



PETROLEUM PRODUCTS

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OIL CONSERVATION COMMISSION

FILED IN

TEXACO INC.

DRAWER 728

HOBBS, NEW MEXICO 88240

June 30, 1977

*Hold for
USGS approval*

New Mexico Oil Conservation Commission
P. O. Box 2088
Santa Fe, New Mexico 87501

SURFACE COMMINGLING

C. C. Fristoe "A" NCT-1
C. C. Fristoe "B" NCT-1 &
C. C. Fristoe "B" NCT-2 Leases

ATTENTION: MR. JOE D. RAMEY

Gentlemen:

*See revised schematic
dated 12-9-77*

In accordance with New Mexico Oil Conservation Commission Rule 303-B, Texaco Inc. respectfully requests permission to surface commingle hydrocarbon production from the currently commingled Justis Blinebry, Fusselman North and Tubb Drinkard pools from the C. C. Fristoe "B" NCT-2 lease with that from the currently commingled Justis Blinebry and Langlie Mattix Seven Rivers Queen pools from the C. C. Fristoe "A" NCT-1 and "B" NCT-1 leases and to determine production from individual wells by periodic well tests.

The gravity of the currently commingled Justis Blinebry, Fusselman North and Tubb Drinkard crude is 40° API with a value of \$13.80 per barrel and estimated production of 10 barrels per day. The gravity of the currently commingled Justis Blinebry and Langlie Mattix Seven Rivers Queen crude is 33° API with a value of \$8.92 per barrel and estimated production of 61 barrels per day. The expected gravity of the commingled crude is 36° API with a value of \$9.61. The increase in the gravity of the crude will be achieved by cold treating of production which will result in increased recovery of light hydrocarbons. The value of the commingled production will be the same as the sum of the values of the production from each common source of supply.

A plat of the leases to be commingled indicating well locations and pools from which they produce, a diagram of the proposed commingling facility installation and a diagram of the present facility are attached.

Production from the C. C. Fristoe "A" NCT-1 (Royalty Ownership Area I) will be metered separately prior to commingling because of the over-riding royalty interest ownership in Area I. All other working interests and royalty interests are common throughout.

*not eligible for above
approval. "a" NCT-1 has
different ownership than
"b" NCT-1 and "b" NCT-2
need two separate meters*



Working to keep
your trust for
75 years

JUNE 30, 1977

A copy of this application is being sent to the United States Geological Survey for their approval. You will be furnished a copy of the approval by the U.S.G.S. when it is obtained. The Texas-New Mexico Pipeline Company and El Paso Natural Gas Company, as purchasers of hydrocarbons from these leases, are also being furnished a copy of this application.

