

CONTINENTAL OIL COMPANY

Hobbs, New Mexico

1001 JUN 20 PM 1 32

New Mexico Oil Conservation Commission
P. O. Box 871
Santa Fe, New Mexico

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

Re: Continental Oil Company
Application for Permission
to Commingle Goodwin Abo and
Goodwin Drinkard Oil from
their State GG-30 and Goodwin
30 Leases both located in
Section 30, T-18S, R-37E, Lea
County, New Mexico

Gentlemen:

Continental Oil Company respectfully requests administrative approval under the provision of Rules 303 (b) and 309-B to commingle Goodwin Abo and Goodwin Drinkard oil production from their State GG-30 Lease, which consists of the SW/4 of Section 30, T-18S, R-37E, Lea County, New Mexico, with that produced from their Goodwin 30 Lease which consists of the NW/4 and the W/2 of the NE/4 of Section 30, T-18S, R-37E, Lea County, New Mexico, and in support thereof submits the following:

1. A plat, exhibit 1, attached hereto, shows the leases and wells involved. The State GG-30 Lease presently contains two oil wells producing from the Goodwin Abo Pool and the Goodwin-30 Lease presently contains one oil well producing from the Goodwin Drinkard Pool. Additional development in both reservoirs is possible.

2. Mineral rights under the State GG-30 Lease are held by the State of New Mexico. Mineral rights under the Goodwin "30" Lease are as follows:

Aulena Jennings, 3737 Bunting Ave., Fort Worth, Texas
Alma Goodwin, 21 West Ave. F, Lovington, New Mexico
Nell DeForrest, 1418 Grand, Fort Worth 6, Texas

3. Production from each lease will be metered separately prior to commingling. At present there will be production from only one formation on each lease. In the event of production from both formations on either lease in the future, the production of each zone will be measured either by an additional meter or by the subtraction method; however, production from each lease will continue to be metered prior to commingling with production from the other lease.

4. The gravity of present Drinkard production and the gravity of present Abo production are both approximately 42° API. Therefore, the actual commercial value of the commingled production will be the same per barrel as it is at the present time. Permit No. I-54 approved the ACT facility for the State GG-30 Lease which will be used for the commingled stream.

5. One test facility (separator, meter and sampler) will be utilized for both wells on the State GG-30 Lease and will provide accurate measurement of the performance of each individual well. A schematic diagram, Exhibit No. 2, 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. A test facility for the Goodwin "30" Lease will be installed when required by additional development.

6. A letter from the transporter, Texas-New Mexico Pipe Line Company, expressing their consent to the commingling is attached. A copy of this application has been furnished by certified mail to the royalty owners under the Goodwin "30" Lease, as listed above.

