

CONTINENTAL OIL COMPANY  
P. O. BOX 460  
HOBBS, NEW MEXICO

April 1, 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 and Monument Blinebry Oil  
Pools on its Britt A-6 Lease, Located  
in Section 6, T-20S, R-37E, 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 A-6 Lease consists of the W/2 of the SW/4 of Section 6, 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 A-6 Lease are held by the Federal Government.

3. Production from the Monument and Monument Blinebry 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.

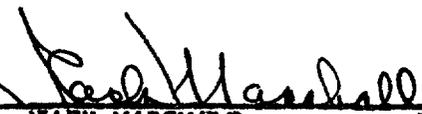
4. The gravity of the commingled production is approximately 34.8° API with a value of \$2.77 per barrel. The gravity and volume of present production by pools is shown on Exhibit No. 2. Based on the production tests of 16 BOPD from the Monument Blinebry and 23 BOPD from the Monument Oil Pool, the value of the commingled crude will exceed the total value of the separated production by approximately \$0.84 per day.

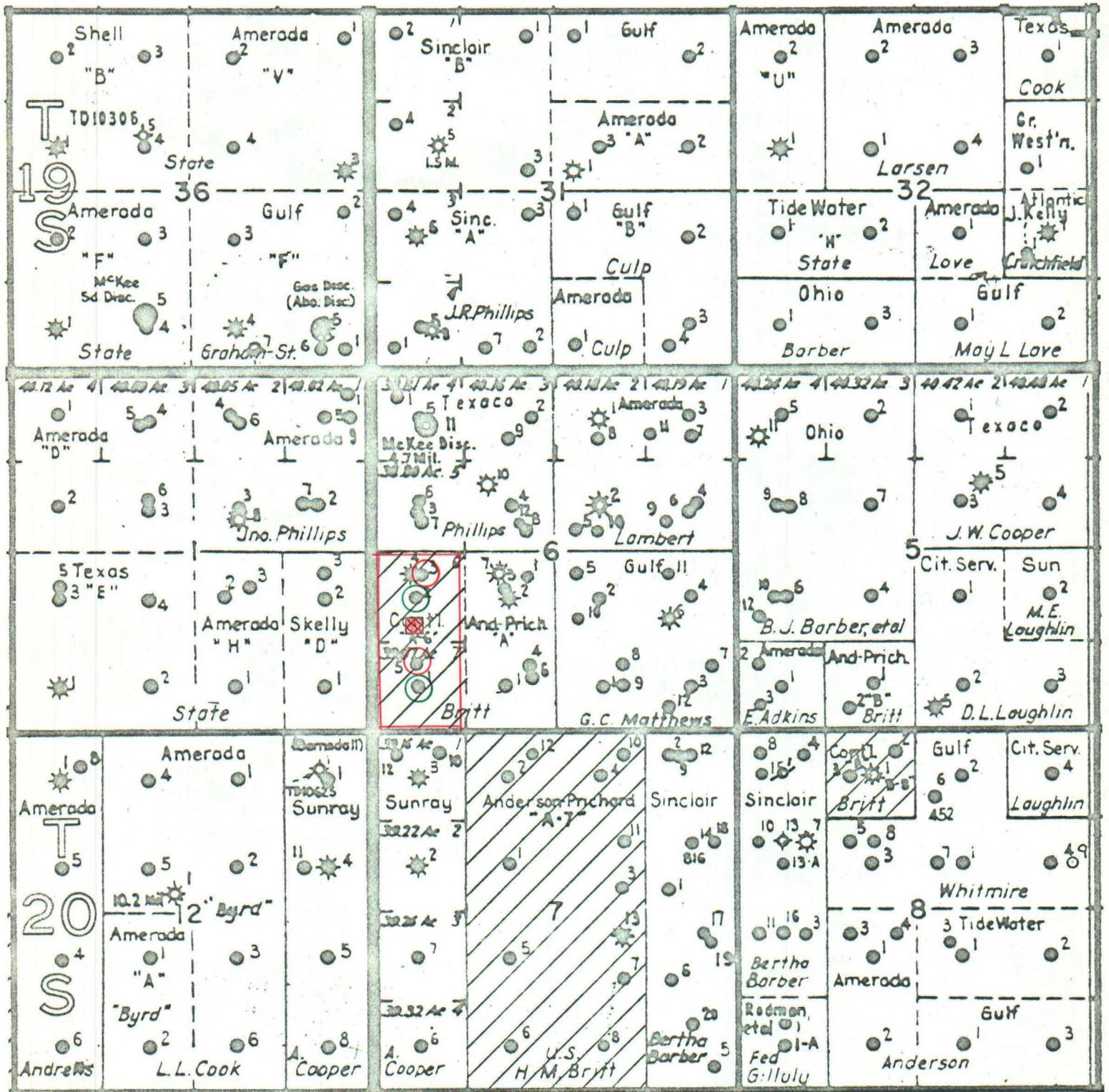
5. One test facility (separator, meter, and sampler) will be utilized for all wells on the lease and will provide accurate measurement of the performance of each individual well. Exhibit No. 3, attached hereto, shows the proposed installation. As shown, the facility conforms to the requirements of the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

