



CONTINENTAL OIL COMPANY

P. O. BOX 1377
ROSWELL, NEW MEXICO

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

November 23, 1962

825 PETROLEUM BUILDING
TELEPHONE: MAIN 2-4202

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

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

Gentlemen:

Re: Application for permission
to commingle, Hawk B-1 Lease
Lea County, New Mexico

We forward herewith application in triplicate for permission to commingle Drinkard Oil and Tubb-Blinebry condensate on our Hawk B-1 lease with Tubb-Blinebry condensate from Hawk B-1 Unit. The Hawk B-1 lease was heretofore designated Hawk B-8 as to that portion in Section 8 and Hawk B-9 as to that portion in Section 9. The Hawk B-1 Unit (NW/4 Section 9) was heretofore designated Hawk B-9 Unit and is a communitization of 80 acres (E/2 NW/4) of the Hawk B-1 lease with 80 acres (W/2 NW/4) of the Hawk "A" lease. The entire 160 acres is federal lands.

We believe that the proposed installation should meet your requirements. A copy of the letter received from the Regional Supervisor of the United States Geological Survey is also attached.

Your favorable consideration of the attached application will be sincerely appreciated.

Yours very truly,

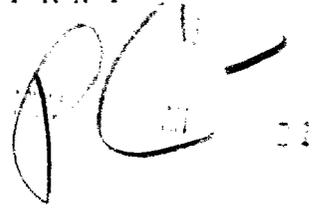
A handwritten signature in cursive script, appearing to read "W. A. Mead".

VTL-zw
Attach.

cc: RGP HGD JRP JWK

C O N T I N E N T A L O I L C O M P A N Y

P. O. Box 1377
Roswell, New Mexico
November 23, 1962



New Mexico Oil Conservation Commission
Post Office 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 Drinkard Oil Pool with the distillate production from the Blinebry and Tubb Gas Pools on its Hawk B-1 Lease located in Sections 8 and 9, T-21S, R-37E, NMPM, Lea County, New Mexico.

Continental Oil Company requests an exception to Rule 303 (A) for permission to commingle liquids produced from the captioned lease and in support thereof submits the following information:

1. Applicant's Hawk B-1 Lease consists of the E/2 SW/4, SE/4 of Section 8 and the S/2 and the E/2 NW/4 of Section 9, T-21S, R-37E, NMPM, Lea County, New Mexico. The described acreage is the same basic lease. 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. Applicant has one Blinebry and one Tubb gas well which produces for the Hawk B-1 Unit, comprised of the NW/4 of Section 9, T-21S, R-37E. Production for this unit will be separately metered prior to commingling.
4. Distillate production from gas wells will be measured by a suitable meter with non-reset counter and sampler prior to commingling. Production from the Drinkard Pool will be measured by the subtraction method and production from individual wells allocated by periodic well 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 May 1, 1962. to July 1, 1962.

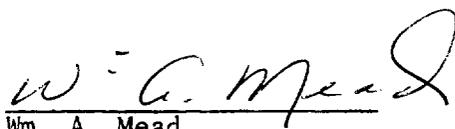
5. The anticipated gravity of the commingled production has been calculated to be approximately 40° API with a value of \$2.95 per barrel. The gravity and volume of present production by pools is shown on Exhibit No. 2. The actual commercial value of the commingled production for this lease will be approximately \$17.77 per day more than it is at the present time.

6. One test facility (separator, meter and sampler) will be utilized for all oil wells on the lease and a separate test facility (separator, meter and sampler) will be utilized for all gas wells on the lease to 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 "Manual for the Installation and Operation of Commingling Facilities", dated September 13, 1961.

