

TEXACO
INC.

PETROLEUM PRODUCTS



APR 17 11 54 14

DRAWER 728

HOBBS, NEW MEXICO 88240

April 16, 1964

100-206
211

New Mexico Oil Conservation Commission
P. O. Box 2000
Santa Fe, New Mexico

Re: Application for Permit to
Commingle Production, TEXACO
Inc., C.C. Fristoe "A" (NCT-2)
Lease, Langlie Mattix, North
Justis Blinebry and North
Justis Tubb-Drinkard Pools,
Lea County, New Mexico.

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

Gentlemen:

In accordance to 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 C.C. Fristoe "A" NCT-2 Lease, Langlie-Mattix, North Justis Blinebry and North Justis Tubb-Drinkard Pools, Lea County, New Mexico. The following is stated in support of this application:

1. TEXACO Inc. is the Operator of the C.C. Fristoe "A" (NCT-2) Lease consisting of 150 acres in the E/2 of the NE/4 and the E/2 of the SE/4 of Section 3, T-25S, R-37E. Attached is a Plat showing the location of all wells on this lease and the pools from which they are producing.

2. The C.C. Fristoe "A" (NCT-2) Lease has five wells, the status of which are as follows:

<u>Well No.</u>	<u>Type</u>	<u>Langlie- Mattix</u>	<u>North Justis</u>	
			<u>Blinebry</u>	<u>Tubb-Drinkard</u>
2	Single	X		
3	Single	SI		
4	Single	X		
5	Single	SI		
7	Dual		P	P

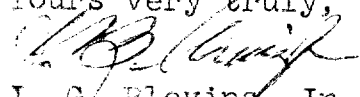
April 16, 1964

X - denotes producing wells
O - denotes wells completing
SI - denotes wells shut-in
P - denotes pending pumping
equipment installation

3. The anticipated daily liquid hydrocarbon production from the Langlie-Mattin Pool is 4 barrels of 30.5° API gravity oil at \$2.65 per barrel, that from the North Justis Elinebry Pool is 20 barrels of 37.2° API gravity oil at \$2.95 per barrel, and that from the North Justis Tubb-Drinkard is 15 barrels of 33.8° API gravity oil at \$2.67 per barrel. The combined daily production after commingling is expected to be 39 barrels of 35.21° API gravity liquid hydrocarbon at \$2.40 per barrel, resulting in a \$3.45 per day loss in revenue. The production thus commingled will be considered sour. The cost to install a tank battery for the Elinebry and Tubb-Drinkard zones is approximately \$20,000. Such an installation would avoid the initial \$3.45 per day loss, which will decline as production declines, but, if this loss were avoided, it would require approximately 16 years for the tank battery cost to be paid out, versus commingling. This time is in excess of the expected life of the Elinebry and Tubb-Drinkard zones.

No well in any pool on this lease is capable of producing top unit allowable for its pool. Therefore, in accordance with Section II, Item 1 of the current "Manual for the Installation and Operation of Commingling Facilities", it is proposed to commingle without separately metering production from each pool. Instead, the production from each well and from each pool is to be determined from well tests conducted periodically. A tabulation of the average daily production over a 60-day period for the presently producing Langlie Mattin wells is attached, accompanied by completion tests for the Elinebry and Tubb-Drinkard zones. In the event that any well in any pool in this commingling installation becomes capable of producing top allowable for its pool, TEXACO Inc. shall duly notify the Commission. A schematic diagram of the proposed commingling installation is attached.

Yours very truly,


J. G. Blevins, Jr.

Assistant District Supt.

DLH-bh

Attachments

cc: NMOCC-Hobbs

USGS-Hobbs

TEXACO Inc.
DAILY PRODUCTION

LEASE (Front Street)

FIELD San Jose, Costa Rica

OP ALLOWABLE FORMATION	34	37	38	39		
	Long. Mat. Lanes	Long. Mat. Lanes	Long. Mat. Lanes	Long. Mat. Lanes		
WELL No.	2	3	4	5		

MONTH-DAY		DAILY PRODUCTION			
Jan. 1964	1	1	2nd - non-commercial	1st - non-commercial	
	2	1			
	3	1			
	4	1			
	5	1			
	6	1			
	7	1			
	8	1			
	9	1			
	10	1			
	11	1			
	12	1			
	13	1			
	14	1			
	15	1			
	16	1			
	17	1			
	18	1			
	19	1			
	20	1			
	21	1			
	22	1/2			
	23	1/2			
	24	0			
	25	1			
	26	1			
	27	1			
	28	1			
	29	1			
	30	1			
	31	1			

TEXACO Inc.
DAILY PRODUCTION

LEASE C. C. F. J. & A. (No. 1)

FIELD Longlot No. 1

OP ALLOWABLE FORMATION	38	39	39	39		
	Longlot No. 1	Longlot No. 1	Longlot No. 1	Longlot No. 1		
WELL No.	2	3	4	5		

