

CASE 1554: The Texas Co. application for
ACT system & commingle from 5 separate
leases, Blk-Lower Gallup Oil Pool, San
Juan Co.

from str of
3rd (30 day)

Case No.

1554

Application, Transcript,
Small Exhibits, Etc.

BEFORE THE
OIL CONSERVATION COMMISSION
NOVEMBER 19, 1958

IN THE MATTER OF:

APPLICATION OF THE TEXAS COMPANY, CASE 1554

Transcript of Hearing

DEARNLEY - MEIER & ASSOCIATES
GENERAL LAW REPORTERS
ALBUQUERQUE NEW MEXICO
Phone CHapel 3-6691

Application of The Texas Company for an automatic custody transfer system and for permission to commingle the production from five separate leases. Applicant in the above-styled cause, seeks an order authorizing it to install an automatic custody transfer system and to commingle the production from the Bisti-Lower Gallup Oil Pool on five Navajo Allottee Leases located in Sections 14, 15, and 23, Township 25 North, Range 11 West, San Juan County, New Mexico. Applicant proposes to separately meter the production from each lease prior to being commingled.

ELVIS UTZ, Examiner.

TRANSCRIPT OF HEARING

MR. PAYNE: Application of The Texas Company for an automatic custody transfer system and for permission to commingle the production from five separate leases.

MR. WHITE: Charles White, of Gilbert, White and Gilbert,
appearing on behalf of The Texas Company. We have one witness
to be sworn.

(Witness sworn.)

H. N. WADE

the witness, having first been duly sworn, testified as follows:

DIRECT EXAMINATION

BY MR. WHITE:

Q State your full name, please?

A H. N. Wade.

Q Mr. Wade, by whom are you employed and in what capacity?

A The Texas Company as Division Proration Engineer.

Q Have you previously testified before the Commission as an expert in such capacity?

A I have.

Q Are you familiar with the subject application?

A Yes, sir.

MR. WHITE: Are the witness' qualifications acceptable?

A Yes, sir, they are.

Q (By Mr. White) Mr. Wade, I direct your attention to what has been marked as Exhibit One. Explain what that is and explain what it intends to show?

A Exhibit One was prepared to show, as outlined, the Navajo Allottee Leases, which are the subject of this hearing. These leases are in Range 11 West, Township 25 North, San Juan County, New Mexico. The Texas Company Leases are outlined in yellow. The offset operators are shown to the best of our knowledge, and all wells on which we have information are also shown. This is a rather poor area on the northeast edge of the Bisti-Lower Gallup Field. The "T" Number One shown in the southwest quarter of the southwest quarter of Section 14 is at this time in the process of completion. The depth of all of these wells is in the vicinity of

5,000 feet.

Q Do you have a plat showing the proposed location of the Lact System and the testing stations?

A Yes, sir. Exhibit Two is essentially the same type of Exhibit as Number One, except by numbers as indicated in the legend at the bottom of the plat. We have indicated the location of lease test stations by the designation "2", the central Lact System Unit as Number "1", and those which are the letter "3" or the "3" in circles are the proposed, or lease test stations to be added as needed. That is essentially what this exhibit was prepared to show.

Q Do you have a diagrammatic sketch showing the testing facilities?

A Yes, sir, I have. It has been marked as Exhibit Three. As indicated by the legend, what has been designated by the letter, the number "1" is a metering separator, a three-phase metering separator, for testing purposes. Number "2" is a metering separator, a two-phase, for production, normal production tests. Number "3" is an automatic sampler for the purpose of determining water cut under normal producing tests.

The diagrammatic sketch also indicates the gathering system or the manifold system by which the wells can be switched to test or switched to normal flow.

Q Do you have also a sketch of the Lact System itself?

A Yes, sir, I have. It has been marked as Exhibit Number

Four. This diagrammatic sketch has shown on it, as indicated in the legend, the various primary components of the system. Production from the various leases will enter the surge tank when the oil level reaches the middle float switch designated as "9" opens on the surge tank. The pipe line valve "6" will open and the pipe line pump, which is shown as "1", will start. We don't know whether this pipe line pump will be required, but it will be provided in the event it is necessary to utilize pumping; the oil will pass through the capacity tanks probe, which is shown as "10" through the strainer number "2", the deaerator number "3", the Smith Meters, and there are two of these, which are shown as "4", through the flow rate controller, which is "5", and the shut in valve to the pipe line, which is "6".

