

OIL CONSERVATION COMMISSION

P. O. BOX 2088

SANTA FE, NEW MEXICO

December 8, 1964

C
Taxaco Inc.
Drawer 728
Hobbs, New Mexico

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

Administrative Order KLC-17

Cancellation

Administrative Order EC-177

O
Gentlemen:

P
Reference is made to your application dated October 29, 1964, wherein you request authority to commingle Vacuum Glorieta production from your State of New Mexico "T" (NCT-4) Lease comprising the SE/4 NE/4 of Section 25, Township 17 South, Range 34 East, and Vacuum (Glorieta, Blinbry, Wolfcamp, North Abo, and Pennsylvanian) production from your State of New Mexico "Q" comprising the NW/4 and S/2 SE/4 of Section 25, Township 17 South, Range 34 East, Lea County, New Mexico, after separately metering the production from each pool. It is our understanding that the ownership of each of the two leases is common throughout and that the production will therefore be allocated to each of the leases on the basis of periodic well tests.

Y
Pursuant to the authority granted me under the provisions of Rule 303 (b) and Rule 309-B of the Commission Rules and Regulations, you are hereby authorized to commingle the production from the aforesaid pools and leases 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," including the requirement for non-reset counters on the meters. You are also requested to notify the Hobbs District Office of the Commission at such time as the installation is complete in order that an inspection may be made of the installation prior to putting it in operation.

Administrative Order EC-177, which previously authorized the commingling of Glorieta, Blinbry, Abo, Wolfcamp, and Pennsylvanian production on your State "Q" Lease is hereby cancelled.

Very truly yours,

A. L. Porter, Jr.
Secretary-Director

ALP:DSN:sg

cc: Oil Conservation Commission - with enclosure - Hobbs
Oil & Gas Engineering Committee - Hobbs
Oil & Gas Accounting Commission - Santa Fe
State Land Office - Santa Fe

TEXACO
INC.

PETROLEUM PRODUCTS



October 29, 1964

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DRAWER 728

HOBBS, NEW MEXICO 88240

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

Re: Application for Permit to Commingle
Production, TEXACO Inc. State of
New Mexico "T" (NCT-1) Lease, Vacuum
(Glorieta) Pool and State of New
Mexico "Q" Lease, Vacuum (Multipay)
Pools, Lea County, New Mexico.

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

Gentlemen:

In accordance with New Mexico Oil Conservation Commission Rule 309 (B) Texaco Inc. respectfully requests that an exception to Rule 309 (A) be granted to permit commingling of production from the Vacuum (Glorieta) Pool on the State of New Mexico "T" (NCT-1) Lease, SE/4 of NE/4 of Section 25, T-17S, R-34E, and the State of New Mexico "Q" Lease, Vacuum (Glorieta, Blinebry, Wolfcamp, North Abo, and Pennsylvanian) Pools, NW/4 and S/2 of SE/4 of Section 25, T-17S, R-34E. It is also requested that an amendment to Administrative Order PC-177 providing exception to Rule 303 (A) be made to include the production from the State of New Mexico "T" (NCT-1) Lease, Vacuum (Glorieta) Pool, Lea County, New Mexico. In support of this request, the following is stated:

1. TEXACO Inc. is the Operator and owner of each of the two leases and working and royalty interests are common. The royalty interest is held by the State of New Mexico, New Mexico Military Institute being the beneficiary, and a copy of this application is being sent this date to the State Land Office, P. O. Box 1148, Santa Fe, New Mexico.

2. The State of New Mexico "Q" Lease has four wells, the status of which are as follows:

<u>Well No.</u>	<u>Type</u>	<u>Glorieta</u>	<u>Blinebry</u>	<u>Abo</u>	<u>Wolfcamp</u>	<u>Pennsylvanian</u>
4	Triple			X	X	X
5	Dual	X	X			
6	Dual	X	X			
8	Dual	X	X			

October 29, 1964

In addition, the Texaco-Shell State Well No. 1 is completed on this lease, but production is maintained separately because of diversified ownership.

The State of New Mexico "T" Lease has in addition to Well No. 2, Vacuum (Glorieta) Pool, a triple completion, the Texaco-Mobil State Well No. 1, but production is maintained separately because of diversified ownership.

3. Administrative Order PC-177 authorizes commingling of production from the Vacuum (Glorieta, Blinbry, Abo, Wolfcamp, and Pennsylvanian) Pools, but is limited to the State of New Mexico "Q" Lease.

4. The currently used central battery, located on the State of New Mexico "Q" Lease, has metering facilities to accurately determine the production from each pool prior to being commingled and has adequate metering test facilities to periodically determine the producing capacity of wells completed in each pool. ACT equipment is being used which is capable, along with the currently used metering and testing facilities, of accomodating the expected production from all of the aforesaid leases.

5. In accordance with Section II, Item 2-A and Section III, Item 1 of the current "Manual for the Installation and Operating of Commingling Facilities", it is proposed to meter, prior to commingling, production from all zones using temperature compensated positive displacement type meters equipped with samplers and non-reset counters and to allocate well and lease production on the basis of periodic well tests.

