

TEXACO

INC.

PETROLEUM PRODUCTS



P. O. Box 728
Hobbs, New Mexico
August 27, 1962

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

Re: Application for Permit to Commingle
Production, TEXACO Inc., State of New
Mexico "E" (NCT-1) Lease, Monument
and Monument-Blinebry 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 State of New Mexico "E" (NCT-1) Lease, Monument and Monument-Blinebry Pools, Lea County, New Mexico, in support of which is stated the following:

1. Texaco is the operator of the State of New Mexico "E" (NCT-1) Lease, consisting of 160 acres, being the SW/4 of Section 1, T-20-S, R-36-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 State of New Mexico "E" (NCT-1) Lease has 5 wells, the status of which are as follows:

<u>Well No.</u>	<u>Type</u>	<u>Monument</u>	<u>Monument- Blinebry</u>
1	Single	X	
2	Single	X	
3	Single	X	
4	Single	X	
5	Single		X

X - Denotes Producing Wells

August 27, 1952

3. The expected daily liquid hydrocarbon production from the Monument Pool is 116.7 barrels of 29.9° API gravity oil at \$2.62 per barrel, that from the Monument-Blinbry Pool is 23 barrels of 33.2° API gravity at \$2.92 per barrel. The combined daily production after commingling is expected to be 139.7 barrels of 31.4° API gravity liquid hydrocarbon at \$2.68 per barrel, resulting in a \$1.49 per day gain in revenue. The production from the Monument Pool is considered as sour crude and that from the Monument-Blinbry Pool is considered as intermediate sweet, however, there is no sweet pipeline in the immediate area and there is no foreseeable relief in the near future.

4. In accordance with Item II, Section 2-1 of the current "Manual For the Installation and Operation of Commingling Facilities", it is proposed to meter prior to commingling all but one zone (Subtraction Method). The proposed zone not to be metered is the Monument-Blinbry zone which produces the highest gravity crude. Positive displacement type meters with samplers and non-reset counters will be installed on the Monument zone for accurate measurement prior to commingling. A schematic diagram of the proposed commingling is attached, and is in substantial compliance with Figure 5 in the aforementioned manual.

5. Royalty interest in the subject lease is common and is held in part by the State of New Mexico and a copy of this application is being sent this date to State Land Office, Box 791, Santa Fe, 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 Monument, and Monument-Blinbry Pools, on the State of New Mexico "E" (NCT-1) Lease and from all wells which may be completed in these reservoirs on this lease in the future.