MONTH-DAY	DAILY PRODUCTION					
Feb. 1964	1	2	3	4	5	6
1	1	1	1	1	1	1
2	1	1	1	1	1	1
3	1	1	1	1	1	1
4	1	1	1	1	1	1
5	1	1	1	1	1	1
6	1	1	1	1	1	1
7	1	1	1	1	1	1
8	1	1	1	1	1	1
9	1	1	1	1	1	1
10	1	1	1	1	1	1
11	1	1	1	1	1	1
12	1	1	1	1	1	1
13	1	1	1	1	1	1
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25	1	1	1	1	1	1
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27	1	1	1	1	1	1
28	1	1	1	1	1	1
29	1	1	1	1	1	1
30						
31						

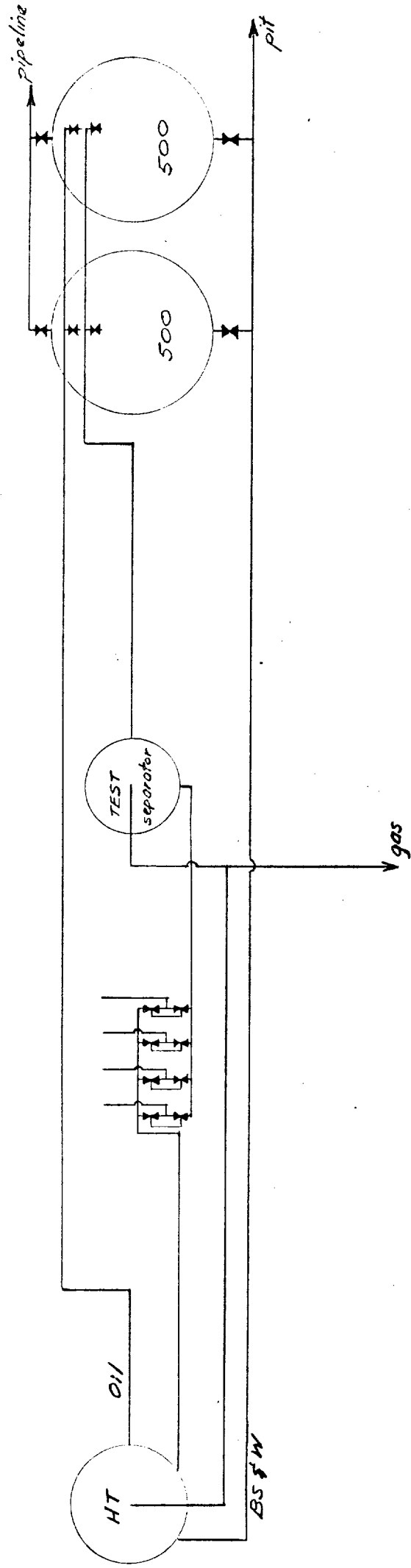
TEXACO Inc.
DAILY PRODUCTION

LEASE C. C. Lee, Jr. A (West 2)

FIELD Trinity North (Blindery & Little-Bunkard)

OP ALLOWABLE FORMATION	<u>S-2</u> <u>Blindery</u>	<u>S-2</u> <u>Little-Bunkard</u>				
WELL No.	<u>7</u>	<u>7</u>				

MONTH-DAY	DAILY PRODUCTION					
1	<u>Leak potential</u>	<u>Leak potential</u>				
2	<u>tested 3-21-64</u>	<u>tested 3-21-64</u>				
3	<u>24 hrs. 2.15 +</u>	<u>24 hrs. 15.15 +</u>				
	<u>88 Bbl. 761.55</u>	<u>19 Bbl. 504.75</u>				
4	<u>Pending</u>	<u>Pending</u>				
	<u>installation of</u>	<u>installation of</u>				
5	<u>pumping</u>	<u>pumping</u>				
	<u>equipment.</u>	<u>equipment.</u>				
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TEXACO Inc.
Proposed Commingling
Installation
C.C. Frisbie (INCT-2)

3-23-64

DLH



IN REPLY REFER TO:

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

Drawer 1857
Roswell, New Mexico 88201

April 28, 1964

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

Attention: Mr. J. G. Blevins, Jr.

Gentlemen:

Your letter of April 16 requests approval to commingle the Queen, Blinebry and Tubb-Drinkard oil production from wells in the E $\frac{1}{2}$ NE $\frac{1}{4}$ and E $\frac{1}{2}$ SE $\frac{1}{4}$ sec. 3, T. 25 S., R. 37 E., Lea County, New Mexico, lease Las Cruces 032592(a).

The method of commingling as described by the diagram attached to your letter is hereby approved. You are requested to notify our Hobbs office when the installation is completed so that a field inspection of the system can be made.

Sincerely yours,

JOHN A. ANDERSON
Regional Oil & Gas Supervisor

cc:
Mr. A. L. Porter, Jr.
New Mexico Oil Conservation Commission
Box 2088
Santa Fe, New Mexico