



CONTINENTAL OIL COMPANY

P. O. BOX 1377
ROSWELL, NEW MEXICO

October 7, 1963

PRODUCTION DEPARTMENT
NEW MEXICO DIVISION
A. B. SLAYBAUGH
DIVISION SUPERINTENDENT
V. C. EISSLER
ASSISTANT DIVISION SUPERINTENDENT

825 PETROLEUM BUILDING
TELEPHONE: MAIN 2-4202

New Mexico Oil Conservation Commission
Post Office Box 871
Santa Fe, New Mexico

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

Gentlemen:

Re: APPLICATION FOR AUTHORITY
TO COMMINGLE - STATE H-35
LEASE, LEA COUNTY, NEW MEXICO

We forward herewith application in triplicate for authority to commingle production from the Vacuum Abo, Vacuum Wolfcamp and Vacuum Glorieta oil pools from our State H-35 Lease located in Section 35, T17S, R34E, Lea County, New Mexico. A copy of the letter from the State Land Commissioner consenting to the proposed commingling is also attached.

Your further handling and approval of this application will be sincerely appreciated.

Yours very truly,

VTL-pr
Enc.

cc: RGP GW JWK JAQ

CONTINENTAL OIL COMPANY

Roswell, New Mexico

New Mexico Oil Conservation Commission
Post Office Box 871
Santa Fe, New Mexico

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

Re: Continental Oil Company
Application For Permission
To Commingle Production
From Three Separate Pools
On The State H-35 Lease,
Section 35, T17S, R34E,
Lea County, New Mexico

1963 OCT 8
MAIN OFFICE DEC 1

Gentlemen:

Continental Oil Company respectfully requests administrative approval under the provisions of Rule 303, as amended by Order R-2060, to commingle production from three pools underlying the State H-35 Lease which consists of the NE/4 and the E/2 of the NW/4 of Section 35, T17S, R34E, Lea County, New Mexico. Wells and Pools to be commingled are as follows:

Vacuum Abo	Well No. 7 (dual)
Vacuum Wolfcamp	Well No. 7 (dual)
Vacuum Glorieta	Well No. 8

In support of this request, we should like to point out that the proposed facility is in accordance with the applicable provisions of the Commission's "Manual for the Installation and Operation of Commingling Facilities", now current, and Rule 303(b) as follows:

1. Ownership of all zones in common.
2. The facility is in substantial compliance with the installation depicted on Figure 3 in the manual as illustrated on the attached schematic drawing of the proposed installation.
3. Production from each zone to be commingled will be separately measured by means of meters acceptable to the Commission. Positive volume dump type meters will be used to meter individual zones and will be equipped with non-reset counters.
4. A common test vessel will be utilized with automatic well test headers controlled such that only one well from any one zone may be tested at any one time. The bad oil return system will also utilize the common test vessel and will be designed so that wells cannot be tested while bad oil is being returned.
5. BS&W content will be periodically determined by the standard centrifugal testing procedure. Meters are to be proved monthly by means of a strapped storage tank.

