

amended PC-80
Held for USGS approval

TEXACO
INC.

PETROLEUM PRODUCTS



P. O. Box 728
Hobbs, New Mexico
June 29, 1962

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

Re: Application for Addition to Present
Commingled Installation, TEXACO Inc.
G. L. Erwin (b) NCT-2 Lease, North
Justis (Blinebry, Tubb-Drinkard,
Devonian, Fusselman, McKee, Waddell,
and Ellenburger) 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 G. L. Erwin (b) NCT-2 Lease. Approval was granted by Administrative Order PC-80 dated May 3, 1962, to commingle production from the North Justis (Tubb-Drinkard, Devonian, Fusselman, McKee, Ellenburger) Pools. However, recently the Waddell zone has been completed in Well No. 3 and the previously considered sour crude Blinebry has been reclassified as intermediate-sweet, therefore, it is desirous to commingle the Waddell and Blinebry production with the aforementioned zones. In support of which is stated the following:

1. TEXACO Inc. is the operator of the G. L. Erwin (b) NCT-2 Lease, consisting of 160 acres, being the SE/4 of Section 35, T-24-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 G. L. Erwin (b) NCT-2 Lease has four wells, the status of which are shown on the attached producing status sheet.

June 29, 1962

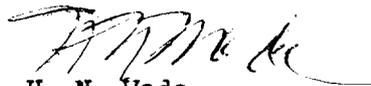
3. The expected daily liquid hydrocarbon production for each of the (7) zones along with the combined daily production after commingling is shown on the attached statistical summary sheet.

4. In accordance with Item II, Section 2-A of the current "Manual for the Installation and Operation of Commingling Facilities", it is proposed to meter prior to commingling all zones. Positive displacement type meters with samplers and non-reset counters will be installed on all zones for accurate measurement prior to commingling. Due to a sliding royalty payment on the W/2 of the lease for all zones except the Drinkard, McKee, Waddell and Ellenburger, which are straight 12.5 percent, it was necessary to install separate meters for the Blinebry, Devonian and Fusselman zones to satisfy U. S. Geological Survey's requirements. A schematic diagram of the proposed commingling is attached, and is in substantial compliance with Figure 2 in the aforementioned manual.

5. Royalty interest in the subject lease is common and is held in part by U. S. Federal Government and a copy of this application is being sent this date to U. S. Geological Survey, P. O. Box 1838, Hobbs, New Mexico, requesting their approval in writing of the proposed installation. Immediately upon receipt of this approval, it will be forwarded to the Commission.

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 commingling into a common tank battery liquid hydrocarbon production from the North Justis (Blinebry, Tubb-Drinkard, Devonian, Fusselman, McKee, Waddell, Ellenburger) Pools, on the G. L. Erwin (b) NCT-2 Lease and from all wells which may be completed in these reservoirs on this lease in the future.