CONTINENTAL OIL COMPANY

By:   
JACK MARSHALL  
District Manager of Production  
Hobbs District



R-36-E

R-37-E

- Monument Oil Pool
- Monument Blinbery Oil Pool
- ⊠ Battery Site

**CONTINENTAL OIL COMPANY**  
 PRODUCTION DEPARTMENT  
 HOBBS DISTRICT  
 BRITT A-6 LEASE  
 Lea County, New Mexico

SCALE  
 0' 1000' 2000'

RL

EXHIBIT NO. 2

BRITT A-6 LEASE

<u>Well No.</u>	<u>Pool</u>	<u>Latest Test</u>			<u>Daily Avg. Prod.</u> <u>6-1-64 to 1-1-65</u>	<u>Oil</u> <u>Gravity</u>	<u>Value</u>
		<u>Date</u>	<u>Oil</u>	<u>Water</u>			
Britt A-6 No. 1	Monument	1-6-65	13	148	7.1	12 BOPD 30.5	\$2.65
2	Monument	1-7-65	10	9	8.0	8.8 BOPD 30.5	\$2.65
3	Monument Blinebry	10-15-64	6	138	6.1	6.5 BOPD 38.3	\$2.89
5	Monument Blinebry	10-14-64	10	4	7.5	9.3 BOPD 38.3	\$2.89

Separate Production:

23 BOPD @ 30.5° API = \$ 60.95  
16 BOPD @ 38.5° API = 46.24  
Total \$107.19

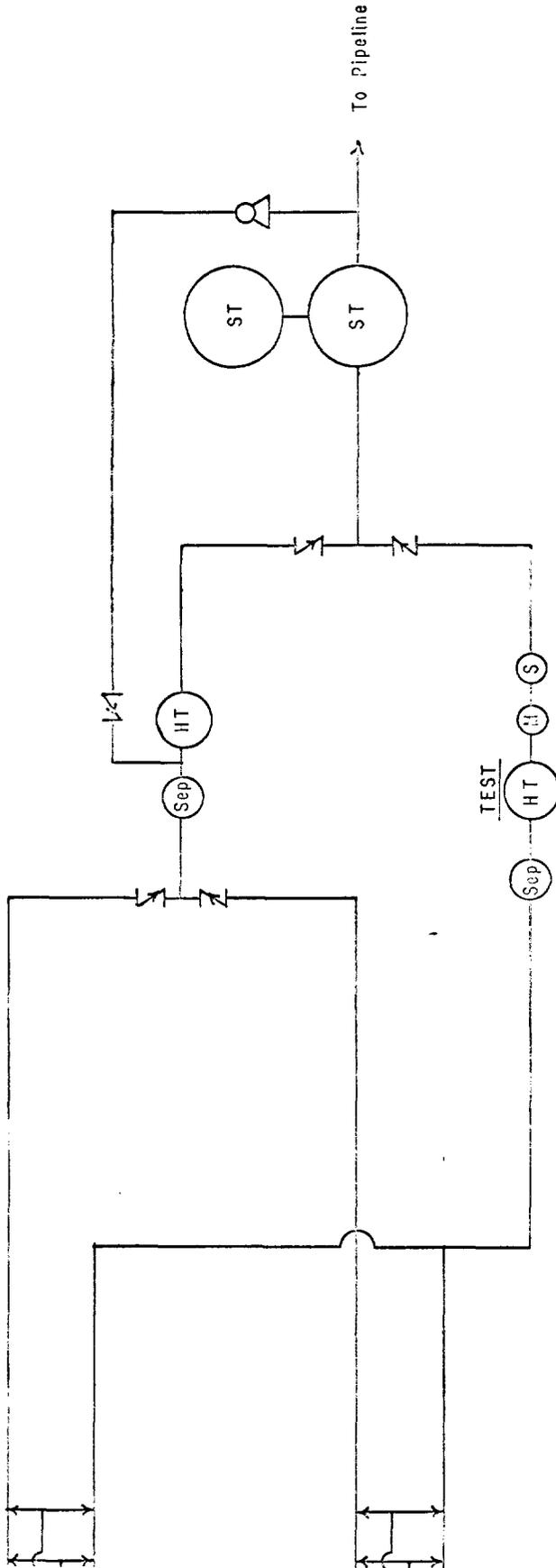
Commingled Production:

39 BOPD @ 34.8° API = \$108.03

Difference is an increase of \$.84 after commingling.