6. The value of the commingled crude will be enhanced through commingling as indicated by the following data:

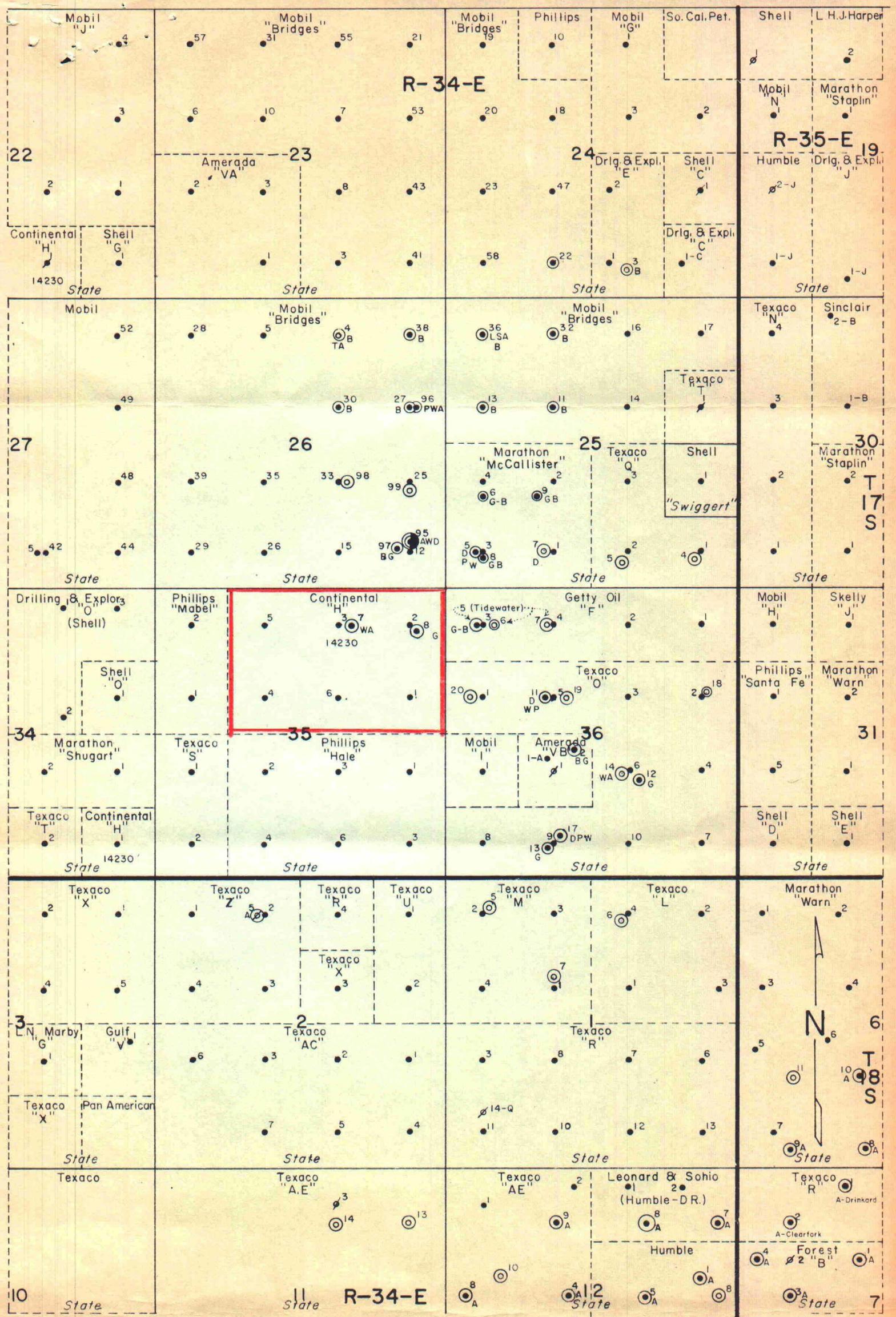
<u>Formation</u>	<u>Oil Gravity</u>	<u>Daily Volume</u>	<u>Value</u>
Abo	34.6	25	\$ 72.25
Glorieta	35.7	54	157.14
Wolfcamp	39.2	177	529.23
Total		256	758.62
Commingled	38	256	760.32
Difference			+\$1.72 per day

A plat is attached hereto showing to the best of our knowledge and belief the location of the State H-35 Lease, the wells thereon, those wells to be commingled, and offset wells and ownership thereof.

In view of the facts set out herein, it is respectfully requested that the Commission enter an order granting an exception to Rule 303(a) and permit the commingling of production from three pools produced from wells completed on the State H-35 Lease as described above.