Yours very truly,



H. N. Wade
Assistant District Superintendent

ODB-jc

cc: NMOCC, Hobbs
USGS, Hobbs

Attachments

TEXACO Inc.
G. L. Erwin (b) NCT-2 Lease
Lea County, New Mexico

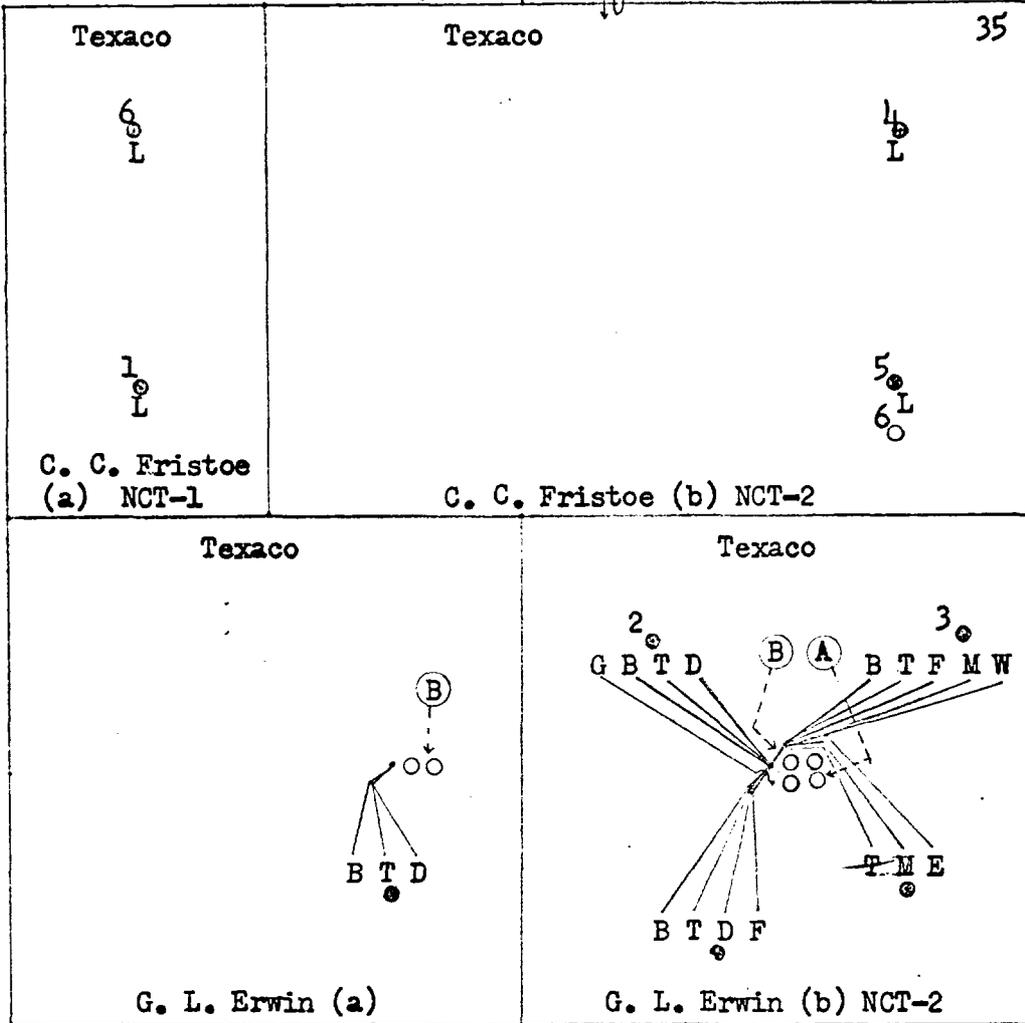
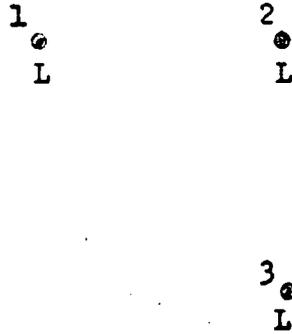
Producing Status

Well No.	Type	Undesignated Glorieta	North Justis Blinbery	North Justis Tubb-Drinkard	North Justis Devonian	North Justis Fusselman	North Justis McKee	North Justis Waddell	North Justis Ellenburger
1	Triple			X			X		
2	Quadruple	X	X	X	X	X			
3	Quintuple		X	X		X	X	X	
4	Quadruple		X	X	X				X
<u>Commingleing Statistics</u>									
Zone	Type of Crude	Productivity (BOPD)	Gravity (°API)	Price per Barrel	Revenue per Day				
Blinbery	Int. Sweet	69	37	2.86	197.34				
Tubb-Drinkard	Int. Sweet	184	37	2.86	526.24				
Devonian	Int. Sweet	160	38	2.97	475.20				
Fusselman	Int. Sweet	160	36	2.93	468.80				
McKee	Int. Sweet	160	44	3.01	481.60				
Waddell	Int. Sweet	102	42	3.01	307.02				
Ellenburger	Int. Sweet	102	45	2.99	304.98				
All Zones		937	39.5	2.99	\$2,761.18				
				Gain per Day	\$2,801.63				
					\$ 40.45				

LEGEND

- E - North Justis-Ellenburger
- W - Undesignated Waddell
- M - North Justis-McKee
- F - North Justis-Fusselman
- D - North Justis-Devonian
- T - North Justis Tubb-Drinkard
- B - North Justis-Blinebry
- G - Undesignated Glorieta
- L - Langlie-Mattix

