


CASE 1825: Application of CONTINENTAL
for Amendment of Order R-1440 to
permit commingling.



Case No.

1825

Application, Transcript,
Small Exhibits, Etc.

December 11, 1959.

BEARNET MEIER & ASSOCIATES
GENERAL LAW REPORTING
ALBUQUERQUE, NEW MEXICO
Phone Capital 2-2221

(Witness sworn.)

MR. KELLAHIN: This is an application for an amendment to Order R-1440 which was entered in Case 1682 following a hearing held June the 3rd, 1959. In connection with that case the proposal of the Applicant was to meter production from only one zone. However, Order R-1440 required that prior to commingling that the

as follows:

WITNESSES
ALBUQUERQUE, NEW MEXICO

BY MR. E. L. LANE:

Q Will you state your name, please?

A Victor T. Lyon.

Q By whom are you employed and in what position?

A I am employed by Continental Oil Company as District Engineer in the Eunice District, located in Eunice, New Mexico.

DEAR
ALBUQUERQUE, NEW MEXICO

Yes, sir, this lease consists of 184 acres. There are three wells on the lease. One is a Blinette oil well which pumps approximately 5 barrels of oil per day. Another well is dually completed in the Drinkard and the Tubb zones. The Tubb is oil productive on this, at this location, and that well is flowing about 16 to 18 barrels per day. Another well on the lease is completed in the Drinkard Pool as a single producer. The two formations that we're concerned with are the Tubb and

ALBUQUERQUE, NEW MEXICO

A Well, when we filed our application we had proposed to install an economical metering separator, which for slightly additional cost would give us a little more information on which to report the production from the individual zones. However, under the terms of the order that was entered, we were required to install a dump meter, or some type of meter for the Blinabry, and in the event that water production again, we would also be



believe the production at the individual sites.

Q If the tanks are filled in eight to ten days, as you have testified, would the factor of shrinkage by evaporation make an appreciable difference in your oil measurement?

A I'm not sure what the magnitude of the shrinkage is. We haven't made any tests to determine it. I'm sure that it is significant. I don't know of what volumes it would involve.



of the top layer, but actually there, and in other zones are marginal and there's no way that we could possibly produce more oil than we're allowed to.

Q Is the proposal of Continental, in your opinion, in the interest of conservation and the prevention of waste?

A Yes, sir.

Q Is that case it doesn't really matter does it?
is, does it?

A That's about right.

MR. PAYNE: Thank you.

BY MR. NUTTER:

Q Mr. Lyon, the amount of time that it takes to fill

Now about the Tubb, what?

A The gravity, I believe, it's about 39 degrees.

MR. NUTTER: Any further questions of Mr. Lyon? He
may be excused.

(Witness excused.)

MR. NUTTER: Do you have anything further, Mr. Kellahan?

MR. KELLAHAN: No, that's all I have.

I do hereby certify that the foregoing is
a complete record of the proceedings in
the Executive Hearing of Case No. 13-11
heard by me on 12-11, 1951.

[Signature], Executive
New Mexico Oil Conservation Commission

Application of Continental Oil Company for an amendment of Order E-1443.
Applicant, in the above-styled cause, seeks an amendment of Order E-1443 to permit the installation of automatic custody transfer equipment to handle the Delaware production from its Wilder, Payne and Bradley leases in Sections 25, 26 and 35, Township 26 South, Range 32 East, and in Sections 30 and 31, Township 26 South, Range 33 East, Lea County, New Mexico, and for permission to produce more than 16 wells in a common tank battery.

CASE 1827:

Application of Gulf Oil Corporation for an oil-oil dual completion.
Applicant, in the above-styled cause, seeks an order authorizing the dual completion of its Learcy McBuffington Well No. 5, located 1650 feet from the South line and 1980 feet from the East line of Section 13, Township 25 South, Range 37 East, Lea County, New Mexico, in such a manner as to permit the production of oil from an undesignated Paddock pool and the production of oil from the Justis-Blinbry Pool through parallel strings of tubing.

in order to prevent possible water

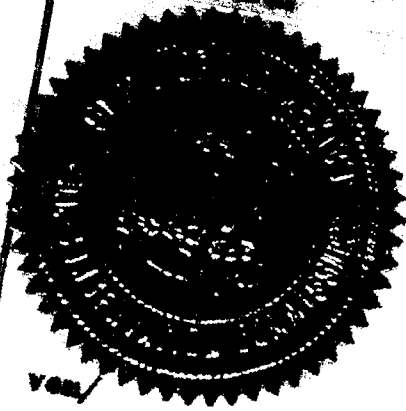
Hethins Well No. 2, SE 1/4 NE 1/4 of Section 28,
Township 24 South, Range 26 East, Lea County,
New Mexico.

That the applicant is the operator of the subject acreage, which is located in Township 17 North, Range 27 East, and
has County, New Mexico.

(2) That the applicant proposes to commingle the production from the Blinnery Oil Pool and the Tubb Gas Pool from all wells located on the above-described acreage without separately metering the production from each pool.

(4) That the wells currently completed in the Blinnery Oil Pool and the Tubb Gas Pool on the subject acreage are capable of producing a total of between 20 and 25 barrels of oil per day.

(5) That because of the very marginal character of the producing wells on the subject acreage, the applicant's request for



STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

John Burroughs
JOHN BURROUGHS, Chairman

Murray E. Morgan
MURRAY E. MORGAN, Member

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

VAN-ER
Enc

Booklet
marked
44

11-2057

Order with
be 1440-A

10-11-1948

PIONEERING IN PETROLEUM PROGRESS SINCE 1875

4. That the commingling will result in savings of money otherwise required for equipment and will conserve hydrocarbons by reducing evaporation losses.

5. That the requirements of Order No. R-1440 are unduly severe and will result neither in prevention of waste nor the protection of correlative rights but will instead result in economic and physical waste.

Wherefore, applicant prays that this matter be set for hearing before the Commission's duly appointed examiner, that appropriate notice thereof be given, and that upon hearing Order No. R-1440 be amended as described above.