When the oil level drops to the float switch, the pipe line valve closes. Another pipe control will open. The leads will be shut in the surge when it reaches the highest switch of the tank. Oil will be continuously circulated through the treater if necessary. Should that open the BS & W, the pipe line valve would close; the pumps will open and the leads will be shut in by the use of pressure switches.

Q Is there any electric power available to it?

A There is none available at this time. This is an out of the way lease, and we plan to use pneumatic type controls on this system. The BS & W. Monitor can be operated by a storage

battery, but the pipeline pump, if it is necessary to use such a pump, will have to be started manually until electric power can be obtained.

Q Mr. Wade, has the Commission heretofore approved similar installations such as you propose at this time?

A Yes, sir. I can't pinpoint any particular ones. It's my recollection similar installations have been approved by the Commission.

Q Has your company had prior experience with this type of installation?

A Yes, sir. We have an installation identical to this one operating pneumatically in southeast Utah and San Juan County, Utah. It has operated very satisfactorily and has given very good service.

Q Is this a truly automatic layout?

A Yes, sir, it is.

Q Will there be any means of determining the storage of oil at any time?

A Yes, sir, hand gauging will be possible in the surface tanks to determine the storage.

Q Is the Applicant the only one involved?

A Yes, sir.

Q How often do you contemplate taking production tests on the various wells?

A Well, at least once a month. We'll be set up where we can

take them as often as we like.

Q How many wells will the batteries presently serve?

A Currently, as shown on our Exhibit One, three wells which have been completed and one which is in the process of completion. For the time being, that will be the number of wells served by the battery.

Q Ultimately, how many wells do you propose this unit to serve?

A It could serve as many as ten.

Q What precautions have you taken against any back flow?

A Of course, check valves will be placed on all lead lines prior to the commingling of the crude at the central battery.

Q Were Exhibits One to Four prepared by you or under your direction?

A Yes, sir.

Q Have you obtained the consent of any of the offset operators?

A Yes, sir, we have. We have obtained the consent of three of the offset operators and also the consent of the pipe line, which is Four Corners Pipe Line.

Q And are those consents marked Exhibit Five collectively?

A Yes, they are.

MR. WHITE: We offer at this time Exhibits One through Five.

MR. UTZ: Without objection they will be received.

MR. WHITE: We have no more direct.

MR. UTZ: Are there questions of the witness?

CROSS-EXAMINATION

BY MR. FISCHER:

Q It's not shown here, Mr. Wade, but I imagine your float switches are being installed on the first surge line also?

A That will be where?

Q Your float switches will be installed on each tank?

A Actually, I think this drawing is -- the location of that line between the two may be poorly drawn. I don't see any reason for the installation of float switches on but one of the tanks, the one that is shown there.

Q You will come into that same tank all the time?

A We will be coming into the first surge tank. It will then be going over into the second surge tank and the float switches will control.

MR. FISCHER: That's all.

MR. UTZ: Any other questions of the witness?

EXAMINATION BY MR. PAYNE:

Q Mr. Payne, I presume you intend to meet all the specifications set forth by the Four Corners Pipe Line, is that correct?

A Yes, sir. In fact, I'd like to go into that. The failsafe features indicated under "1", we feel we will have those failsafe features incorporated into our system, and also this flow rate controller will be set at the five pounds gauge pressure

we think they would like to have.

Q The system is designed to prevent undue waste of oil in case of a line break?

A Yes, sir.

Q (By Mr. White) Have you met all the pipe line requirements they suggested?

A Yes, sir, we feel we have.

EXAMINATION BY MR. UTZ:

Q Mr. Wade, I'm confused on what area your are asking for Lact approval. Referring to Exhibit Number One, does this entire area consist of the east half of 15, the northwest quarter of 23?

A Yes, sir, that's as our application was designed to show.

Q How about the royalty interest under these individual leases?

A The royalty interests are owned individually by the various Indians. However, the USGS considers this to be a common lease, so far as royalty is concerned.

Q There is no difference between the royalty interest under any of the allottee leases then, is that my understanding; is it correct?

A That's my understanding, yes, sir.

Q Who did you pay the royalty to on these leases?

A It was paid, as I understand it, to the -- I believe it goes to the Department of Interior; I'm not sure.

EXAMINATION BY MR. PAYNE:

Q They allocate it?

A Yes, sir, they handle that allocation.

Q You do propose to meter each lease prior to commingling?