ILLEGIBLE

EXHIBIT NO. 3  
CONTINENTAL OIL COMPANY  
BRITT A-6 LEASE



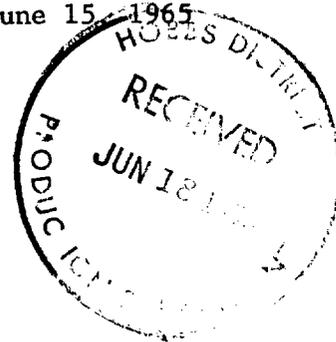


UNITED STATES  
DEPARTMENT OF THE INTERIOR  
GEOLOGICAL SURVEY

Drawer 1857  
Roswell, New Mexico 88201

IN REPLY REFER TO:

June 15, 1965



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

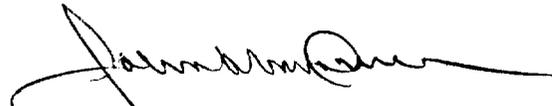
Attention: Mr. G. C. Jamieson

Gentlemen:

Your letter of June 9 requests approval to commingle oil production from the Monument and Monument Blinebry pools in lots 6 and 7 of sec. 6, T. 20 S., R. 37 E., Lea County, New Mexico, lease Las Cruces 031621(a).

The method of commingling 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 and Gas Supervisor



# CONTINENTAL OIL COMPANY

P. O. BOX 460  
HOBBS, NEW MEXICO

August 5, 1965

1001 NORTH TURNER  
TELEPHONE: EX 3-4141

PRODUCTION DEPARTMENT  
HOBBS DISTRICT

L. P. THOMPSON  
DISTRICT MANAGER  
G. C. JAMIESON  
ASSISTANT DISTRICT MANAGER

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

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

Gentlemen: Re: Administrative Order PC-276

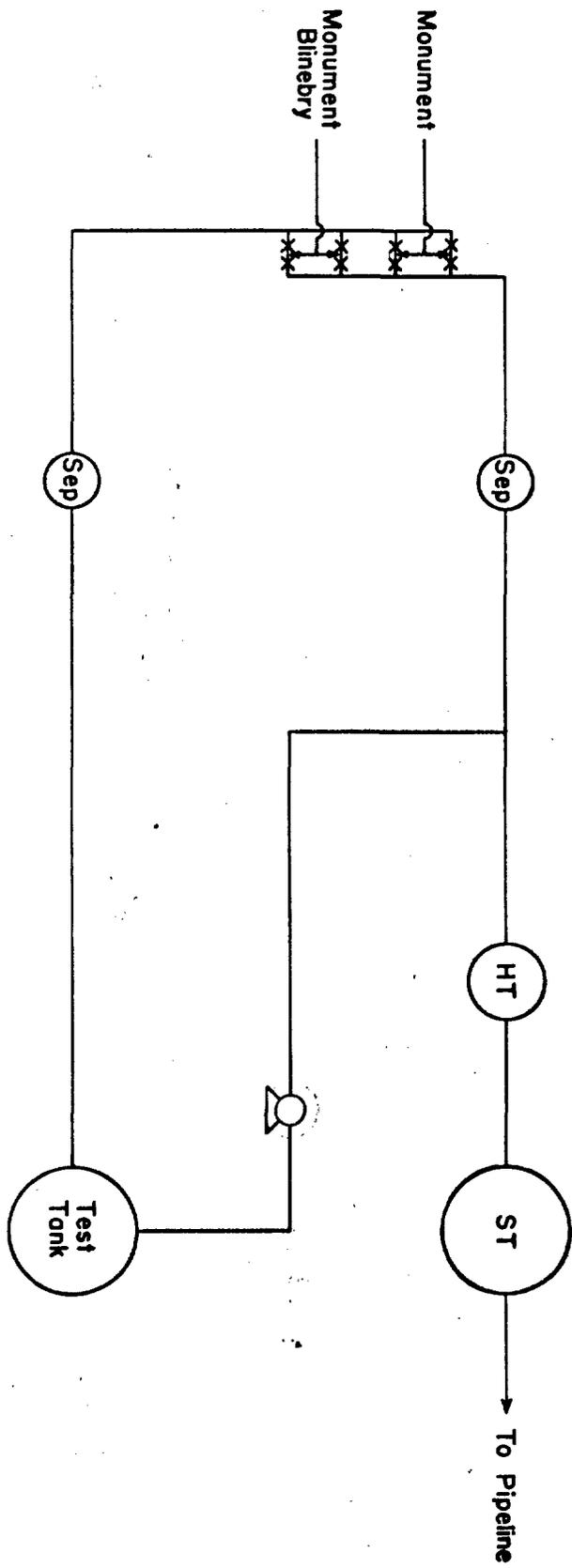
The captioned order authorized the commingling of Monument and Monument-Blinebry production on our Britt A-6 Lease comprising the W/2 SW/4 Section 6, T-20S R-37E, Lea County, New Mexico. The schematic diagram attached to our application showed a test system consisting of separator, heater treater, meter, and sampler. Upon further review of this lease, it appears that the production does not justify the expenditure to install these facilities. We attach hereto a revised schematic diagram showing a test facility consisting of separator and stock tank which will be used as a test tank. Although this test system will require additional time for our personnel, the accuracy of testing should be comparable to that shown in our original schematic diagram. If you have no objections to the proposed change, we shall proceed to install the system as shown on the revised schematic.