6. Texas-New Mexico Pipe Line Company is the purchaser of the commingled production from the aforesaid central battery and a copy of this application is being sent this date to them at P.O. Box 1510, Midland, Texas.

In view of the facts recited above, it is respectfully requested that Administrative approval of an exception to Rule 309 (A) be granted TEXACO Inc. to permit commingling of production from the State of New Mexico "T" (NCT-1) Lease, Vacuum (Glorieta) Pool, and the State of New Mexico "Q" Lease, Vacuum (Multipay) Pools, Lea County, New Mexico, and that Administrative Order PC-177 be revised to include the State of New Mexico "T" (NCT-1) Lease, Vacuum (Glorieta) Pool, Lea County, New Mexico.

Yours very truly,



J. G. Blevins, Jr.

Assistant District Superintendent

JMM-bh

CC: NMOCC-Hobbs

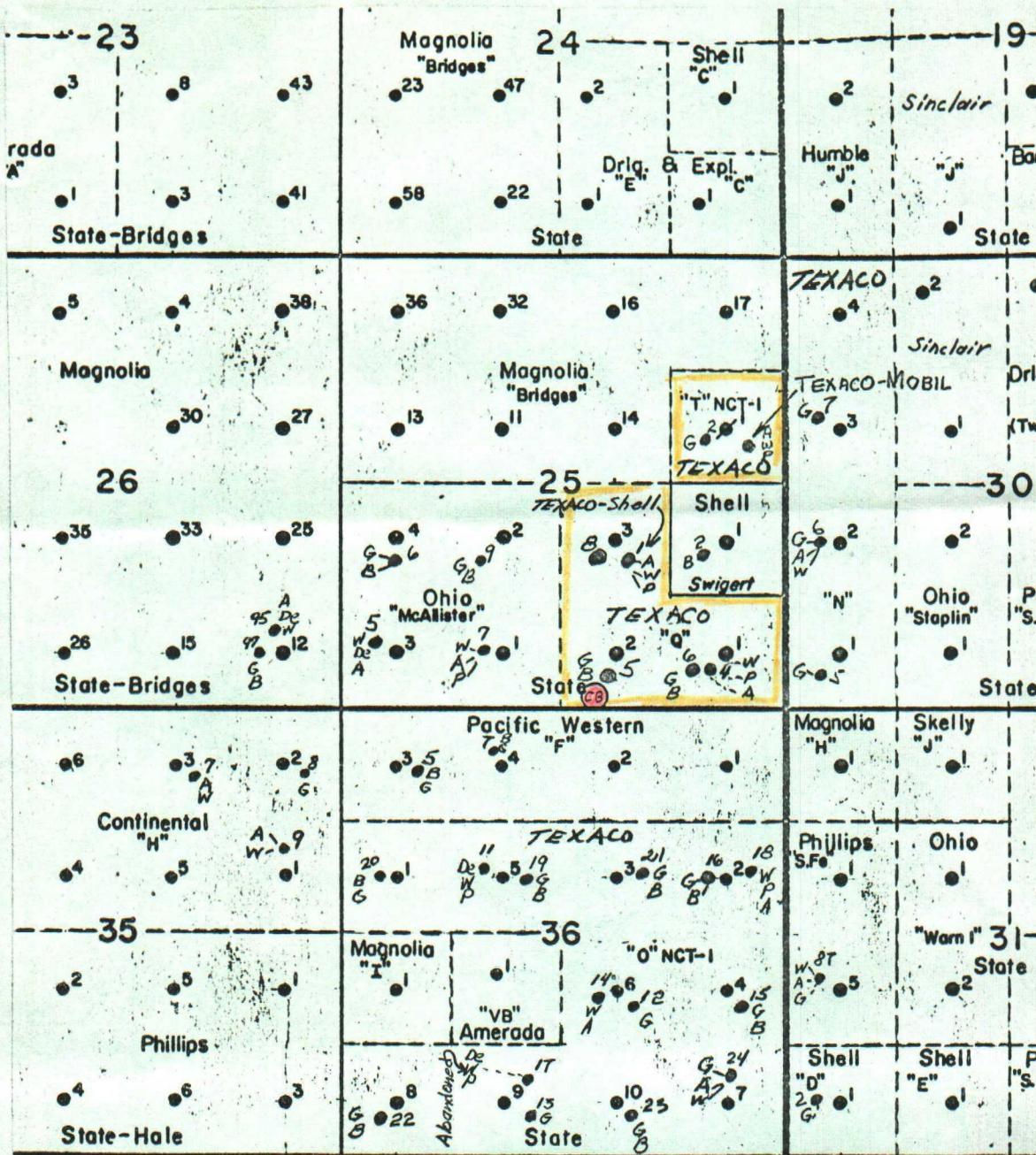
State Land Office

Texas-New Mexico Pipe Line

Attachments

T-17-S

T-17-S



R-34-E

R-35-E

TEXACO Inc.

