



CONTINENTAL OIL COMPANY

P. O. BOX 460

HOBBS, NEW MEXICO

May 19, 1965

1001 NORTH TURNER
TELEPHONE: EX 3-4141

PRODUCTION DEPARTMENT
HOBBS DISTRICT
JACK MARSHALL
DISTRICT MANAGER
G. C. JAMIESON
ASSISTANT DISTRICT MANAGER

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

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

Gentlemen:

Re: Application for Authority
to Commingle - Britt B-8
Lease

We forward herewith application, in triplicate, for authority to commingle oil produced from the Monument-Blinebry and Monument-Paddock Oil Pools on our Britt B-8 Lease located in Section 8, T-20S, R-37E, Lea County, New Mexico. Attached to each application is a copy of the letter from the United States Geological Survey consenting to this commingling.

Your review and approval of this application will be sincerely appreciated.

Yours very truly,

A handwritten signature in cursive script, appearing to read "G. C. Jamieson".

GCJ-DFW
Enc.

cc: NMOCC-Hobbs RGP GW JWK

Hobbs, New Mexico
April 13, 1965

New Mexico Oil Conservation Commission
Post Office Box 2088
Santa Fe, New Mexico

Attention of 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 Produced from the Monument Blinebry and Monument Paddock Oil Pools on its Britt B-8 Lease, Located in Section 8, T-20S, 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 data:

1. Applicant's Britt B-8 Lease consists of Unit C, the NE/4 of the NW/4 of Section 8, T-20S, R-37E, Lea County, New Mexico. Exhibit No. 1, attached hereto, shows the lease, the wells thereon and the battery site.
2. The mineral rights under the Britt B-8 Lease are held by the Federal Government.
3. Production from the Monument Blinebry and Monument Paddock Oil Pools will be allocated on the basis of periodic gas-oil ratio tests since there are no top allowable wells in these pools. Exhibit No. 2, attached hereto, shows the latest test on each well and the average daily production by pools during the period of June 1, 1964 to January 1, 1965.
4. The gravity of the commingled production is approximately 37.1° API with a value of \$2.86 per barrel. The gravity and value of present production by pools is shown on Exhibit No. 2. Based on the production tests of 3 BOPD from the Monument Blinebry Pools and of 5120 from the Monument Paddock Oil Pool, the value of the commingled crude will exceed the total value of the separate productions by approximately \$.75 per day.

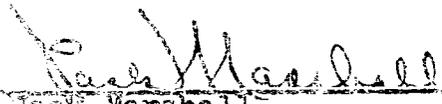
5. One test facility (separator, meter and sampler) will be utilized for all wells on the lease and will provide accurate measurement of the performance of each individual well. Exhibit No. 3, attached hereto, shows the proposed installation. As shown, the facility conforms to the requirements of the "Manual for the Installation and Operation of Commingled Facilities" dated September 13, 1961.

6. 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 two reservoirs on the applicant's Britt A-6 Lease described above.