Yours very truly,

GCJ-NKL  
Enc.

cc: NMOCC - Hobbs  
USGS - Hobbs  
USGS - Roswell  
RGP

Exhibit No. 3  
Continental Oil Co.  
Britt A-6 Lease



OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

July 27, 1965

C  
O  
P  
Y  
Continental Oil Company  
P. O. Box 450  
Hobbs, New Mexico

Attention: Mr. G. C. Jamieson

Administrative Order PC-276

Gentlemen:

Reference is made to your application dated June 24, 1965, for administrative approval of an exception to Rule 303 (a) of the Commission Rules and Regulations to permit the commingling of Monument and Monument Blinebry production on your Britt A-6 Lease comprising the W/2 SW/4 of Section 6, Township 20 South, Range 37 East, Lea County, New Mexico, allocating the production to each of the pools on the basis of periodic well tests. It is our understanding that all wells in both pools on said lease are of marginal nature.

By the authority vested in me under the provisions of Rule 303 (b) of the Commission Rules and Regulations, you are hereby authorized to commingle the production from the aforesaid pools on said lease in the above-described manner. Provided, however, that the installation shall be operated in accordance with the provisions of the Commission Manual for the Installation and Operation of Commingling Facilities, and provided further, that you shall notify the Commission at such time as any well in either of the aforesaid pools is capable of top allowable production.

Very truly yours,

A. L. Porter, Jr.  
Secretary-Director

ALP:DSN:sg

cc: Oil Conservation Commission (with enclosure) Hobbs  
Oil & Gas Engineering Committee - Hobbs  
United States Geological Survey - Roswell

OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

1934

Oil Conservation Commission  
Santa Fe, New Mexico

Dear Sir:

Reference is made to your letter of the 12th inst.

concerning

the proposed drilling of an oil well in the Santa Fe area. The Commission has reviewed the application and the geological data submitted. It is noted that the proposed well is to be drilled in an area where there is no known oil. The Commission is of the opinion that the proposed well is not warranted at this time. It is suggested that you should first conduct a geological survey of the area before proceeding with the drilling of the well.

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Very truly yours,

Director

cc: Mr. [Name]

cc: Mr. [Name]  
cc: Mr. [Name]  
cc: Mr. [Name]



# CONTINENTAL OIL COMPANY

P. O. BOX 460  
HOBBS, NEW MEXICO

June 24, 1965

1001 NORTH TURNER  
TELEPHONE: EX 3-4141

6  
PRODUCTION DEPARTMENT  
HOBBS DISTRICT  
L. P. THOMPSON  
DISTRICT MANAGER  
G. C. JAMIESON  
ASSISTANT DISTRICT MANAGER

PC - 276

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

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

Gentlemen:

We forward herewith application, in triplicate, for permission to commingle oil production from the Monument and Monument Blinebry oil pools on our Britt A-6 Lease located in Section 6-20S-37E, Lea County, New Mexico. Attached to each application is a copy of the letter from the U. S. Geological Survey consenting to this commingling.

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

Yours very truly,

GCJ-NKL  
Enc.

cc: NMOCC - Hobbs RGP GN JWK