7. Commingling of production will result in the prevention of waste and will not impair correlative rights.

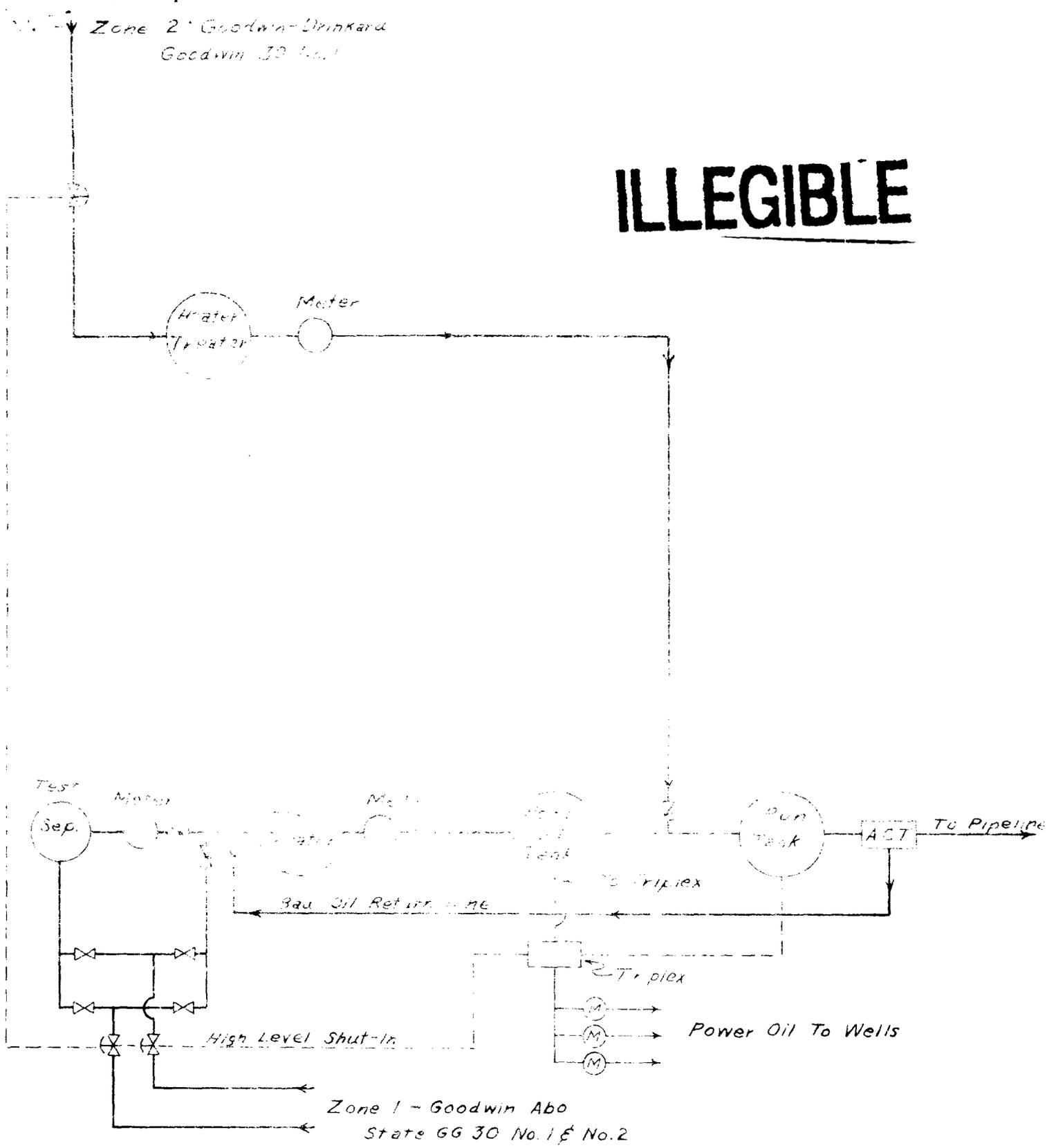
In view of the facts stated above, it is respectfully requested that an administrative order be entered permitting the commingling of production from the reservoirs on the Applicant's State GG-30 and Goodwin "30" Leases as described above.

CONTINENTAL OIL COMPANY

By *A. B. Slaybaugh*
A. B. SLAYBAUGH
District Manager
of Production
New Mexico Division

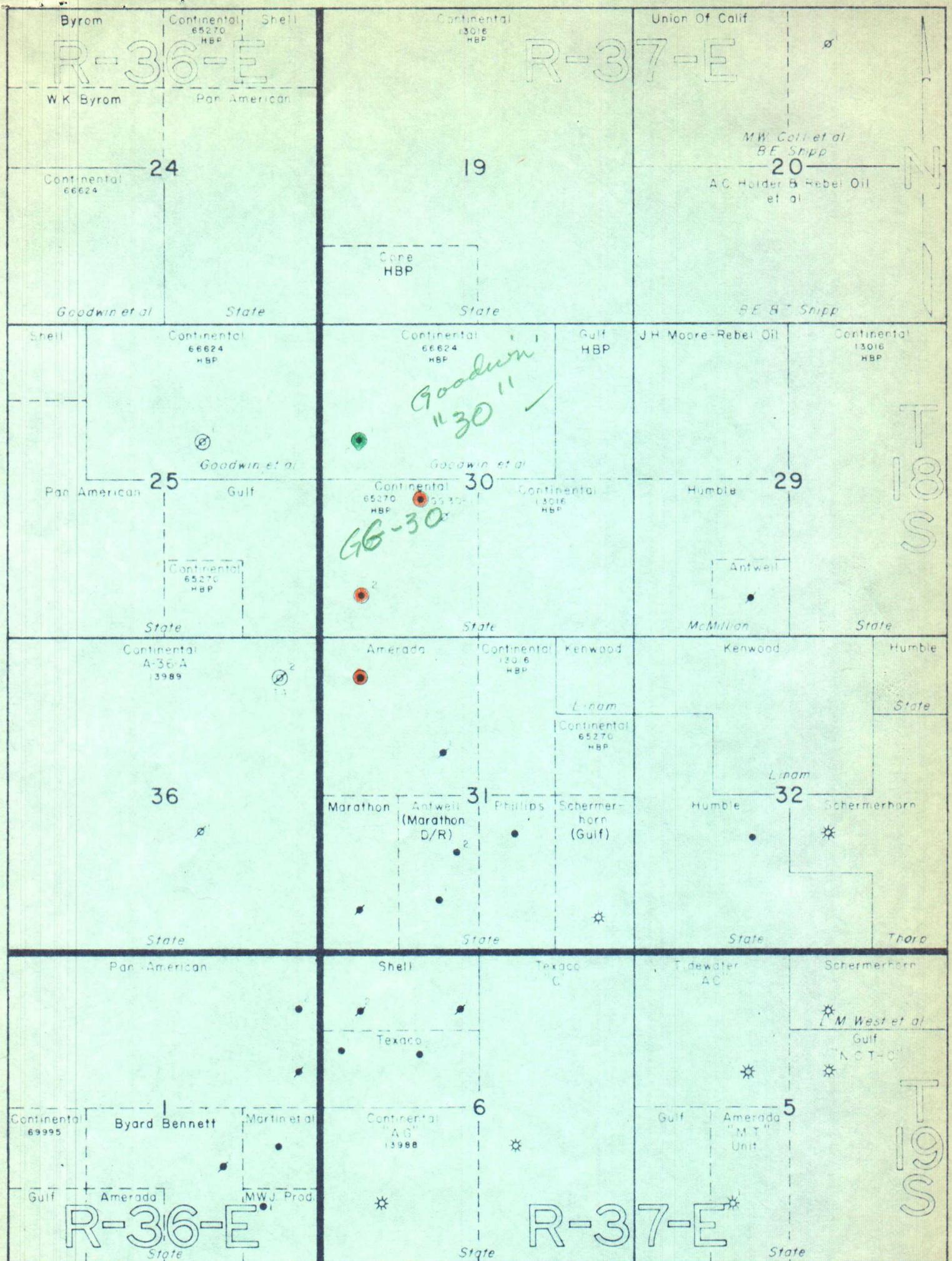
cc: NMOCC-Santa Fe-3
RGP
GW
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File