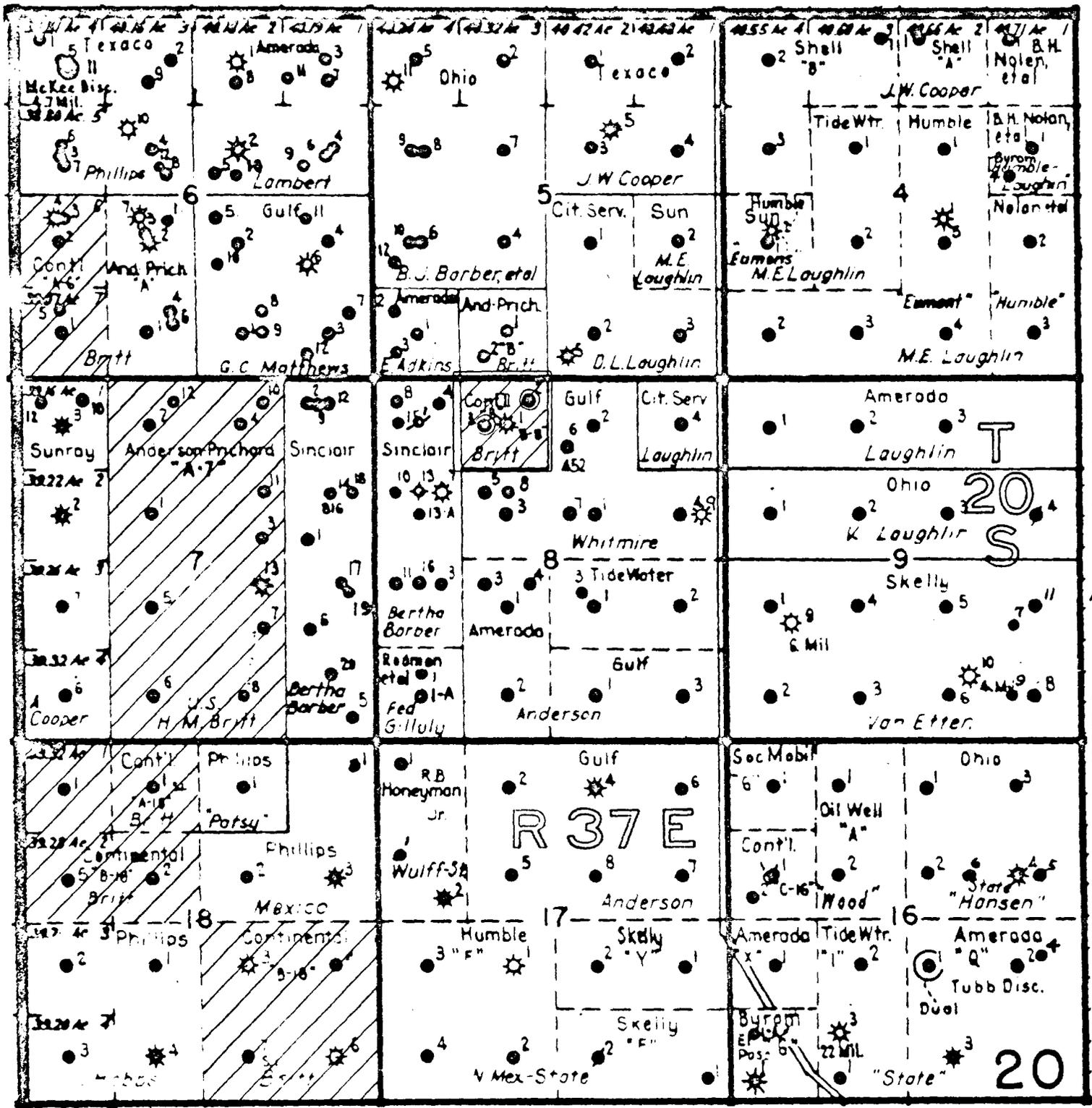
Yours very truly,

CONTINENTAL OIL COMPANY

BY: 
Jack Marshall
District Manager of Production
Hobbs District

JM-DFW

cc: NMOCC-Santa Fe (3)
RGP
GW
JWK
JM
File



- Tank Battery
- Monument Blinebry
- Monument Paddock

CONTINENTAL OIL COMPANY
 LOCATION PLAT
 BRITT B-8 LEASE
 LEA COUNTY, NEW MEXICO
 SCALE: 1" = 2,000'

BRITT B-8 LEASE

EXHIBIT NO. 2

| <u>Well No.</u> | <u>Pool</u> | <u>Latest Test</u> | | | <u>Daily Avg. Prod. 6-1-64 to 1-1-65</u> | <u>Oil Gravity</u> | <u>Value</u> | |
|-----------------|-----------------------|--------------------|------------|-----------------|--|------------------------|--------------|--------|
| | | <u>Date</u> | <u>Oil</u> | <u>Wtr. Gas</u> | | | | |
| Britt B-8 No. 2 | Monument- Blinebry | 10-13-64 | 3 | 5 | 3.8 | 2.7 BOPD | 38.2 | \$2.89 |
| Britt B-8 No. 3 | Monument- Paddock | 11-23-64 | 28 | 32 | TSTM | 27.2 BOPD | 36.9 | 2.83 |

Separate Production:

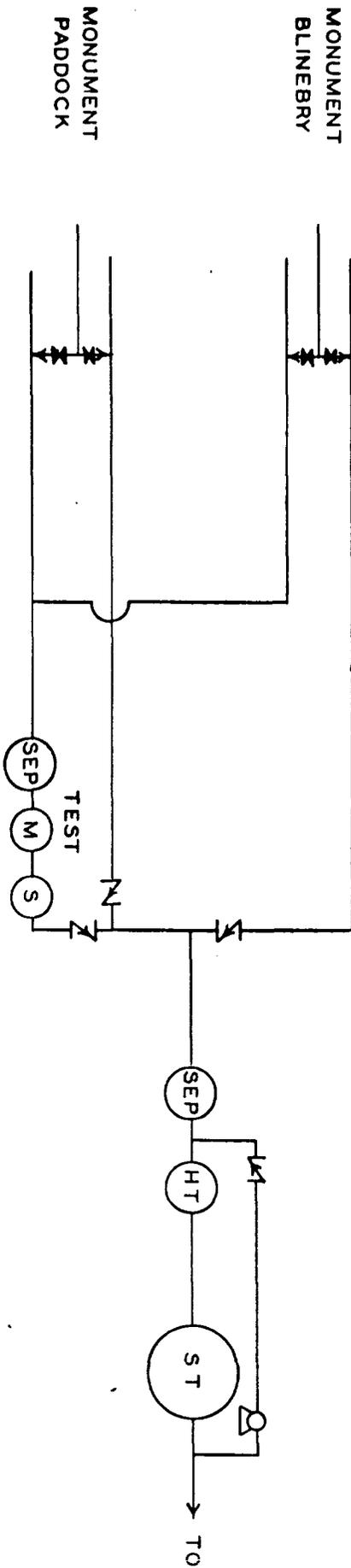
| | | |
|-------------------|---------------------------------|----------------|
| Monument Blinebry | 3 BOPD @ 38.2 ^o API | \$8.67 |
| Monument Paddock | 28 BOPD @ 36.9 ^o API | <u>\$79.24</u> |
| | Total | \$87.91 |

Commingled Production:

31 BOPD @ 37.1^o API = \$88.66

Increase of \$.75 per day after commingling.

CONTINENTAL OIL COMPANY
BRITT B-8 LEASE



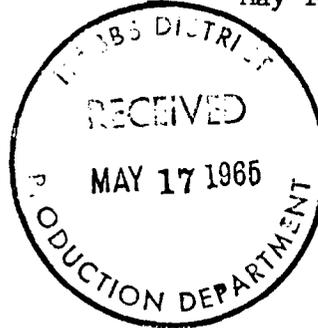


IN REPLY REFER TO:

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

Drawer 1857
Roswell, New Mexico 88201

May 14, 1965



Continental Oil Company
P. O. Box 460
Hobbs, New Mexico

Attention: Mr. G. C. Jamison

Gentlemen:

Your letter of May 10 requests approval to commingle oil production from the Monument Blinbry and Monument Paddock Pools in the NE $\frac{1}{4}$ NW $\frac{1}{4}$ sec. 8, T. 20 S., R. 37 E., Lea County, New Mexico, lease Las Cruces 031621(b).

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

Sincerely yours,

BILLY J. SHOGER
Acting Oil & Gas Supervisor