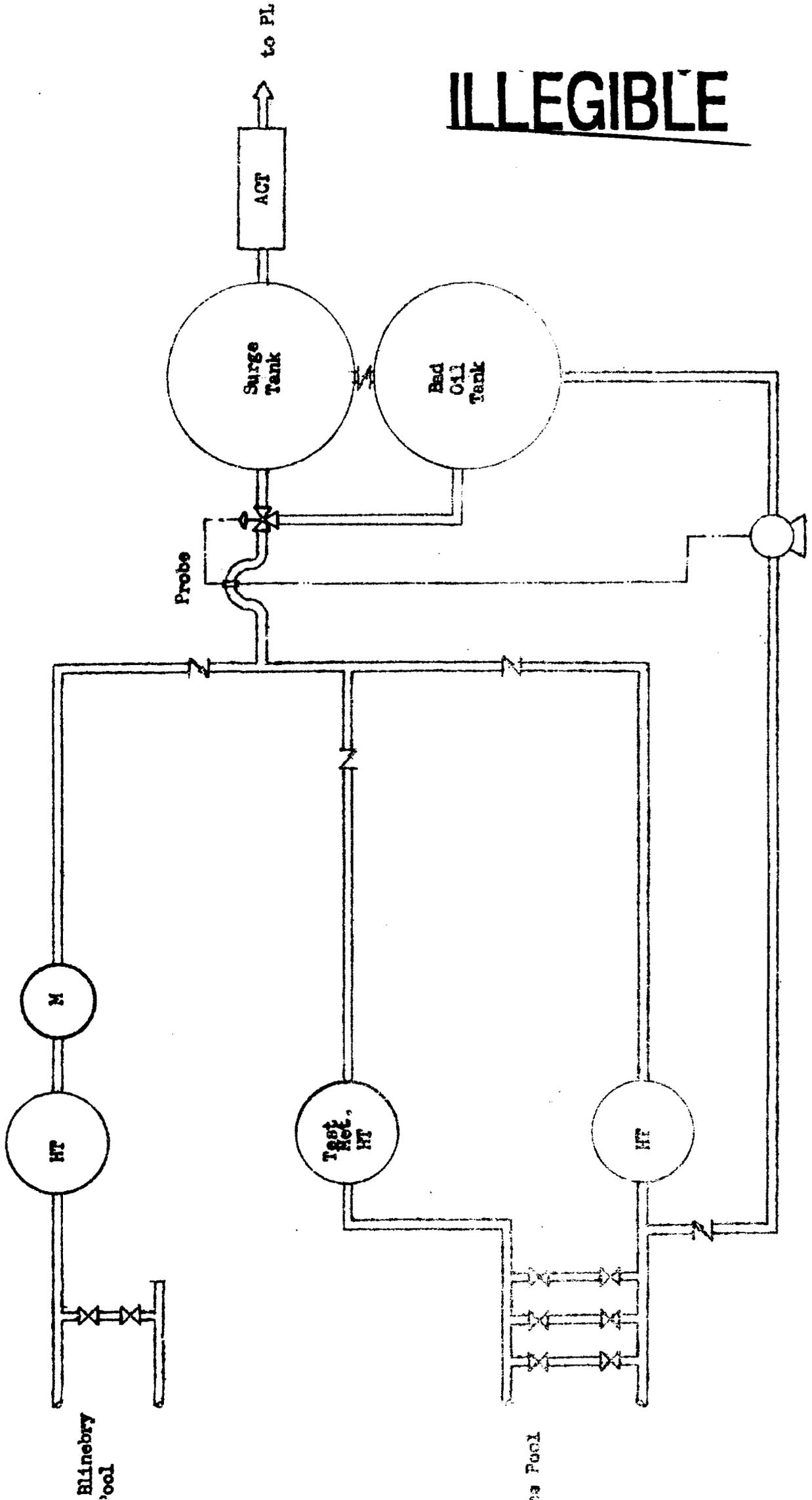
New Completion
48 BOPD Allowable

Jan

POOL TOTALS

Pool	Daily Average Production	Oil Gravity	Value
Barice	381.3	34.0	2.77
Undesignated Elsiebry	48 (Top Allowable)	44.0	2.95

CONTINENTAL OIL COMPANY
MEYER B-4, LEASE
PROPOSED COMINGLING



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