

TEXACO
INC.

PETROLEUM PRODUCTS



P. O. Box 728
Hobbs, New Mexico
April 16, 1962

Handwritten notes:
OK'd
April 16 + Done
M.A.S.

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

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

Re: Application for Permit to Commingle
Production, TEXACO Inc., G. L. Erwin
"a" Lease, North Justis-Tubb-Drinkard,
North Justis-Devonian Pools, Lea
County, New Mexico

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 "a" Lease, North Justis-Tubb-Drinkard, North Justis-Devonian Pools, Lea County, New Mexico, in support of which is stated the following:

1. TEXACO Inc. is the owner and operator of the G. L. Erwin "a" Lease, consisting of 160 acres being the SW/4 of Section 35, Township 24 South, Range 37 East, 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 "a" Lease has one producing well which was recently completed as a triple completion in the North Justis-Blinebry, North Justis-Tubb-Drinkard, and North Justis-Devonian Pools. The Blinebry production is considered as sour and will be produced separately. The Tubb-Drinkard and Devonian production is considered intermediate sweet and it is desirable to commingle these two crudes into a common tank battery to defer the expense of additional storage facilities.

3. The expected daily liquid hydrocarbon production from the North Justis-Devonian Pool is 84 barrels of 36.6° API gravity oil at \$2.93 per barrel. That from the North Justis-Tubb-Drinkard Pool is 48 barrels of 35.8° API gravity oil at \$2.91 per barrel. The combined daily production after commingling is expected to be 132 barrels of 36.3° API gravity crude hydrocarbon at \$2.93 per barrel resulting in a 96 cent per day gain in revenue.

April 16, 1962

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 on the subject lease. Samplers and positive displacement type meters with non-reset counters will be installed on all metered zones for accurate measurement prior to commingling. A schematic diagram of the proposed commingling installation is attached and is in substantial compliance with the Figure 2 in the aforementioned manual.

5. Royalty and working interest in the subject lease is common and royalty interest is held in part by the U.S.G.S. Copies of this application are being sent this date to the U. S. Geological Survey, P. O. Box 1838, Hobbs, New Mexico. Upon receipt of approval of this application from U. S. Geological Survey, a copy will be forwarded to New Mexico Oil Conservation 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 the crude hydrocarbon production from the North Justis-Tubb-Drinkard and North Justis-Devonian Pools on the G. L. Erwin "a" Lease from wells presently completed and from additional wells which may be completed on this lease in these reservoirs in the future.

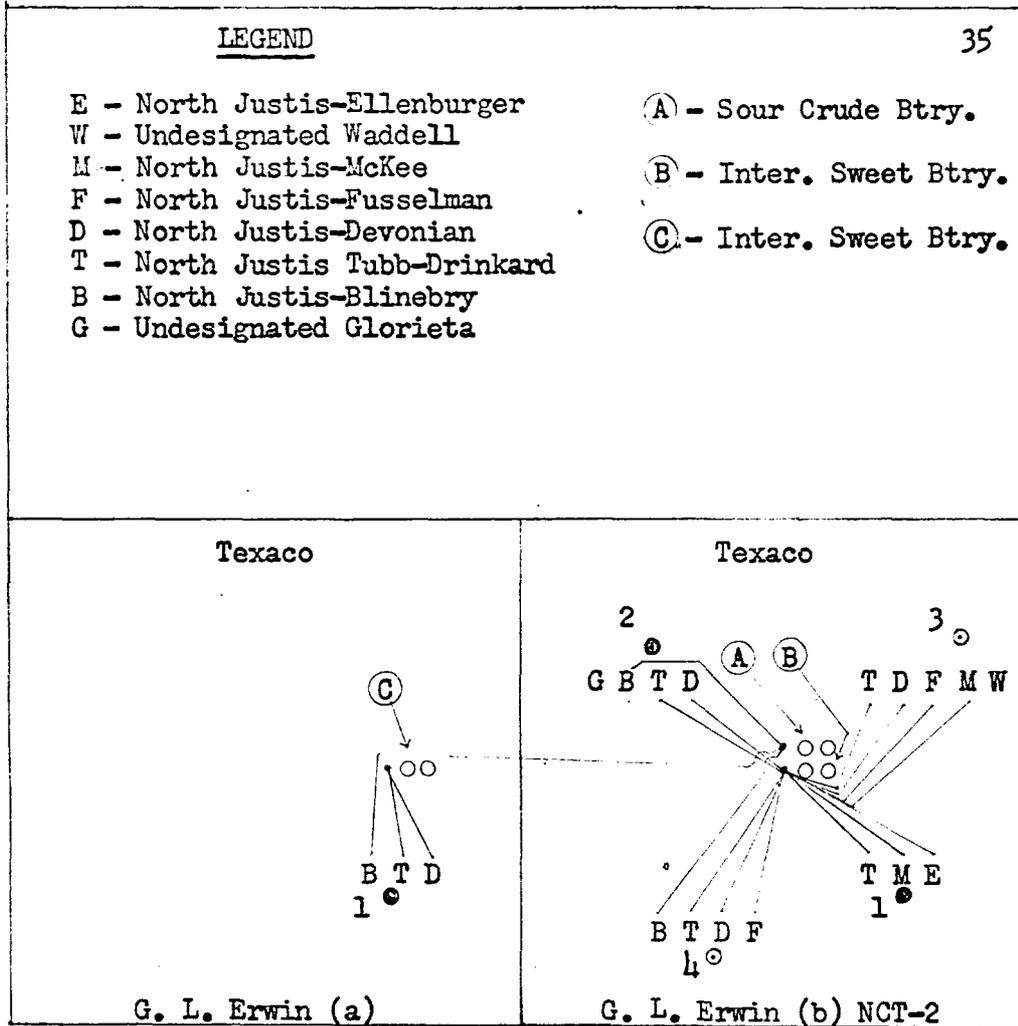
Yours very truly,


H. N. Wade
Assistant District Superintendent

ODB-MSV

cc: NMOCC, Hobbs

Attachments



Federal Lease No.
LC-032874-A

Federal Lease No.
LC-057509

PLAT OF TEXACO Inc. G. L. ERWIN (a)
 and G. L. ERWIN (b) NCT-2 LEASES
 Lea County, New Mexico
 Scale 1 inch = 2000'

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