A Yes, sir.

EXAMINATION BY MR. UTZ: Referring to Exhibit Four, I believe you stated that when the oil in the surge tank reached the upper switch, the leads would be shut in?

A Yes, sir.

Q How would this lead be shut in?

A I think we failed to show a valve which would be back on the lead line, the central line, coming into the battery. It should properly be up where the test station is shown up there. The shutting of that line would be reflected by the increase in pressure on the various leads, and such was shut in the leads.

Q Are these flowing wells in this area?

A No, sir, they are all pumping wells.

Q When the lead is shut in, will pressure build up in the lead lines between the well head and the lead shut in valve?

A Yes, sir, it will.

Q How much would that pressure be do you think?

A I am sure it would not exceed 50 pounds at the very most. It would be just enough to reflect so that the pressure switches would be able to respond and shut the wells in.

Q Shut the pumps off?

A Yes, sir, and shut the engines down.

MR. UTZ: Any other questions of the witness? If there are no other questions, the witness may be excused.

(Witness excused.)

MR. UTZ: Any other statements to be made in this case? If not, the case will be taken under advisement.

STATE OF NEW MEXICO)
) ss
COUNTY OF BERNALILLO)

I, John Calvin Bevell, Notary Public in and for the County of Bernalillo, State of New Mexico, do hereby certify that the foregoing and attached Transcript of Hearing before the New Mexico Oil Conservation Commission was reported by me in Stenotype and reduced to typewritten transcript by me; that the same is a true and correct record to the best of my knowledge, skill and ability.

WITNESS my hand and seal this 25th of November, 1958, in the City of Albuquerque, County of Bernalillo, State of New Mexico.

John Calvin Bevell
NOTARY PUBLIC

My Commission Expires:

January 24, 1962

I do hereby certify that the foregoing is a complete record of the proceedings in the Examiner hearing of Case No. 1554, heard by me on *Mar. 19* 1958.
Ernest R. [Signature], Examiner
New Mexico Oil Conservation Commission

OIL CONSERVATION COMMISSION
P. O. BOX 871
SANTA FE, NEW MEXICO

November 28, 1958

Mr. L. C. White
Gilbert, White & Gilbert
P.O. Box 787
Santa Fe, New Mexico

Dear Mr. White:

On behalf of your client, The Texas Company, we enclose two copies of Orders R-1293 and R-1294 issued November 26, 1958, by the Oil Conservation Commission in Cases 1553 and 1554, respectively.

Please note that these orders require that each meter installed in the subject systems shall be tested for accuracy at intervals and in a manner satisfactory to the Commission. It will be necessary for The Texas Company to run a series of tests of sufficient duration to determine that the meters are functioning properly immediately following installation. Thereafter, tests should be made at intervals not to exceed one month and a report of said calibration filed with the Commission. The meters shall be calibrated against a master meter or against a test tank of measured volume.

Very truly yours,

A. L. Porter, Jr.
Secretary - Director

bp
Encls.

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**BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO**

**IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
COMMISSION OF NEW MEXICO FOR
THE PURPOSE OF CONSIDERING:**

**CASE NO. 1554
Order No. R-1294**

**APPLICATION OF THE TEXAS COMPANY
FOR PERMISSION TO INSTALL AN
AUTOMATIC CUSTODY TRANSFER SYSTEM
IN THE BISTI-LOWER GALLUP OIL POOL,
SAN JUAN COUNTY, NEW MEXICO, AND
FOR PERMISSION TO COMMINGLE THE
PRODUCTION FROM FIVE SEPARATE LEASES.**

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on November 19, 1958, at Santa Fe, New Mexico, before Elvis A. Utz, Examiner duly appointed by the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission," in accordance with Rule 1214 of the Commission Rules and Regulations.

NOW, on this 26th day of November, 1958, the Commission, a quorum being present, having considered the application, the evidence adduced, and the recommendations of the Examiner, Elvis A. Utz, and being fully advised in the premises,

FINDS:

(1) That due public notice having been given as required by law, the Commission has jurisdiction of this cause and the subject matter thereof.

(2) That the applicant, The Texas Company, is the owner and operator of the following-described leases in the Bisti-Lower Gallup Oil Pool, San Juan County, New Mexico:

Navajo Allottee	Section 14:	NW/4
	Section 15:	NE/4
Navajo Allottee "T"	Section 14:	SW/4
Navajo Allottee "O"	Section 15:	SE/4
Navajo Allottee "M"	Section 23:	NW/4

all in Township 25 North, Range 11 West, NMPM.

