



CONTINENTAL OIL COMPANY

P. O. Box 3312
Durango, Colorado
February 27, 1963

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

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

Gentlemen:

Application requesting administrative approval to commingle oil and condensate production from two zones within the Pennsylvanian formation in the Rattlesnake Field, San Juan County, New Mexico, was submitted to the Commission on January 18, 1963.

As requested, the following information regarding production over a 60-day period is hereby submitted to supplement the information contained in the original letter of application.

Average Daily Production Over a 60-Day Period

<u>Well No.</u>	<u>December, 1962</u>			<u>January, 1963</u>		
	<u>BOPD</u>	<u>BWPD</u>	<u>MCFGPD</u>	<u>BOPD</u>	<u>BWPD</u>	<u>MCFGPD</u>
136*	89	101	55	67	77	38
139*	123	109	305	102	46	89
140*	50	0	200	54	0	225
141*	48	73	40	47	72	111
142*	70	27	307	51	27	217
143*	41	91	61	41	90	57
144**	0	0	435	** 3	0	380
146*	5	27	224	** 6	0	505
Totals	<u>426</u>	<u>428</u>	<u>1627</u>	<u>371</u>	<u>312</u>	<u>1622</u>

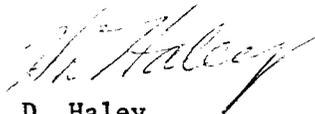
* Rattlesnake Zone oil production

** Hogback Zone condensate production

Top unit allowable for Rattlesnake Pennsylvanian wells is 194 BOPD per well. None of the wells producing in the field are capable of producing top unit allowable and should therefore fall under the classification of marginal wells for purposes of commingling.

As requested, a copy of the letter from the Regional Supervisor of the U. S. Geological Survey consenting to the proposed commingling installation is attached.

Very truly yours,



H. D. Haley
District Superintendent
Durango District
Production Department

GAB/cb

Enc.



UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

Drawer 1857
Roswell, New Mexico

RECEIVED	
DU	DD.
FEB 27 1963	
DISTRICT	
DIVISION	
ENGINEERS	
STAFF ASST.	
TENNS.	

February 21, 1963

Continental Oil Company
P. O. Box 3312
Durango, Colorado

Attention: Mr. H. D. Haley

Gentlemen:

Your letter of January 30 requests approval to commingle oil and condensate production from two zones within the Pennsylvanian Paradox formation on Navajo Tribal lease I-89-Ind-56.

By additional information submitted on February 13 you show that Hogback zone condensate will be metered prior to commingling with the Rattlesnake zone crude.

The method you propose for the commingling is hereby approved. Any change in this system must receive prior approval from this office.

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

Very truly yours,

JOHN A. ANDERSON
Regional Oil and Gas Supervisor



CONTINENTAL OIL COMPANY

MAIN OFFICE COO
1963 JAN 23 AM 8 16

P. O. Box 3312
Durango, Colorado
January 18, 1963

New Mexico Oil Conservation Commission (3)
P. O. Box 871
Santa Fe, New Mexico

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

Gentlemen:

Under provisions adopted by Commission Rule 303-b, "Segregation of Production From Pools", Continental Oil Company requests administrative approval for commingling oil and condensate production from two zones within the Pennsylvanian Paradox at the Rattlesnake Field, T29N, R15W, San Juan County, New Mexico.

Past oil production from the Pennsylvanian formation has been from the Paradox Rattlesnake zone. Recently, two Pennsylvanian wells, Rattlesnake No. 144 and No. 146, were recompleted in the upper Paradox Hogback zone as gas wells. Approval from the Commission for dual completion of Rattlesnake No. 144 is pending. Present condensate production from the Hogback zone gas wells is 5-10 barrels per day. It is proposed to install a metering treater to measure the Hogback zone condensate production and commingle it with the 400-500 BOPD from the Rattlesnake zone. The commingled production would be transferred through a single LACT system. Production will be attributed to the Hogback and Rattlesnake pools on the basis of the subtraction method utilizing the proposed metering treater and the existing LACT metering facilities. A 400-bbl. tank will be set to temporarily measure and store the Hogback condensate production until commission approval has been received to dually complete the No. 144 well, and to commingle the liquid hydrocarbons from both pools.

The two zones underly the same lease and have identical working and royalty interests. The actual value of the commingled production will be more than the sum of the values for production from the separate zones.

Basic data regarding gravities, values, and volumes of the liquid hydrocarbon from each pool and the expected gravity and value of the commingled liquid hydrocarbon production are tabulated as follows:

New Mexico Oil Conservation Commission

Page Two

Gravity of Rattlesnake zone liquid hydrocarbon - 42° API @ 60°F.
Gravity of Hogback zone liquid hydrocarbon - 50° API @ 60°F.
Gravity of commingled liquid hydrocarbon - 42.3° API @ 60°F.