Yours very truly,



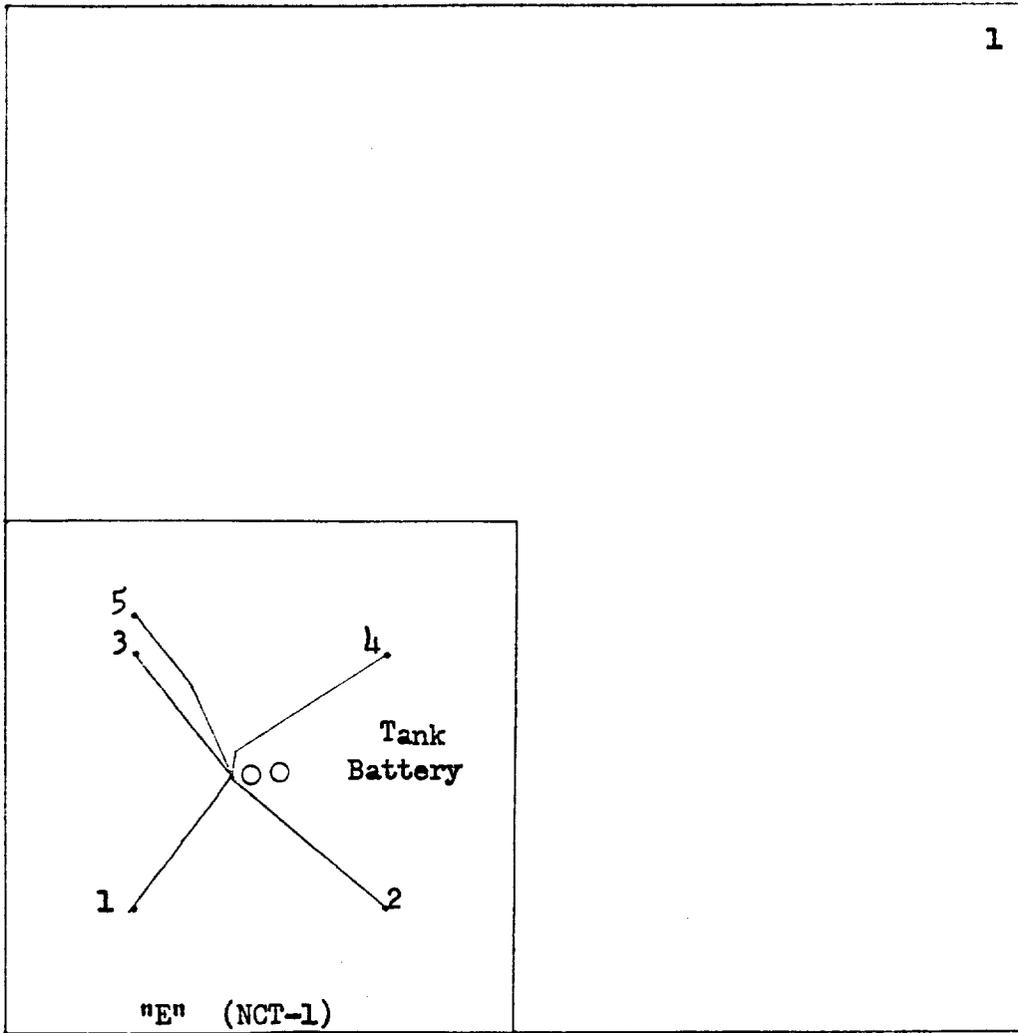
H. N. Wade
Assistant District Superintendent

ODE/MSV

cc: NMOCC, Hobbs
State Land Office, Santa Fe

Attachments

R - 36 - E



T
20
S

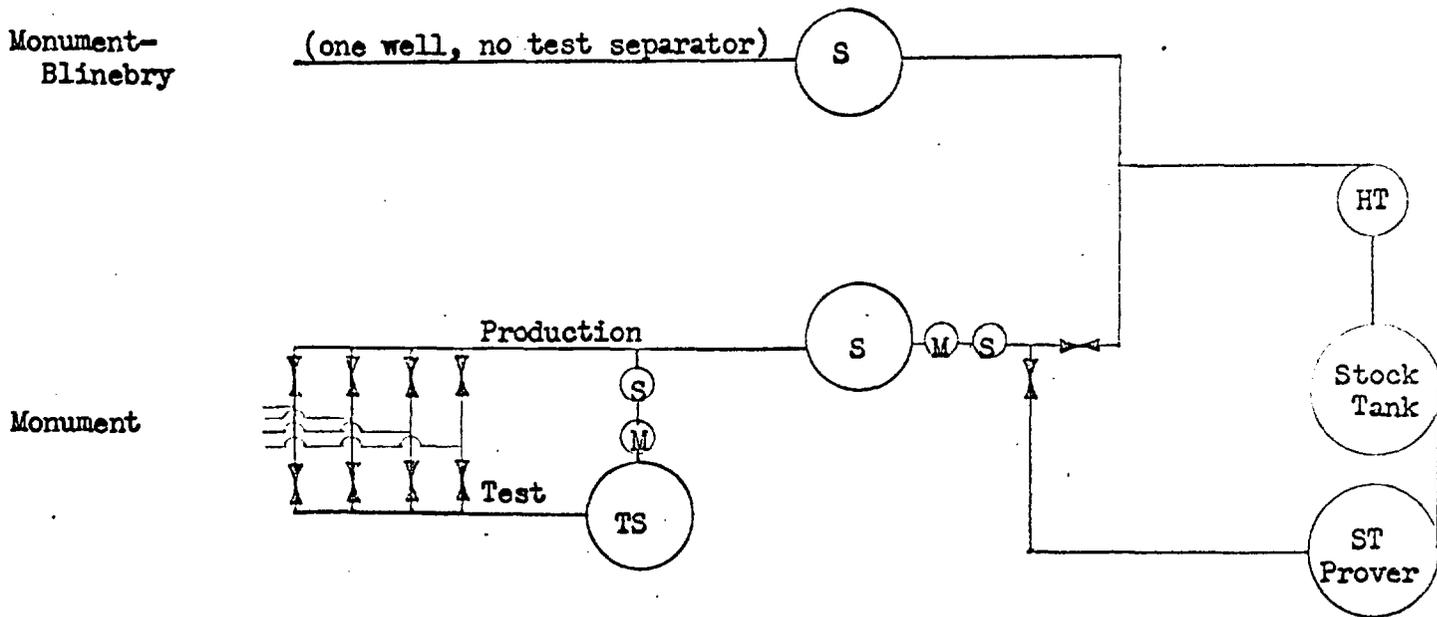
PLAT of TEXACO Inc.
STATE OF NEW MEXICO "E" (NCT-1) LEASE
State Land No. B-154