(3) That the applicant proposes to commingle the Bisti-Lower Gallup Oil Pool production from the above-described leases and to install automatic custody transfer equipment to handle the Bisti production from said leases.

(4) That the applicant proposes to separately meter the production from each of said leases by means of metering separators prior to commingling.

(5) That approval of the subject application will not cause waste nor impair correlative rights provided adequate testing and measuring equipment is installed.

IT IS THEREFORE ORDERED:

(1) That the applicant, The Texas Company, be and the same is hereby authorized to install automatic custody transfer equipment to handle the production from the following-described leases in the Bisti-Lower Gallup Oil Pool, San Juan County, New Mexico:

Navajo Allottee	Section 14:	NW/4
	Section 15:	NE/4
Navajo Allottee "T"	Section 14:	SW/4
Navajo Allottee "O"	Section 15:	SE/4
Navajo Allottee "W"	Section 23:	NW/4

all in Township 25 North, Range 11 West, NMPM.

(2) That the applicant be and the same is hereby authorized to commingle the production from the Bisti-Lower Gallup Oil Pool from the above-described leases after the production from each lease has been separately metered.

PROVIDED HOWEVER, That the metering separators used in the automatic custody transfer system shall be checked for accuracy at intervals and in a manner satisfactory to the Commission.

PROVIDED FURTHER, That the applicant shall install adequate testing facilities to permit the testing of all wells located on the above-described leases at least once each month to determine the individual production from each well.

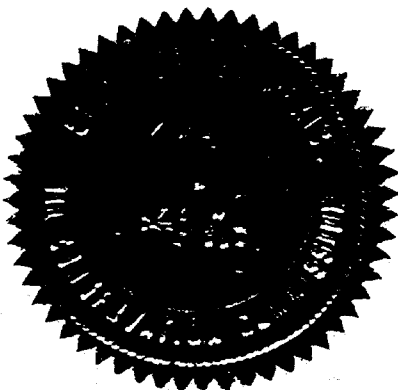
DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

Edwin L. Mechem
EDWIN L. MECHEM, Chairman

Murray E. Morgan
MURRAY E. MORGAN, Member

A. L. Porter, Jr.
A. L. PORTER, Jr., Member & Secretary



OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO

Date 11-20-58

CASE NO. 1559.

HEARING DATE 11-19-58

My recommendations for an order in the above numbered case ~~by~~ are as follows:

1. approve the usual commingling casing the usual order.
2. 4 leases to be separately ~~measured~~ metered before commingling
3. List leases as shown on applicant's application.
4. Pool is Bisti-Lower Gallup.

Wm. H. R.

Staff Member

DOCKET: EXAMINER HEARING NOVEMBER 19, 1958

Oil Conservation Commission 9 a.m., Mabry Hall, State Capitol, Santa Fe, New Mexico

The following cases will be heard before Elvis A. Utz, Examiner:

- CASE 1337: Application of Gulf Oil Corporation for permission to commingle the production from two separate oil pools. Applicant, in the above-styled cause, seeks an order amending Order R-1093 and Order R-1093-A to authorize it to commingle the production from the Montoya formation with the production from the Ellenburger, Fusselman, and McKee formations on its Learcy Mc-Buffington Lease consisting of the S/2 of Section 13, Township 25 South, Range 37 East, Lea County, New Mexico.
- CASE 1548: Application of Shell Oil Company for an automatic custody transfer system and for permission to commingle the production from four separate leases. Applicant, in the above-styled cause, seeks an order authorizing it to install an automatic custody transfer system and to commingle the production from the Vacuum Pool on four State Leases located in Sections 29, 30, and 31, Township 17 South, Range 35 East, Lea County, New Mexico.
- CASE 1549: Application of Tidewater Oil Company for two non-standard gas proration units. Applicant, in the above-styled cause, seeks an order establishing a 120-acre non-standard gas proration unit, in both the Tubb Gas Pool and the Blinberry Gas Pool, each to comprise the S/2 SE/4 and SE/4 SW/4 of Section 36, Township 21 South, Range 37 East, Lea County, New Mexico, and to be dedicated to applicant's State "Q" Well No. 1, located in the SE/4 SW/4 of said Section 36, which well is dually completed in the aforesaid pools.
- CASE 1550: Application of Tidewater Oil Company to commingle the production from several separate oil pools. Applicant, in the above-styled cause, seeks an order authorizing it to commingle the production from the Ellenburger, McKee, Fusselman, Montoya and any other pool or pools encountered which produces oil of similar qualities on its Coates "C" Lease comprising the E/2 and SE/4 NW/4 and NE/4 SW/4 of Section 24, Township 25 South, Range 37 East, Lea County, New Mexico. Applicant further requests permission to commingle production from the Drinkard formation on said lease with any other pool or pools encountered which produce sour crudes. Applicant proposes to separately meter production from each pool prior to being commingled. Applicant further seeks permission to produce more than sixteen wells into said common facilities.
- CASE 1551: Application of Pan American Petroleum Corporation for permission to commingle the production from three separate leases and for permission to produce more than sixteen wells into a common tank battery. Applicant, in the above-styled cause, seeks an order authorizing it to commingle the production from the Empire-Abo Pool from the three separate Federal leases hereinafter described:

LC-065478-B N/2 NW/4, NE/4, N/2 SE/4, and E/2 SW/4
Section 3; E/2 Section 10

NM-025604 S/2 SE/4 Section 3; W/2 Section 10

LC-067858 N/2 and SW/4 Section 11

all in Township 18 South, Range 27 East, Eddy County, New Mexico. Applicant further requests authority to produce more than sixteen wells into the common tank battery for said leases. Applicant proposes to separately meter production from each of the above-described leases prior to being commingled.

CASE 1552:

Application of Pan American Petroleum Corporation for permission to commingle the production from four separate leases. Applicant, in the above-styled cause, seeks an order authorizing it to commingle the production from the Abo formation adjacent to the Empire-Abo Pool from the four separate State leases hereinafter described:

E-5461 NW/4 NW/4 Section 2

B-7244-30 S/2 NW/4, NW/4 SW/4, and SE/4 SW/4 Section 2

B-8814-12 NE/4 SW/4 Section 2

E-7833 SW/4 SE/4 Section 2

all in Township 18 South, Range 27 East, Eddy County, New Mexico. Applicant proposes to separately meter the production from each of said leases prior to being commingled.

CASE 1553:

Application of The Texas Company for a dual completion and for permission to commingle the liquids produced from two separate pools. Applicant, in the above-styled cause, seeks an order authorizing it to dually complete its Peery-Federal (NCT-1) Well No. 1 located 1980 feet from the North and East lines of Section 29, Township 15 South, Range 30 East, Chaves County, New Mexico, in such a manner as to permit the production of oil from an undesignated Devonian oil pool and gas from an undesignated Ellenburger Gas Pool through parallel strings of tubing. Applicant further requests permission to commingle the liquids and low pressure gas produced from the Devonian and Ellenburger formations from all existing and future wells on its Peery-Federal Lease which comprises all of said Section 29.

CASE 1554:

Application of The Texas Company for an automatic custody transfer system and for permission to commingle the production from five separate leases. Applicant, in the above-styled cause, seeks an order authorizing it to install an automatic custody transfer system and to commingle the production from the Bisti-Lower Gallup Oil Pool on five Navajo Allottee Leases located in Sections 14, 15, and 23, Township 25 North, Range 11 West, San Juan County, New Mexico. Applicant proposes to separately meter the production from each lease prior to being commingled.

CASE 1555:

Application of H. K. Riddle for two non-standard oil proration units and two unorthodox oil well locations. Applicant, in the above-styled cause, seeks an order establishing a 61-acre non-standard oil proration unit consisting of Lots 1, 2, 3, and 4 of Section 18, said unit to be dedicated to a well to be drilled on an unorthodox location 1980 feet from the South line and 252 feet from the West line of said Section 18; applicant further seeks

the establishment of a 63-acre non-standard oil proration unit consisting of Lots 1, 2, 3, and 4 of Section 19, said unit to be dedicated to a well to be drilled on an unorthodox location 660 feet from the North line and 256 feet from the West line of said Section 19, all in the Bisti-Lower Gallup Oil Pool, Township 26 North, Range 13 West, San Juan County, New Mexico.

CASE 1556:

Application of Chaco Oil Company for an exception to Rule 104 of the Commission Rules and Regulations. Applicant, in the above-styled cause, seeks an order authorizing it to drill four additional oil wells in the Red Mountain-Mesaverde Oil Pool in the SW/4 SE/4 of Section 20 and the NW/4 NE/4 of Section 29, Township 20 North, Range 9 West, McKinley County, New Mexico.