Yours very truly,

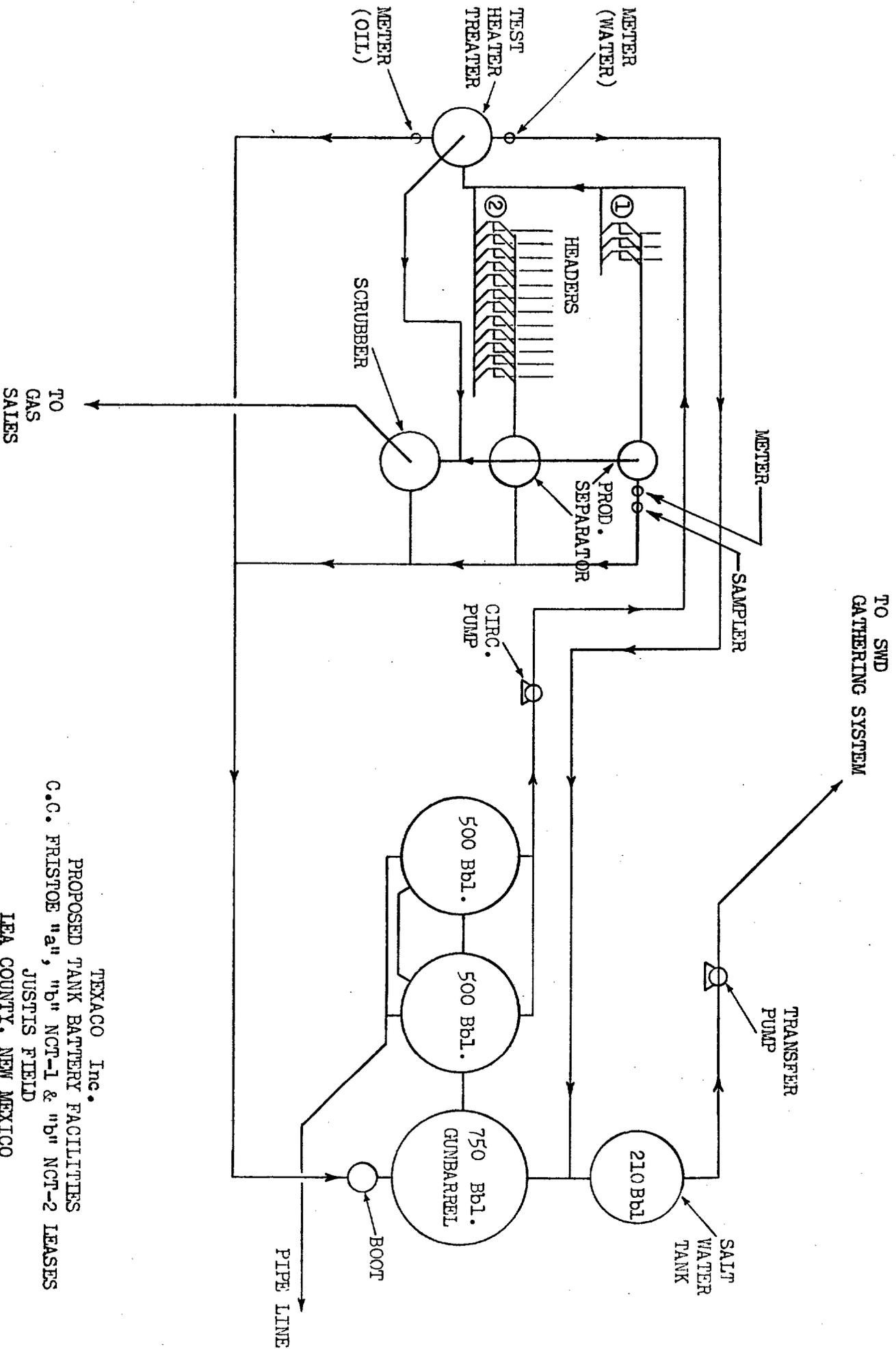


J. V. Gannon
District Superintendent

WRH:las

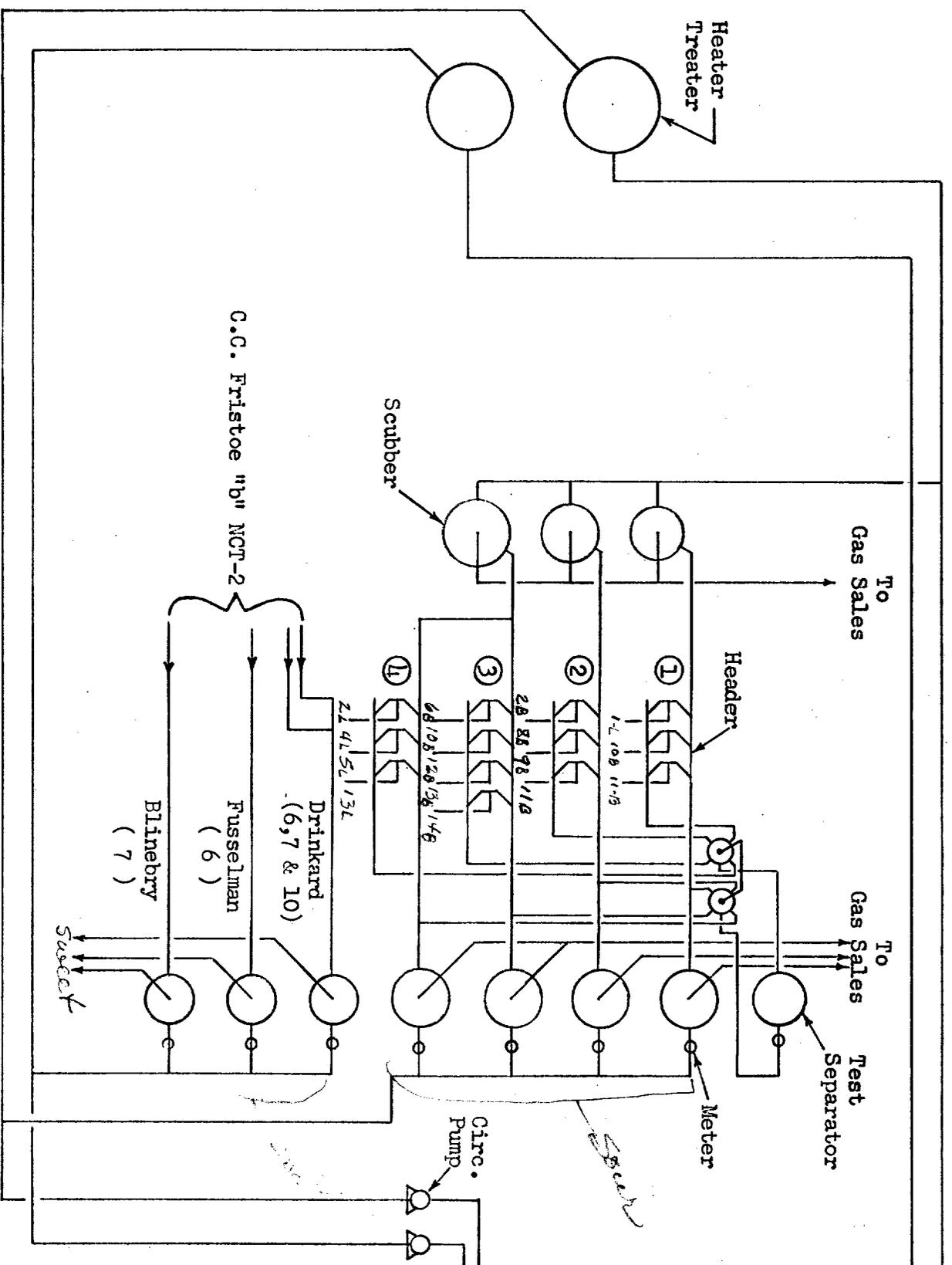
Attachments

T-NM Pipeline Company
El Paso Natural Gas
U.S.G.S.

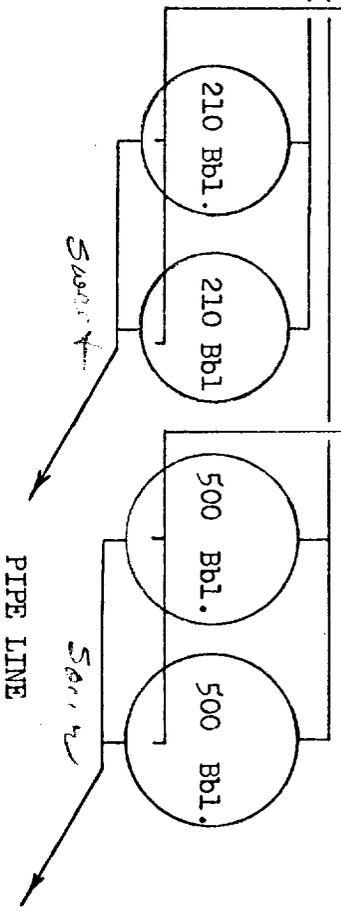


- ① C.C. Fristoe "a" - Header Well No's 1, 10 & 11 (BLINEBRY)
- ② C. C. Fristoe "b" NCT-1 & NCT-2 Header (All Wells)

TEXACO Inc.
 PROPOSED TANK BATTERY FACILITIES
 C.C. FRISTOE "a", "b" NCT-1 & "b" NCT-2 LEASES
 JUSTIS FIELD
 IEA COUNTY, NEW MEXICO



- ① C.C. Fristoe "a" NCT-1 - HEADER Well No's 1, 10 & 11 (Blinbery & Langlie-Mattix)
- ② C.C. Fristoe "b" NCT-1 - HEADER Well No's 2, 8, 9 & 11 (Blinbery)
- ③ C.C. Fristoe "b" NCT-2 - HEADER Well No's 6, 10, 12, 13 & 14 (Blinbery)
- ④ C.C. Fristoe "b" NCT-2 - HEADER Well No's 2, 4, 5 & 13 (Langlie-Mattix)



TEXACO Inc.
 PRESENT TANK BATTERY FACILITIES
 C.C. FRISTOE "a", "b" NCT-1 & "b" NCT-2 LEASES
 JUSTIS FIELD
 IEA COUNTY, NEW MEXICO