- (A) - Sour Crude Batteries
- (B) - Inter. Sweet Crude Batteries



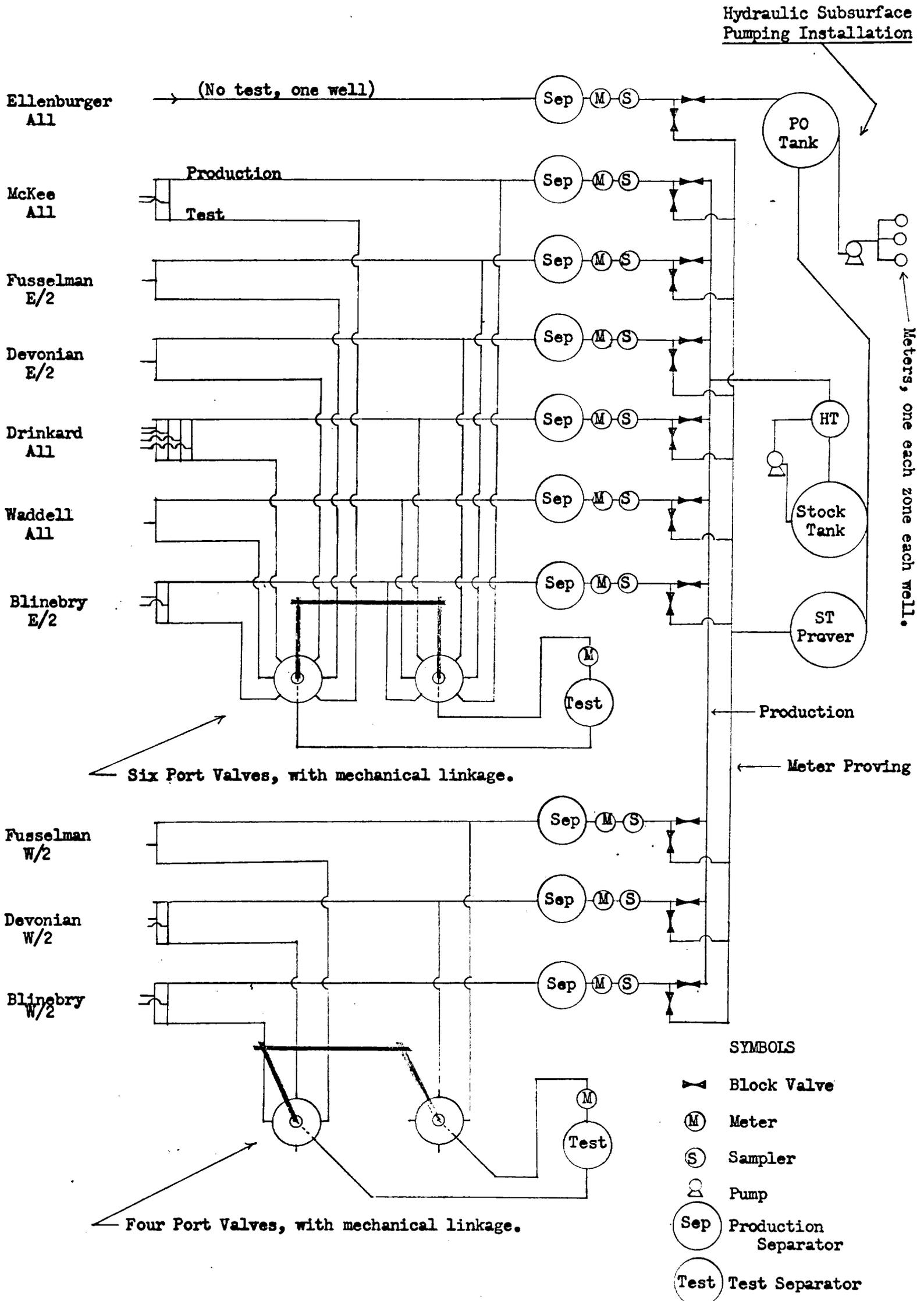
T
24
S

PLAT OF TEXACO Inc. LEASES, NORTH JUSTIS POOLS

G. L. Erwin (a), Federal Lease No. LC-032871-A
 G. L. Erwin (b) NCT-2, Federal Lease No. LC-057509
 C. C. Fristoe (a) NCT-1, Federal Lease No. LC-032592
 C. C. Fristoe (b) NCT-2, Federal Lease No. LC-032592(b)

Scale 1" = 1000' 6-27-62 Lea County, New Mexico

SCHEMATIC DIAGRAM OF PROPOSED COMMINGLING INSTALLATION
TEXACO Inc. G. L. Erwin (b) NCT-2 Lease
Lea County, New Mexico



Hydraulic Subsurface Pumping Installation

Ellenburger All

McKee All

Fusselman E/2

Devonian E/2

Drinkard All

Waddell All

Blinebry E/2

Fusselman W/2

Devonian W/2

Blinebry W/2

Six Port Valves, with mechanical linkage.

Four Port Valves, with mechanical linkage.

- SYMBOLS**
- Block Valve
 - Meter
 - Sampler
 - Pump
 - Production Separator
 - Test Separator

Note: Equipment to be installed as required, single wells will not be connected through test separators until a second well has been completed.



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

July 11, 1962

E. L. Erwin (b) 11CT-2

Texaco Inc.
P. O. Box 728
Hobbs, New Mexico

Attention: Mr. H. N. Wade

Gentlemen:

Your letter of June 29, 1962, requests approval to commingle production from the North Justis Blinbry and Waddell Pools with the presently commingled Tubb-Drinkard, Devonian, Fusselman, McKee and Ellenburger Pools, on Federal lease Las Cruces 057509.

You propose to meter separately the oil and gas produced from the portions of the SE $\frac{1}{4}$ sec. 35 subject to different royalty rates. The method of commingling 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 system can be made.

Form 9-361, Lessee's Monthly Report of Sales and Royalty, for the subject lease should show all meter readings and computations used in determining the royalty for each portion of the lease.

Very truly yours,

John A. Anderson

JOHN A. ANDERSON
Regional Oil and Gas Supervisor