CASE 1557:

Application of Cities Service Oil Company for a dual completion. Applicant, in the above-styled cause, seeks an order authorizing it to dually complete its State "P" No. 3 Well located 990 feet from the South and West lines of Section 32, Township 22 South, Range 38 East, Lea County, New Mexico, in such a manner as to permit the production of oil from the Blinbry Oil Pool and from an undesignated Glorieta oil pool through parallel strings of tubing.

Case 1554

exam hearing

BEFORE THE OIL CONSERVATION COMMISSION OF
THE STATE OF NEW MEXICO

IN RE MATTER OF THE TEXAS COMPANY
FOR PERMISSION TO COMINGLE IN COMMON
STORAGE FLUID HYDROCARBONS PRODUCED
FROM FIVE OF ITS NAVAJO ALLOTTEE
LEASES LOCATED IN THE NW $\frac{1}{4}$, SW $\frac{1}{4}$ SECTION
14; NE $\frac{1}{4}$, SE $\frac{1}{4}$ SECTION 15; NW $\frac{1}{4}$ SECTION 23,
TOWNSHIP 25 NORTH, RANGE 11 WEST, SAN
JUAN COUNTY, NEW MEXICO, AND TO INSTALL
A L.A.C.T. SYSTEM, AS AN EXCEPTION TO
OCC RULE 309.

APPLICATION

TO: THE OIL CONSERVATION COMMISSION OF THE STATE OF NEW MEXICO

Comes now The Texas Company and makes application for an Order granting
an exception to OCC Rule 309 permitting Applicant to comingle in and sell
from common storage fluid hydrocarbons through a Lease Automatic Custody
Transfer System from the following leases situate within Township 25 North,
Range 11 West, N.M.P.M., San Juan County, New Mexico:

<u>Lease Name</u>	<u>Location</u>
Navajo Allottee	NW $\frac{1}{4}$ Section 14
Navajo Allottee "T"	SW $\frac{1}{4}$ Section 14
Navajo Allottee	NE $\frac{1}{4}$ Section 15
Navajo Allottee "O"	SE $\frac{1}{4}$ Section 15
Navajo Allottee "M"	NW $\frac{1}{4}$ Section 23

That the Applicant as common owner and operator of the aforementioned
leases has presently completed in the Bisti (Lower Gallup) Oil Pool the
following wells, viz:

Navajo Allottee "O" No. 1 SW $\frac{1}{4}$ SW $\frac{1}{4}$ Section 15

Navajo Allottee "T" No. 1 SW $\frac{1}{4}$ SW $\frac{1}{4}$ Section 14

Navajo Allottee "M" No. 1 SW $\frac{1}{4}$ NW $\frac{1}{4}$ Section 23

Navajo Allottee "M" No. 2 SE $\frac{1}{4}$ NW $\frac{1}{4}$ Section 23

Plat showing the location of the subject leases, the presently completed

GILBERT, WHITE AND GILBERT
ATTORNEYS AT LAW
SANTA FE, NEW MEXICO

*Book 1, Filed
11-5-58
BP*

GILBERT, WHITE AND GILBERT
ATTORNEYS AT LAW
SANTA FE, NEW MEXICO

1 wells, and the names of the off-set operators so far as known by this
2 Applicant is attached hereto as EXHIBIT A and to which reference is hereby
3 made.


4 That in order to provide adequate lease storage for the production
5 anticipated from these locations without duplicating facilities and equip-
6 ment for each individual well the Applicant proposes to continuously meter
7 the production from each lease prior to comingling the production in common
8 storage.

9 Applicant seeks an exception to OCC Rule 309, by reason of the diverse
10 royalty interests involved, and permission to operate on an unattended
11 basis a IACT System to serve the subject leases; Applicant is willing,
12 ready, and able to provide and install such equipment as the Commission may
13 deem necessary to accurately determine the production from each well at
14 reasonable times and intervals.

15 WHEREFORE, Applicant prays that this matter be set down for hearing
16 before this Commission, or one of its Examiners; that notice thereof be
17 given in accordance with law, and that the subject Order issue upon such
18 terms and conditions as may be just and reasonable in the premises.