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

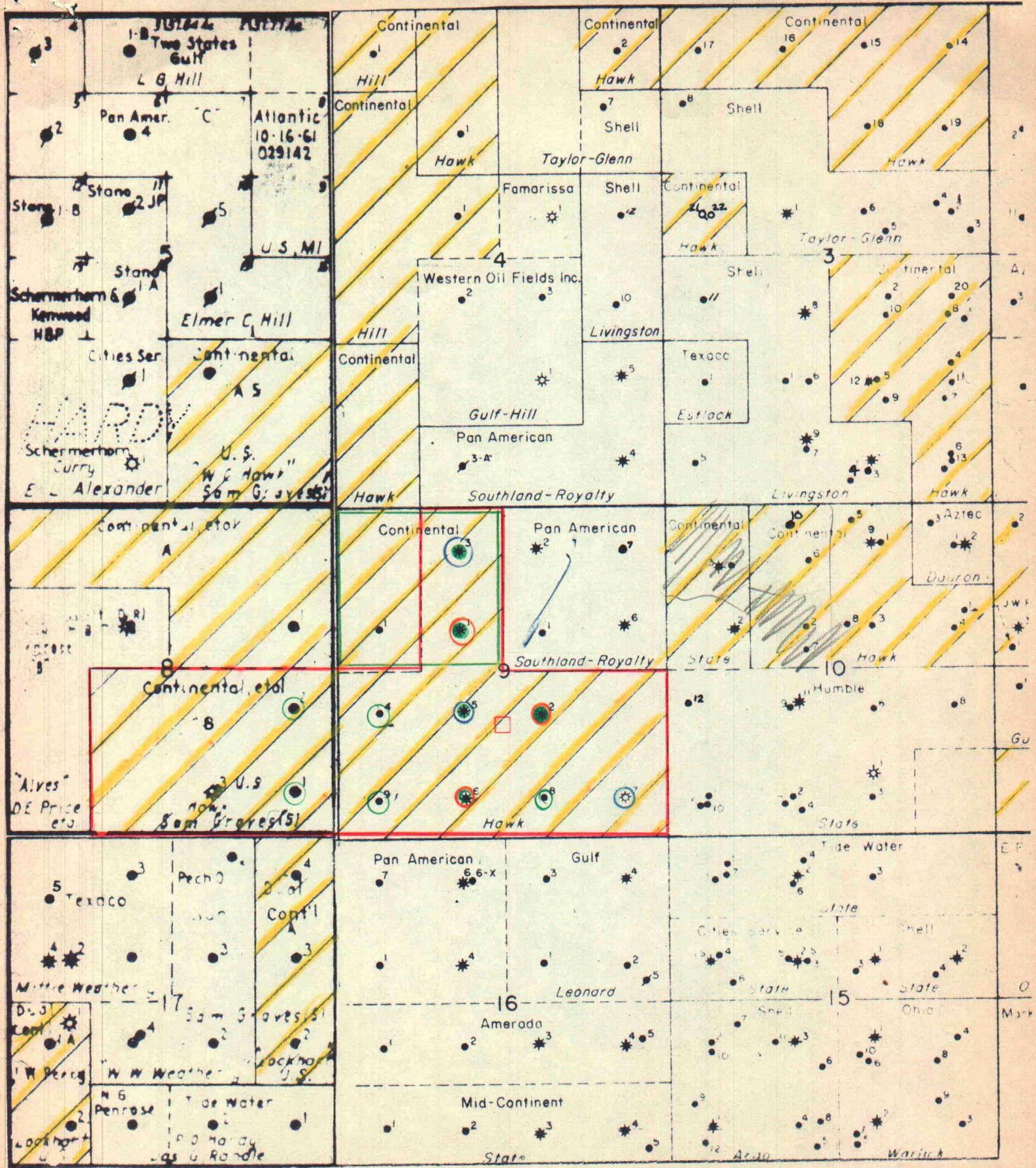
In view of the facts stated above, it is respectfully requested that an exception to Rule 303 (A) be granted permitting the commingling of production from the several reservoirs on Applicant's Hawk B-1 Lease as described above.

CONTINENTAL OIL COMPANY

By: 
Wm. A. Mead
Division Superintendent

VTL-zw

copies to:
NMOCC - Santa Fe - 3
RGP
HGD
JWK
JRP
FILE



R-37-E

- Hawk B-1 Unit
- Hawk B-1 Lease
- Tank Battery Location
- Drinkard Oil Pool
- Tubb Gas Pool
- Blinbry Gas Pool

EXHIBIT NO. 1

CONTINENTAL OIL COMPANY	
PRODUCTION DEPARTMENT EUNICE, NEW MEXICO	
LOCATION PLAT	
Hawk B-8 - Hawk B-9 Leases	
Date: 8-30-62	Scale: 1" = 2,000'
Drawn BY: G.A.S.	

HAWK B-1 LEASE

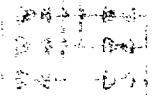
<u>Well No.</u>	<u>Pool</u>	<u>Daily Avg. Prod. From 5-1-62 to 7-1-62</u>	<u>Latest Test</u>			<u>Gravity</u>	<u>Value</u>
			<u>Date</u>	<u>Oil</u>	<u>Water</u> <u>Gas</u>		
No. 11	Drinkard	22.3	7-26-62	23	0 107	37.9	2.86
No. 12	Drinkard	5.4	7-21-62	5	0 32.2	37.9	2.86
No. 1	Drinkard	11.1	8- 4-62	20	0 379	36.4	2.83
No. 2	Drinkard	8.7	7-26-62	13	0 122	36.4	2.83
No. 3	Drinkard	6.3	7-27-62	6	0 9	36.4	2.83
No. 4	Drinkard	16.0	7-19-62	13	0 38	36.4	2.83
No. 5	Drinkard	6.7	8- 5-62	15	0 196	36.4	2.83
No. 6	Drinkard	11.4	7-28-62	12	0 22	36.4	2.83
No. 8	Drinkard	11.5	7-21-62	13	1.25 26	36.4	2.83
No. 9	Drinkard	11.7	7-20-62	10	0 36	36.4	2.83
No. 2	Blinebry (Dist)	5.8	1961 Daily Average			52.0	2.79
No. 6	Blinebry (Dist)	20.7	1961 Daily Average			52.0	2.79
No. 1	Blinebry (Dist)	2.8	1961 Daily Average			52.0	2.79
No. 3	Tubb (Dist)	2.6	1961 Daily Average			52.0	2.79
No. 5	Tubb (Dist)	1.0	1961 Daily Average			52.0	2.79
No. 7	Tubb (Dist)	0	1961 Daily Average			52.0	2.79