State of New Mexico "Q" & "T" (NCT-1) Leases
 Vacuum Field, Lea County, New Mexico
 Scale: 1" = 2000'

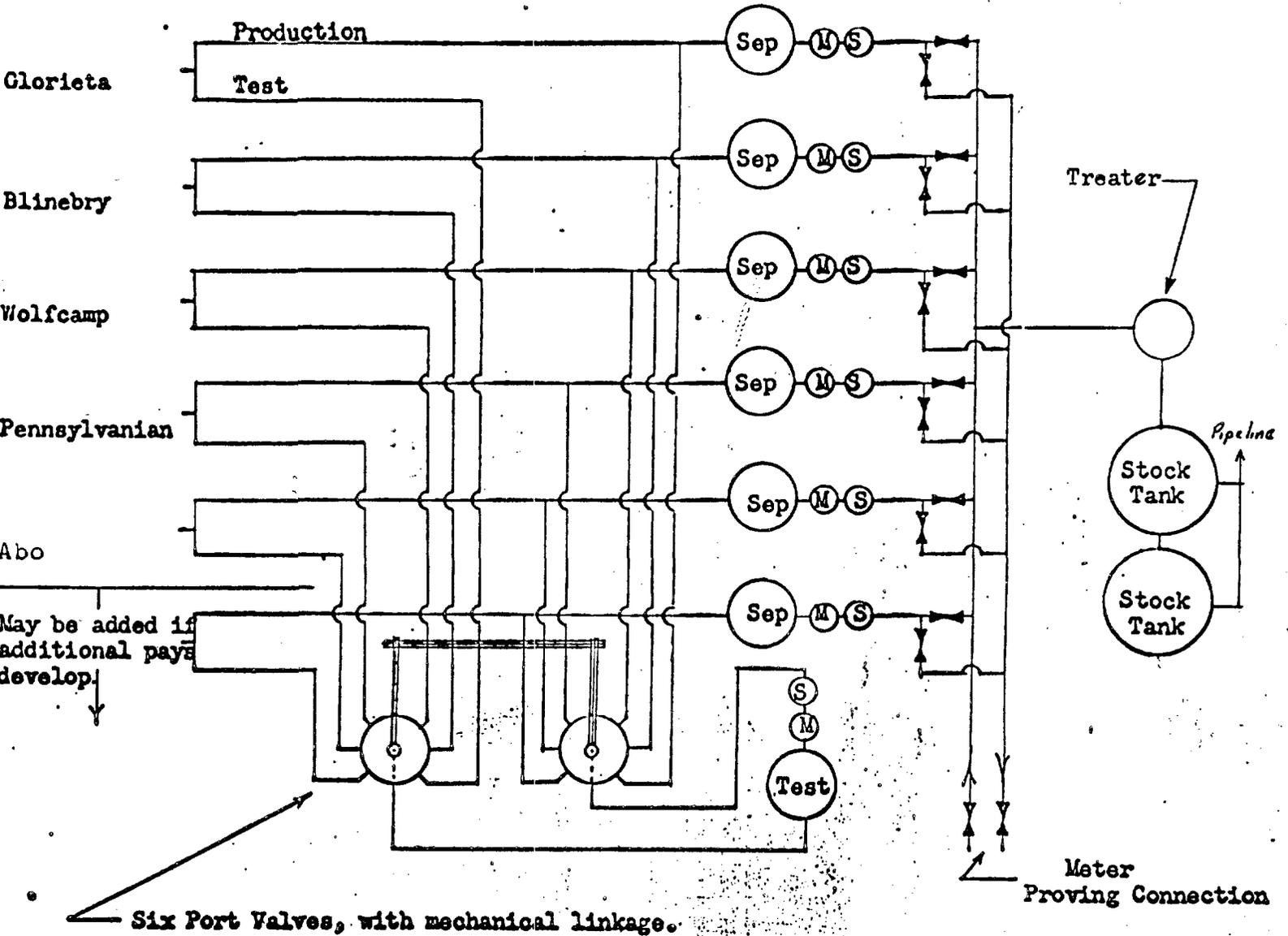
Legend

- A - Abo, North
- B - Blinebry
- De - Devonian
- G - Glorieta
- P - Pennsylvanian
- W - Wolfcamp

Offset Operators

- Mobil Oil Co., Box 2406, Hobbs, New Mexico
- Shell Oil Co., Box 1858, Roswell, New Mexico
- Marathon Oil Co., Box 220, Hobbs, New Mexico
- Pacific Western, % Tidewater Oil Co.
 Box 249, Hobbs, New Mexico

SCHEMATIC DIAGRAM OF COMMINGLING INSTALLATION
 State of New Mexico "Q" Lease
 Vacuum (Deep) Area
 Lea County, New Mexico



- SYMBOLS —
- ▶ Block Valve
- Ⓜ Meter
- Ⓢ Sampler
- Ⓢ Production Separator
- Ⓢ Test Separator