19 THE TEXAS COMPANY

20 By GILBERT, WHITE AND GILBERT

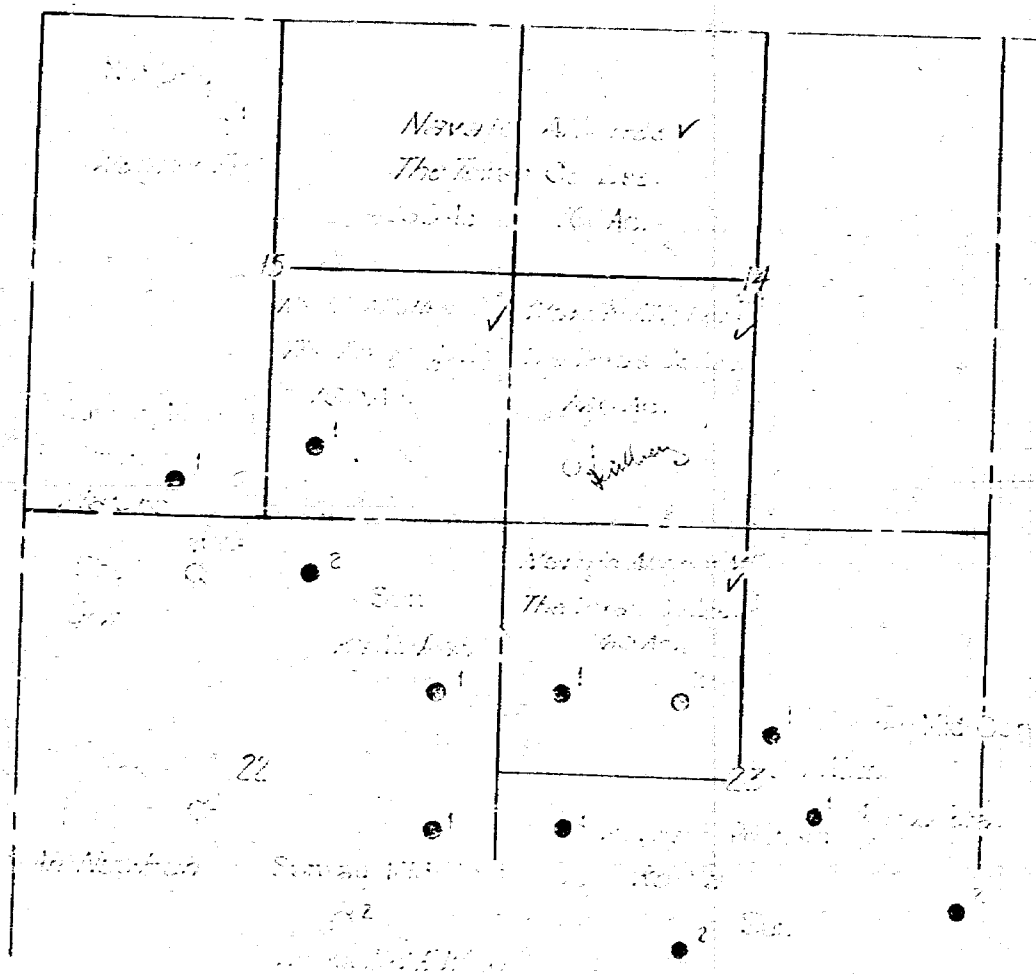
21 By 
22 One of its Attorneys
23 P. O. Box 787
24 Santa Fe, New Mexico
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89A-100007-100008
100009-100010

BEFORE EXAMINER UTZ
 OIL CONSERVATION COMMISSION
TEXAS EXHIBIT NO. 1
 CASE NO. 1554

5000' *deep*

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684 11/17/17 11/18/17
 11/19/17 11/20/17

Ex. No. 1

LETTER TO THE
OIL COMMISSION
7424 EXHIBIT NO. 5
CASE NO. 1574

Telefax **WESTERN UNION** *Telefax* ↑

L CPA049 PD=COMPTON CALIF 17 936AMP= 1957 NOV 17 PM 12 05
J H MARKLEY, THE TEXAS CO=

FTW=

AGREE TO LACT SYSTEM PROPOSED IN YOUR LETTER AND
DRAWING DATED NOV 13 PROVIDING THE FOLLOWING ARE
INCLUDED 1. SALLYSAFE FEATURES ON DEALRATOR, METERS,
BS&W MONITOR AND MECHANICAL SAMPLER WHICH WILL CUT OFF
FLOW IN EVENT OF EQUIPMENT FAILURE. 2. THE FLOW RATE
CONTROLLER MUST BE SET TO MAINTAIN A MINIMUM OF 5PSI
GAUGE PRESSURE ON THE METERS AT ALL TIMES