POOL TOTALS

<u>Pool</u>	<u>Daily Avg. Prod. (Bbls.)</u>	<u>Cravity</u>	<u>Price</u>
Drinkard	111.1	36.7	2.83
Tubb (Dist)	3.6	52.0	2.79
Blinebry (Dist)	29.3	52.0	2.79

CONTINENTAL OIL COMPANY
Hawk B-1 Lease

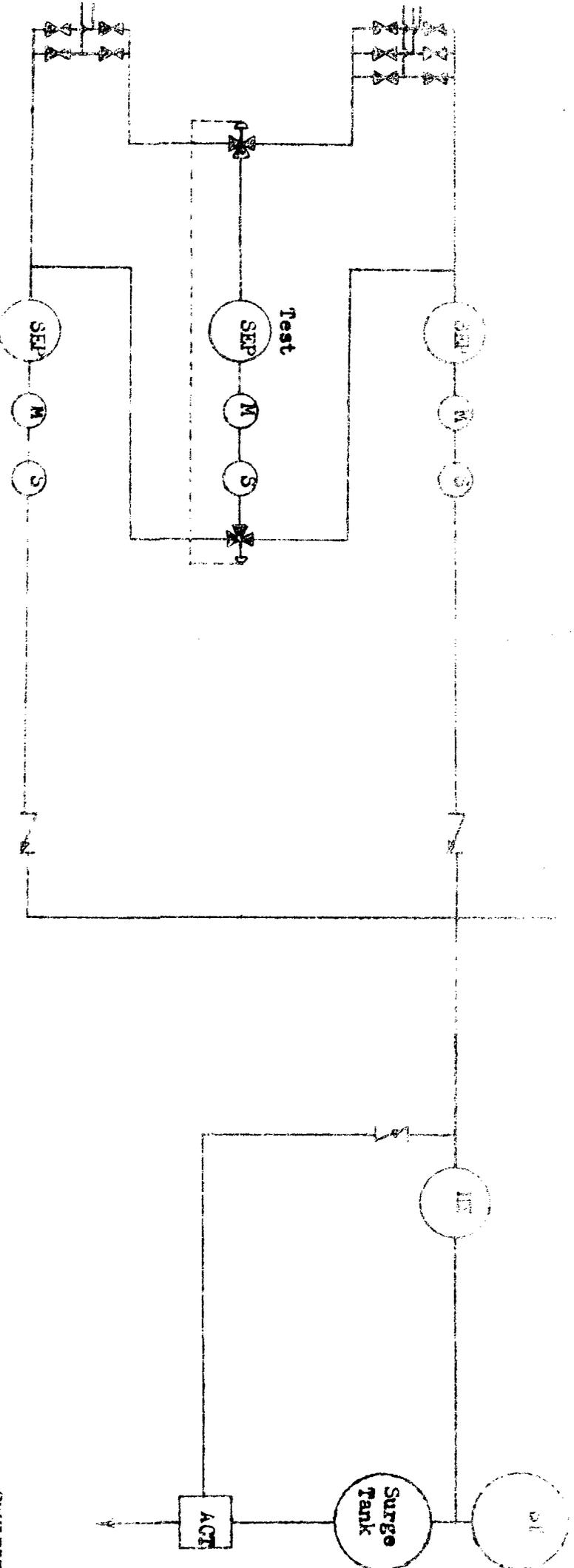
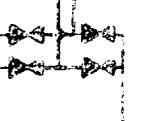
Drill Water
Lines



Tubb & Blinberry
Dist. Zone



Tubb & Blinberry
Dist. Zone





IN REPLY REFER TO:

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

Drawer 1857
Roswell, New Mexico

Handwritten notes:
Send to Linn
11/19/62

November 19, 1962

Handwritten:
Hawley B-1

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

Attention: Mr. Wm. A. Mead

Gentlemen:

Your letter of November 1, 1962, requests our approval to install an automatic custody transfer unit and to commingle the production from the Blinebry, Drinkard and Tubb Pools in the SE $\frac{1}{4}$ sec. 8 and the S $\frac{1}{2}$ and E $\frac{1}{2}$ NW $\frac{1}{4}$ sec. 9, T. 21 S., R. 37 E., N.M.P.M., Lea County, New Mexico, on Federal lease Las Cruces 031741 (b).

The automatic custody transfer system and the method of metering the production as described by the diagrams attached to your application, are hereby approved.

All master meter proving tests should be scheduled so that a Survey engineer of our Hobbs office may be notified in sufficient time to witness the calibration. You are requested to notify our Hobbs office when the installation is completed so that a field inspection of the system can be made.

Very truly yours,

Handwritten signature:
for JOHN A. ANDERSON
Regional Oil and Gas Supervisor

ILLEGIBLE