A. B. SLAYBAUGH
Division Superintendent
of Production
New Mexico Division

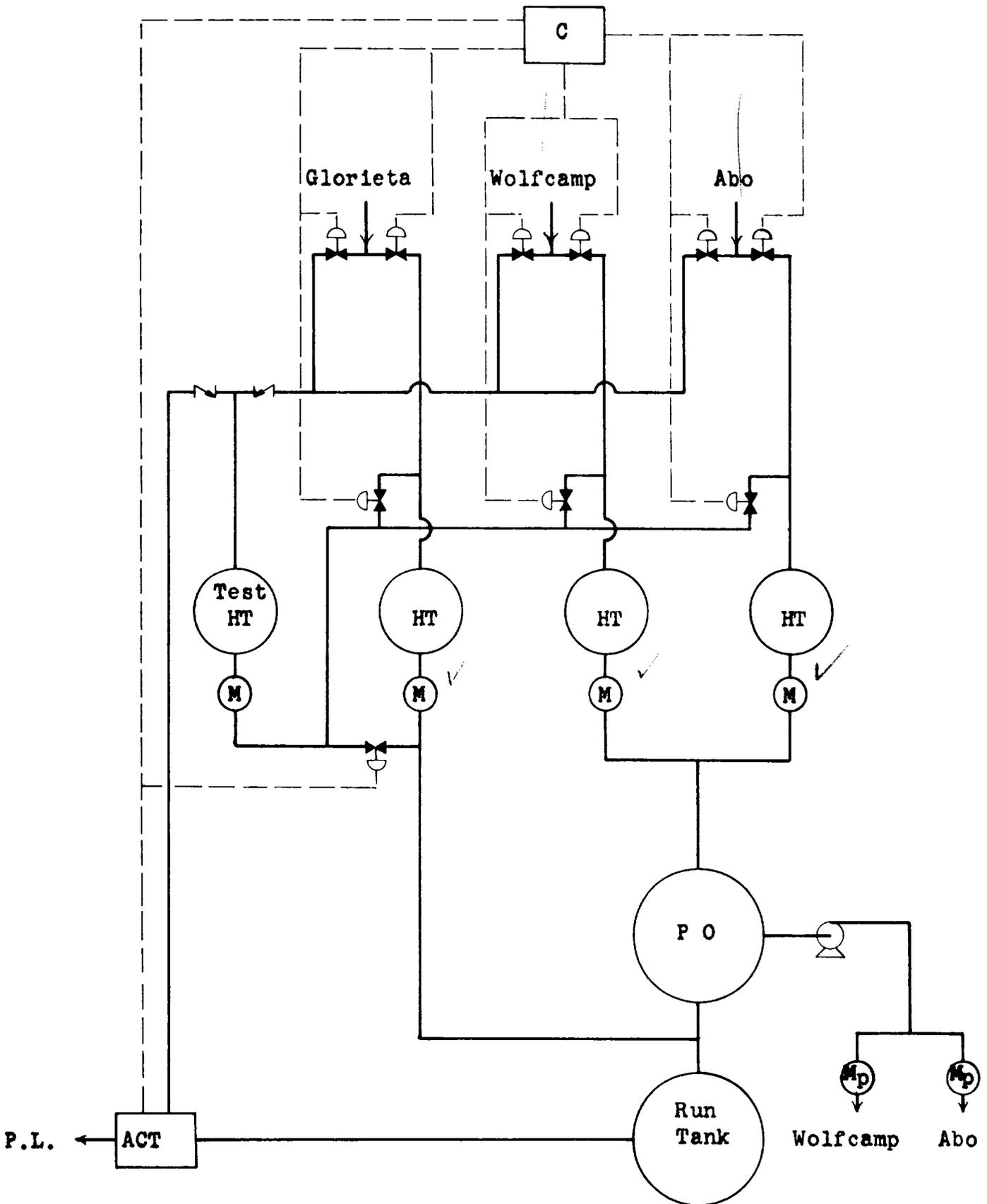


LEGEND

- ⊙⁹⁶ DEVONIAN ⊙⁹⁸ PENN. ⊙⁹⁷ BLINEBRY ⊙¹² GLORIETA ⊙² ABO
- ⊙⁹⁵ WOLFCAMP ⊙³⁶ LSA LOWER SAN ANDRES ● UPPER SAN ANDRES

CONTINENTAL OIL COMPANY
 PRODUCTION DEPARTMENT
 HOBBS DISTRICT
 VACUUM FIELD-LEA CO., NEW MEXICO





STATE H-35 LEASE

PROPOSED COMMINGLING FACILITY

State of New Mexico



Commissioner of Public Lands



October 4, 1958

E. S. JOHNNY WALKER
COMMISSIONER

P. O. BOX 791
SANTA FE, NEW MEXICO

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

ATTENTION: Mr. A. H. Slaybaugh

RE: Application for permission to
commence production from three
separate pools on State N-35
Lease, S-3195, Sec. 35, T. 17S
R. 34E (Vacuum Abo, Wolfcamp,
and Glorieta)

Gentlemen:

We have no objection to the above request since the
State stands to gain in royalty and since you are
going to meter each well separately. Ownership is
common throughout.

Thank you for the plan and schematic diagram.

Very truly yours,

E. S. JOHNNY WALKER
COMMISSIONER OF PUBLIC LANDS

A handwritten signature in cursive script, appearing to read "Rodolfo Martinez".

RODOLFO MARTINEZ
Oil and Gas Department

ESJW/RM/yc

CC: Oil Conservation Commission
Oil and Gas Accounting Commission

October 4, 1963

C
O
P
Y

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

ATTENTION: Mr. A. B. Slaybaugh

RE: Application for permission to
commingle production from three
separate pools on State H-35
Lease, B-3196, Sec. 35, T. 17S
R. 34E (Vacuum Abo, Wolfcamp,
and Glorieta)

Gentlemen:

We have no objection to the above request since the
State stands to gain in royalty and since you are
going to meter each zone separately. Ownership is
common throughout.

Thank you for the plat and schematic diagram.

Very truly yours,

E. S. JOHNNY WALKER
COMMISSIONER OF PUBLIC LANDS

BY:

ROMULO MARTINEZ
Oil and Gas Department

ESJW/RM/po

CC: Oil Conservation Commission
Oil and Gas Accounting Commission