J K ALFRED FOUR CORNERS PIPE LINE CO
1957 E DELAND=

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GILBERT WHITE AND GILBERT
ATTORNEYS AT LAW
SANTA FE, NEW MEXICO

BEFORE THE OIL CONSERVATION COMMISSION

OF THE STATE OF NEW MEXICO

IN RE MATTER OF THE TEXAS COMPANY
FOR PERMISSION TO COMINGLE IN COMMON
STORAGE FLUID HYDROCARBONS PRODUCED
FROM FIVE OF ITS NAVAJO ALLOTTEE
LEASES LOCATED IN THE NW $\frac{1}{4}$, SW $\frac{1}{4}$ SECTION
14; NE $\frac{1}{4}$, SE $\frac{1}{4}$ SECTION 15; NW $\frac{1}{4}$ SECTION 23,
TOWNSHIP 25 NORTH, RANGE 11 WEST, SAN
JUAN COUNTY, NEW MEXICO, AND TO INSTALL
A L.A.C.T. SYSTEM, AS AN EXCEPTION TO
OCC RULE 309.

Case No. 1554

CONSENT TO ORDER GRANTING APPLICATION

TO: The Oil Conservation Commission of the State of New Mexico:

Comes now the undersigned, one of the off-set operators and an interest-
ed party in the above proceeding, acknowledges the receipt of a copy of the
Application and consents that the Commission issue its Order as prayed for by
the Applicant.

ANDERSON-PRICHARD OIL CORPORATION

By: [Signature]

ITS President

GP
Lys

DEPARTMENT OF MINES AND METALS
OIL CONSERVATION COMMISSION
7700
CASE NO. 1554

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

IN RE MATTER OF THE TEXAS OCEANIC
FOR PERMISSION TO CORRELATE IN OCEAN
SERVICES PLATD HYDROCARBONS PROPOSED
FROM FIVE OF THE SANJOSE ALLEGRE
LANDS LOCATED IN THE NE, SW, SECTION
14; NE, SW, SECTION 15; NE, SECTION 23,
TOWNSHIP 25 NORTH, RANGE 11 WEST, SAN
JUAN COUNTY, NEW MEXICO, AND TO INSTALL
A L.A.C.F. SYSTEM, AS AN EXCEPTION TO
OCS RULE 309.

Case No. 1554

CONSENT TO ORDER GRANTING APPLICATION

TO: The Oil Conservation Commission of the State of New Mexico:

Come now the undersigned, one of the off-set operators and an interest-
ed party in the above proceeding, acknowledges the receipt of a copy of the
Application and consents that the Commission issue its Order as prayed for by
the Applicant.

Shell Oil Company

By RM Mobison
Div. Prod. Mgr.

11-13-58

GILBERT, WHITE AND GILBERT
ATTORNEYS AT LAW
SANTA FE, NEW MEXICO

BEFORE EXAMINER UTZ
OIL CONSERVATION COMMISSION
7288, PAPER NO. 5
CASE NO. 1554

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

IN RE MATTER OF THE TEXAS COMPANY
FOR PERMISSION TO CONDUCE IN OIL
LEASES FILED HERETOFORE PRODUCED
FROM FIVE OF THE DEVILS ALLIANCE
LEASES LOCATED IN THE NE¹/₄, SW¹/₄ SECTION
14; NE¹/₄, SW¹/₄ SECTION 15; SW¹/₄ SECTION 23,
TOWNSHIP 25 NORTH, RANGE 11 WEST, SAN
JUAN COUNTY, NEW MEXICO, AND TO INSTALL
A L.A.C.S. SYSTEM, AS AN EXCEPTION TO
GCC RULE 309.

Case No. 1554

CONSENT TO ORDER GRANTING APPLICATION

TO: The Oil Conservation Commission of the State of New Mexico:

Comes now the undersigned, one of the off-set operators and an interest-
ed party in the above proceeding, acknowledges the receipt of a copy of the
Application and consents that the Commission issue its Order as prayed for by
the Applicant.

SUNRAY MID-CONTINENT OIL COMPANY

William R. Loar & J. H.

Attorney

11-13-58.

GILBERT, WHITE AND GILBERT
ATTORNEYS AT LAW
SANTA FE, NEW MEXICO