Value of Liquid Hydrocarbons:

Rattlesnake zone - \$2.75 per barrel
Hogback zone - 2.53 per barrel*
Commingled - 2.75 per barrel

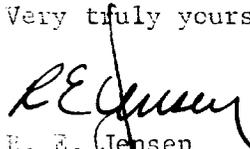
* Four Corners Pipe Line Company current price
for 50° Gravity

Anticipated Daily Production from Each Pool:

Rattlesnake zone - 400-500 Barrels per day
Hogback zone - 5- 10 Barrels per day

A schematic diagram of the proposed installation to meter the Hogback zone condensate production, a plat showing the location of all Paradox wells on the lease, and the pools from which each well is producing are attached.

Very truly yours,

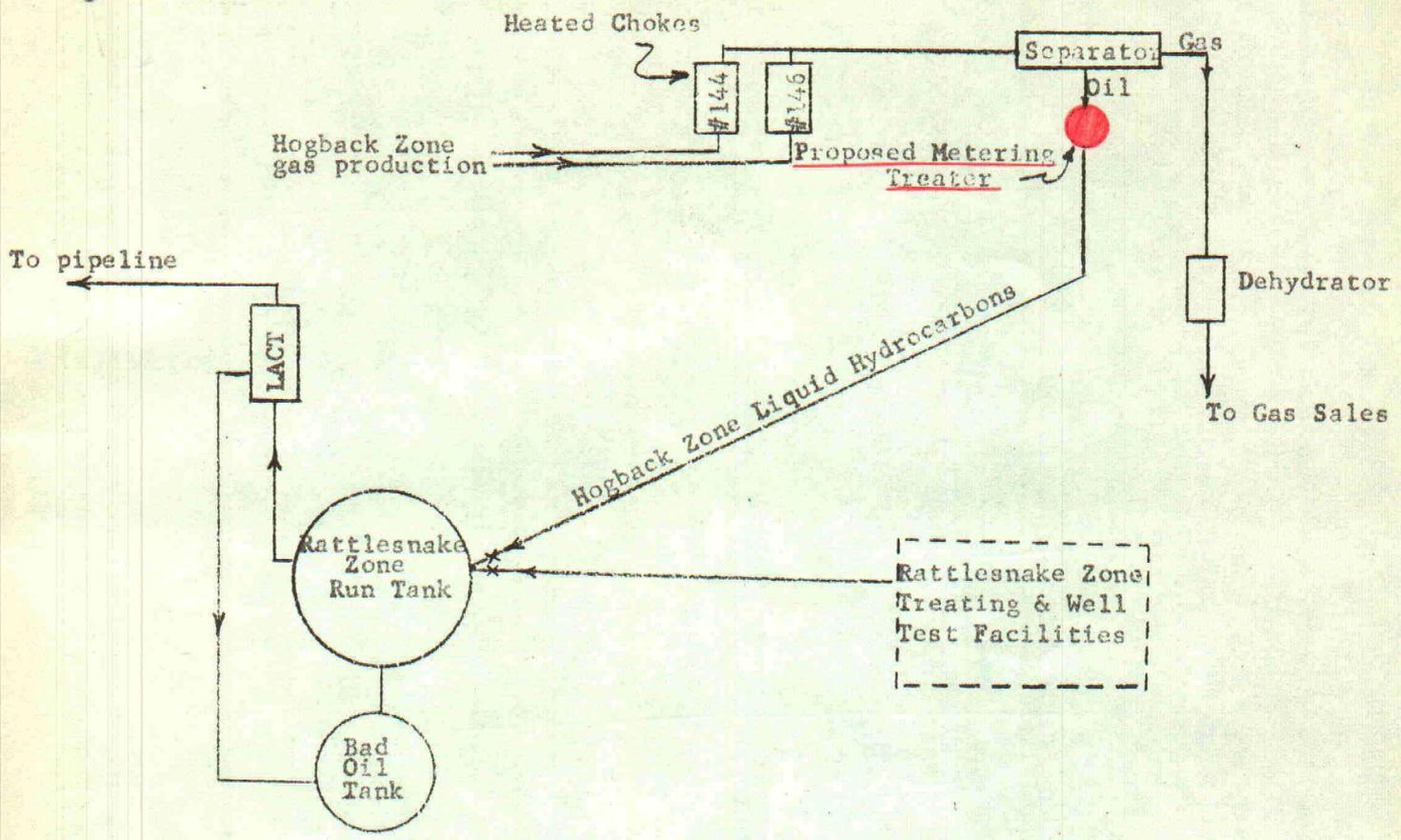


R. E. Jensen
Asst. District Superintendent

FVM/ae

Attachments

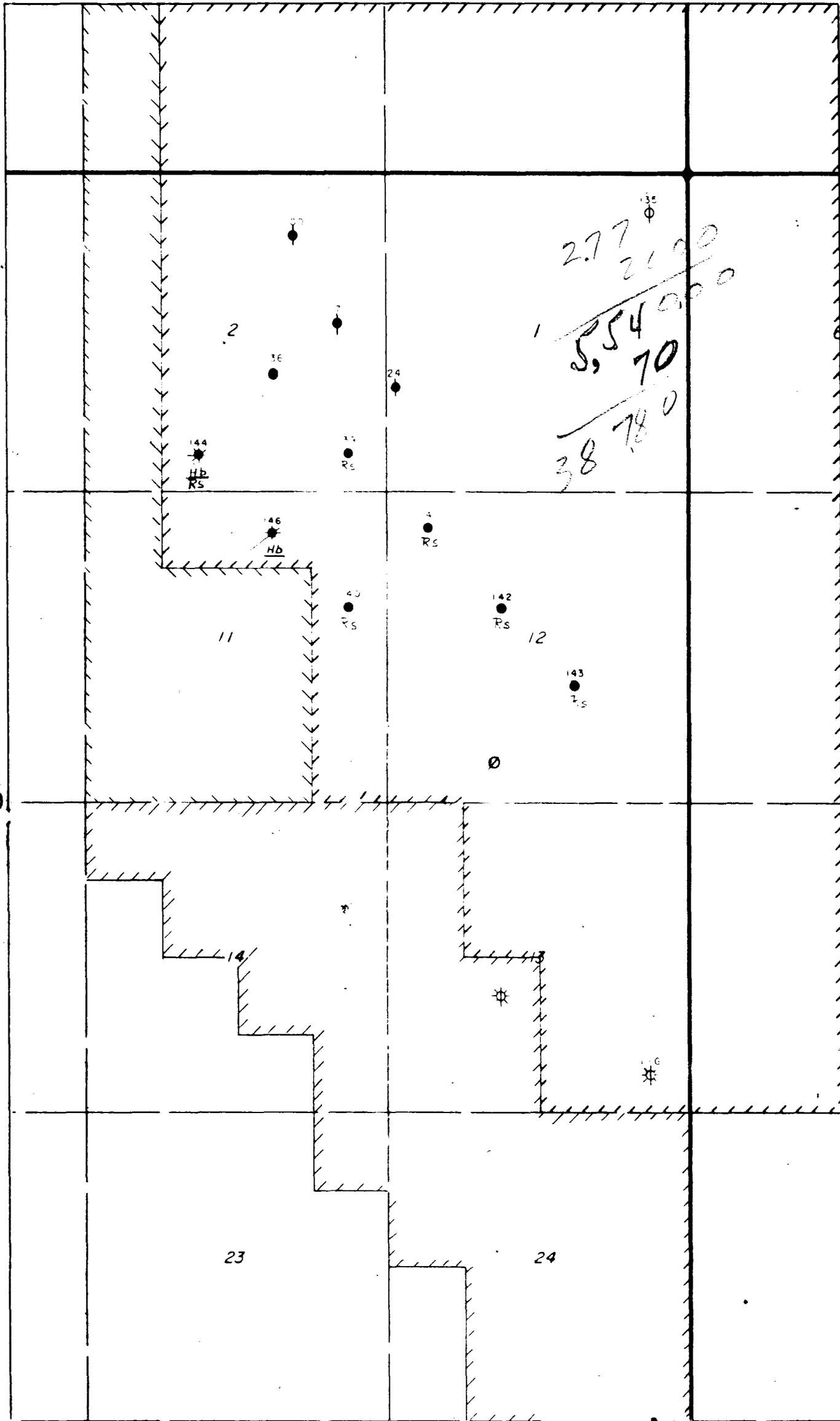
cc: Mr. R. E. White
Continental Oil Company
Denver, Colorado



SCHMATIC DIAGRAM OF EXISTING AND PROPOSED FACILITIES FOR METERING HOGBACK ZONE HYDROCARBON LIQUID PRODUCTION AND COMMINGLING WITH RATTLESNAKE ZONE CRUDE

R 19 W

T 29 N



CONTINENTAL OIL CO.
RATTLESNAKE FIELD
 SAN JUAN CO., N. M.
 Scale: 1" = 2000'

////// CONTINENTAL OIL COMPANY
 LEASE BOUNDARIES