ILLEGIBLE



STATE GG-30 &
GOODWIN-ABO WELLS

CONTINENTAL OIL COMPANY
ACT SYSTEM



- Goodwin Abo Well
- Goodwin Drinkard Well

CONTINENTAL OIL COMPANY
 PRODUCTION DEPARTMENT
 HOBBS DISTRICT

GOODWIN ABO POOL
 Lea County, New Mexico



State of New Mexico

ILLEGIBLE



Commissioner of Public Lands

E. S. JOHNNY WALKER
COMMISSIONER



P. O. BOX 791
SANTA FE, NEW MEXICO

December 23, 1963

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

ATTENTION: Mr. A. B. Slaybaugh

RE: Application for permission to commingle production
from Goodwin Abo and Goodwin Drinkard pools, located
in Sec. 30, Twp. 18S, Rge. 37E, Lea County, New Mexico.

Gentlemen:

We are approving your above request with certain conditions. Since the SW/4 of Section 30 is State land and the W/2NE/4 does not belong to the State, we ask that the wells on State land be metered accurately according to the Oil Conservation rules. One of our fieldmen will check your metering system when this is approved by the Commission. We would also like to have a periodic report from you on the two State wells involved.

Very truly yours,

E. S. JOHNNY WALKER
COMMISSIONER OF PUBLIC LANDS

BY: *Romulo Martinez*
ROMULO MARTINEZ
Oil and Gas Department

ESJW/RM/pc

CC: Oil Conservation Commission
Oil and Gas Accounting Commission

TEXAS-NEW MEXICO PIPE LINE COMPANY

P. A. LYONS
DIVISION MANAGER

P. O. BOX 1810
MIDLAND, TEXAS 79701

October 25, 1963

ILLEGIBLE

Mr. J. A. Queer
Asst. Dist. Supt. of Prod.
Continental Oil Company
Hobbs, New Mexico

Dear Sir:

Texas-New Mexico Pipe Line Company approves of your proposal to commingle production from the Continental Oil Company - State 99-30 and Goodwin 30 leases located in Section 30, T-18-S, R-37-E, Lea County, New Mexico.

We will be pleased to receive this commingled oil through the ACT Unit now serving the Continental - State 99-30 lease

Very truly yours,

P. A. Lyons

LPS-TA



INSTRUCTIONS TO DELIVERING EMPLOYEE

Deliver to addressee Show address where delivered

Additional charges required for these services

RETURN RECEIPT

Received the numbered article described on other side

SIGNATURE OF CARRIER OR ADDRESSEE (to be signed by carrier)

Alma ...

DATE DELIVERED **JUL 18 1961**

ILLEGIBLE

INSTRUCTIONS TO DELIVERING EMPLOYEE

Deliver to addressee Show address where delivered

Additional charges required for these services

RETURN RECEIPT

Received the numbered article described on other side

SIGNATURE OF CARRIER OR ADDRESSEE (to be signed by carrier)

William ...

DATE DELIVERED

INSTRUCTIONS TO DELIVERING EMPLOYEE

Deliver to addressee Show address where delivered

Additional charges required for these services

RETURN RECEIPT

Received the numbered article described on other side

SIGNATURE OF CARRIER OR ADDRESSEE (to be signed by carrier)

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DATE DELIVERED **12-30-63**