Lea County, New Mexico
Scale 1 inch = 1000'

LEGEND

M - Monument Pool
B - Monument-Blinebry Pool

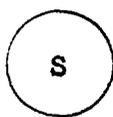
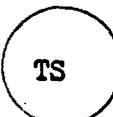
SCHEMATIC DIAGRAM OF PROPOSED COMINGLING INSTALLATION



TEXACO Inc.

State of New Mexico "E" (NCT-1) Lease
 Monument and Monument-Blinebry Pools
 Lea County, New Mexico

LEGEND

-  Block Valve
-  Meter
-  Sampler
-  Separator
-  Test Separator
-  Heater Treater

TEXACO
INC.

PETROLEUM PRODUCTS



P. O. Box 728
Hobbs, New Mexico
September 18, 1962

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

Re: APPLICATION FOR PERMIT TO COMMINGLE
PRODUCTION, TEXACO Inc.,
State of New Mexico "E" (NCT-1)
Monument and Monument-Blinebry Pools
Lea County, New Mexico

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

Gentlemen:

Attached are three copies of State Land Office
approval of the subject commingling installation.

Your earliest consideration of our application to
commingle dated August 27, 1962, would be greatly appreciated.

Yours very truly,

H. N. Wade
Assistant District Superintendent

ODB/om

Attachment

State of New Mexico

DMW 9-16
CLW 9-17 pls. handle
ODR 9-17



Commissioner of Public Lands



E. S. JOHNNY WALKER
COMMISSIONER

P. O. BOX 791
SANTA FE, NEW MEXICO

August 29, 1962

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

Re: Application for permit to commingle production, TEXACO, Inc., State of New Mexico "E" (NCT-1) Lease, Monument and Monument-Blinbry Pools, Lea County, New Mexico.

Attn: H. N. Wade, Assistant Dist. Superintendent

Gentlemen:

Your request for permission to commingle all production from State of New Mexico Oil and Gas Lease No. B154, TEXACO Lease "E" (NCT-1) which covers the SW $\frac{1}{4}$ of Section 1, Township 20S, Range 36E is hereby approved. We offer no objection to your proposed operations since this entire 160.00 acres belongs to the Common Schools of New Mexico; further, according to your computations, the royalty to be received will not be reduced.

Very truly yours,

E. S. JOHNNY WALKER
COMMISSIONER OF PUBLIC LANDS

By:

Ted Bilberry
TED BILBERRY, Supervisor
Oil and Gas Department

EW/TB/pb