

TEXACO  
INC.

PETROLEUM PRODUCTS



DRAWER 728  
HOBBS, NEW MEXICO 88240

February 13, 1964

New Mexico Oil Conservation Commission  
P. O. Box 2088  
Santa Fe, New Mexico 87501

Re: Application for Permit to Commingle  
Production, TEXACO Inc., J. B. McGhee  
Lease, Dollarhide Drinkard and Dollar-  
hide Devonian 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 J. B. McGhee Lease, Dollarhide Drinkard and Dollarhide Devonian Pools, Lea County, New Mexico, in support of which is stated the following:

1. TEXACO is the operator of the J. B. McGhee Lease, consisting of 320 acres, being the S/2 of Section 31, T-24S, R-38E, 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 J. B. McGhee Lease has four (4) wells, the status of which are as follows:

<u>Well No.</u>	<u>Type</u>	<u>Dollarhide Drinkard</u>	<u>Dollarhide Devonian</u>
		<u>(Pools)</u>	
1	Dual	X	X
6	Single	X	
7	Single	X	
8	Single	X	

X - Denotes Producing Wells  
O - Denotes Wells Completing  
SI - Denotes Zones Shut-In

3. The expected daily liquid hydrocarbon production from the Dollarhide Devonian Pool is 10 barrels of 34.4° API gravity oil at \$2.89 per barrel, that from the Dollarhide Drinkard Pool is 50 barrels of 36.3° API gravity oil at \$2.93 per barrel. The combined daily production after commingling is expected

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to be 60 barrels of 36.1° API gravity liquid hydrocarbon at \$2.93 per barrel, resulting in a \$0.40 per day gain in revenue. The production from the zones to be commingled is considered as intermediate sweet.

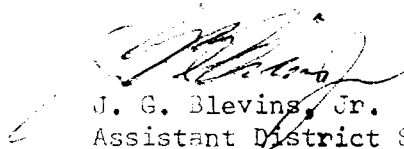
4. In accordance with Item II, Section 1 of the current "Manual For The Installation and Operation of Commingling Facilities" it is requested that permission be granted to commingle the above described production without separately measuring the production from each pool. All Drinkard and Devonian wells on the lease are marginal and are physically incapable of producing top unit allowable for their respective pools. Attached is a tabulation of daily production (gross) from these wells for the months of December, 1963 and January, 1964, which shows that the average daily production over the period was below top allowable for the subject pools.

Well tests will be conducted periodically as the Commission may prescribe, and adequate facilities will be installed for conducting such tests. A schematic diagram of the proposed commingling installation is attached.

Royalty interest in the subject lease is common and does not include either state or federal interests.

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 Dollarhide Drinkard and Dollarhide Devonian Pools on the J. B. McGhee Lease, and from all wells which may be completed in these reservoirs on this lease in the future.

Yours very truly,



J. G. Blevins, Jr.

Assistant District Superintendent

JWM-bh

CC: NMOCC, Hobbs

Attachments

TEXACO INC.  
CALCULATION SHEET

SHEET NO. \_\_\_\_\_

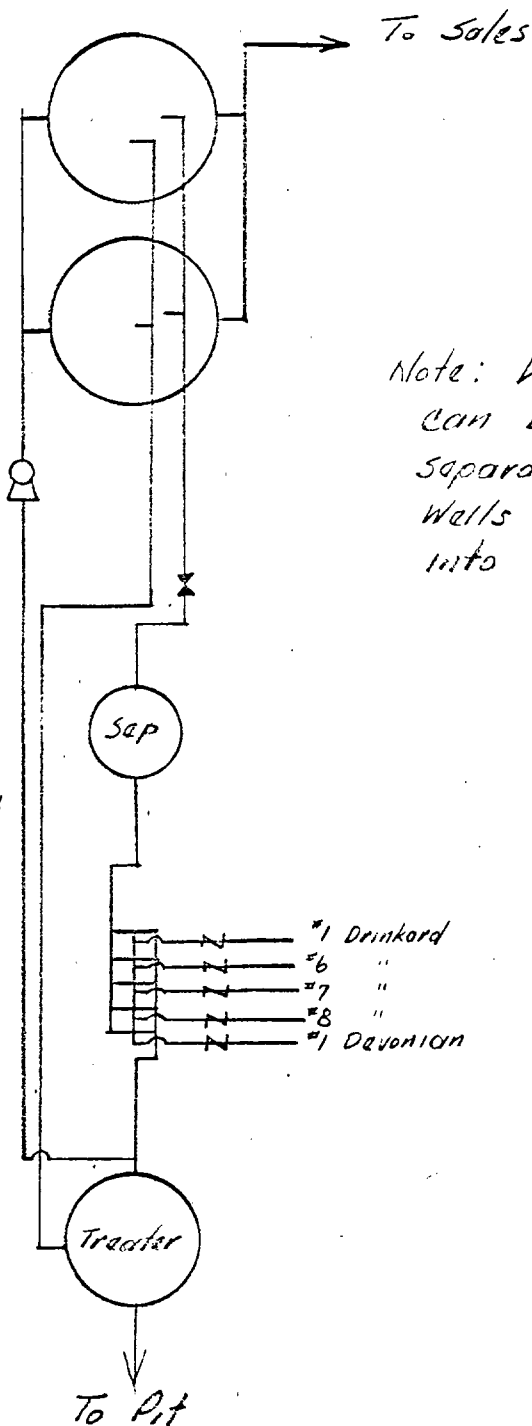
DATE 2-3-64LOCATION J.B. McGhee

EST. NO. \_\_\_\_\_

DES'G'D JWMSUBJECT Commingle Installation

C'K'D \_\_\_\_\_

APP'D \_\_\_\_\_



Note: Well being tested  
can be switched through  
separator and remaining  
wells through treater and  
into a separate tank.

TEXACO Inc.  
Schematic Diagram of Proposed  
Commingling Installation  
J.B. McGhee  
Lea County New Mexico

TEXACO INC.  
CALCULATION SHEETSHEET NO. 1DATE 2-3-64

LOCATION

J.B. McGhee

EST. NO.

DES'G'D

J.A.M.

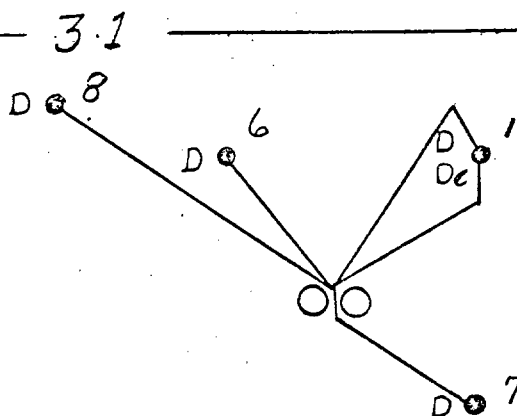
SUBJECT

Commingling Installation

C'K'D

APP'D

R-38-E

LEGENDD- Dollarhide Drinkard  
De- Dollarhide Devonian

TEXACO Inc

J.B. McGhee

TEXACO Inc.  
J.B. McGhee Lease  
Lea County, New Mexico  
Scale: 1" = 1000'  
JWM 2-3-64

PRODUCTION TABULATION (GROSS BARRELS)

TEXACO Inc.

J. B. MCGHEE LEASE

DOLLARHIDE DEVONIAN & DRINKARD POOLS

DOLLARHIDE DEVONIAN				DOLLARHIDE DRINKARD				DOLLARHIDE DEVONIAN			
WELL NO. 1				WELL NO. 6				WELL NO. 1			
DATE				DATE				DATE			
12-1-63				1-1-64							
8	7	3	2	8	7	8	6	9	8	6	6
7	9	8	2	12	11	12	6	6	13	13	13
3	8	8	3	12	12	11	6	7	12	13	4
4	8	8	4	13	13	13	6	6	12	12	3
5	8	8	5	12	12	12	6	7	13	12	4
6	5	8	6	13	13	12	7	7	12	12	4
7	7	7	7	13	14	14	5	7	11	11	4
8	6	6	8	13	13	13	6	6	12	12	4
9	5	5	9	13	13	13	4	7	13	12	6
10	7	6	10	12	14	14	5	9	12	12	6
11	6	6	11	14	12	12	5	7	13	12	6
12	6	6	12	13	13	13	5	6	13	12	6
13	5	5	13	14	12	12	5	8	12	12	6
14	6	6	14	12	12	12	5	7	13	12	6
15	7	7	15	12	12	12	5	9	14	12	6
16	8	8	16	12	12	12	5	8	13	12	6
17	5	5	17	12	14	14	5	7	14	12	6
18	5	5	18	14	13	13	5	6	13	13	6
19	8	8	19	13	12	12	5	7	14	13	6
20	7	7	20	14	14	14	5	7	14	14	6
21	8	8	21	12	12	12	5	8	13	14	6
22	9	9	22	11	11	11	4	8	14	14	6
23	7	7	23	11	13	13	5	7	13	13	6
24	8	8	24	10	10	10	4	8	13	13	6
25	8	8	25	13	11	11	4	6	12	10	6
26	8	8	26	11	11	11	4	8	11	11	6
27	8	8	27	12	12	12	4	7	11	11	6
28	10	10	28	13	14	14	6	7	10	12	6
29	9	9	29	14	13	13	6	7	11	11	6
30	10	10	30	13	14	14	7	7	11	11	6
31	9	9	31	14	14	14	6	7	12	12	6