

CASE 1881: Application of TEXACO INC.

SA [REDACTED], [REDACTED] [REDACTED]

Case No.

1882

Application, Transcript,
Small Exhibits, Etc.

BEFORE THE
OIL CONSERVATION COMMISSION
Santa Fe, New Mexico
January 28, 1960

IN THE MATTER OF
CASE NO. 1882

TRANSCRIPT OF PROCEEDINGS

January 28, 1960.

DEARNLEY-MEIER REPORTING SERVICE, Inc.

ALBUQUERQUE, NEW MEXICO

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I N D E X

<u>WITNESS</u>		<u>PAGE</u>		
J. E. ROBINSON, JUNIOR				
Direct Examination by Mr. White				
QUESTIONS by Mr. Utz				
<u>NUMBER</u>	<u>EXHIBIT</u>	<u>MARKED FOR IDENTIFICATION</u>	<u>OFFERED</u>	<u>ADMITTED</u>
App. #1	Plat	5	7	7
" #2	Schematic Diagram	5	7	7
" #3	Production Characteristics	6	7	7



BEFORE THE
OIL CONSERVATION COMMISSION
Santa Fe, New Mexico
January 28, 1960.

IN THE MATTER OF:

APPLICATION OF TEXACO, INC. for permission
to commingle the production from two separate
pools. Applicant, in the above-styled cause,
seeks permission to commingle the production
from the Tubb Pool and the Blinebry Oil Pool
from all wells located on its Mittie Weatherly
lease comprising the NW/4 of Section 17,
Township 21 South, Range 37 East, Lea County,
New Mexico.

CASE

NO. 1882

BEFORE:

Elvis Utz, Examiner.

TRANSCRIPT OF PROCEEDINGS

MR. UTZ: The hearing will come to order. Next case
will be Number 1882.

MR. PAYNE: Case 1882. Application of Texaco, Incorporated,
for permission to commingle the production from two
separate pools.

Let the record show the witness has previously been sworn.

MR. WHITE: Charles White, of Gilbert, White, and
Gilbert, Santa Fe, New Mexico, appearing on behalf of the applicant.
We have one witness, Mr. Robinson.

MR. UTZ: Are there other appearances in this case?

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(No response.)

MR. UTZ: Proceed.

J. E. ROBINSON, JUNIOR

a witness, called by and on behalf of the applicant, having been previously sworn, testified as follows:

DIRECT EXAMINATION

BY MR. WHITE:

Q Mr. Robinson, is this application by Texaco to commingle the crudes, on the Mittie Weatherly lease?

A That's right, it is.

Q And is it substantially the same as the testimony presented in Case Number 1880?

A Yes, sir.

Q Are the royalty interests diversified on this lease?

A They are common.

Q They are in common. How about the working interest?

A The working interest, Texaco has 75 percent of the working interest; another interest has 21 percent, and another one has 4 percent. Frank Buttram has 21 percent, and W. A. Pearlbrook has 4 percent.

Q And you have asked for waivers from these particular interests?

A Yes, sir, we have.

Q Do you have any reason to believe that they will not be given?

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A No, sir. We have a waiver here, or a consent to commingle, from Mr. Buttram, which has 21 percent of the working interest; and we have not received the waiver from the other interest holder with the 4 percent.

Q Will you refer to what has been marked as Exhibit 1, and explain that ownership plat?

A Exhibit 1 is a plat showing the area surrounding Texaco's Mittie Weatherly lease. It also shows the offset operators, and the pool that all wells are completed in. Continental is currently completing their Mittie Weatherly Number 4, which will be a Eumont gas well, and a dual producer with the Penrose-Skelly.

Now, at the present time, we have three individual tank batteries serving the Drinkard and the Blinebry and the Tubb. We propose to commingle the Blinebry and the Tubb production from Well Number 2, into the Blinebry oil battery, and to use the existing battery which currently serves as the Tubb battery, for the production from the Penrose-Skelly.

Q But your well, that would be Number 4?

A That would be our Well Number 4, that's correct.

Q Will that save additional installation of equipment?

A Yes, sir, it will save installing additional tank batteries, which will be a considerable saving.

Q Will you now explain Exhibit Number 2?

A Exhibit Number 2 is a schematic diagram, showing the commingling installation. It is identical to the commingling



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installations that were proposed under Case 1880. The Blinebry oil, which is shown by the green line, will go into a separator, where the free gas will be taken off the separator, and measured through a gas meter, where it will go to gas sales.

The liquid production will go downstream; it will pass through a positive displacement meters, with snap acting pilot, where it will join in with the Tubb production and will be commingled into a conventional tank battery consisting of two high 500-barrel stock tanks.

The Tubb oil will be produced in the same manner as the Blinebry, and then it will go into a separator. The gas will be taken off and measured prior to sales. The liquid production will be measured and commingled with the Blinebry production.

Q Will you refer to Exhibit Number 3, and explain the production characteristics of that crude?

A Exhibit Number 3 shows the production characteristics of the Blinebry and the Tubbs zones. The Blinebry has an intermediate sweet crude, with a gas-oil ratio of 20,600 to 1. It has a gravity of 43 degrees. It has a bottom hole pressure of 2,067 pounds.

The Tubb has an intermediate sweet crude, with a gas-oil ratio of 5350 to 1; a gravity of 37 degrees, corrected at 60 degrees; and a bottom hole pressure of 1960 pounds.

The Tubb has a flowing tubing pressure of 100 PSI. The Blinebry has a flowing tubing pressure of 750 Psi. The Blinebry



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is a penalized high gas-oil ratio well. It has an allowable of 15 barrels a day; a gravity of 43 degrees; a price per barrel of \$2.01, or a revenue per day of \$45.15.

The Tubb has a penalized allowable of 25 barrels a day; it has a gravity of 37 degrees, with a price per barrel of two-ninety-five, and a revenue per day of \$73.75, or a total revenue per day of \$118.90 a day by being tanked separately.

By commingling the Blinebry and the Tubb, we will have an allowable of 40 barrels a day, with a composite gravity of 38.6 degrees, or a price per barrel of \$2.97 a barrel, with a revenue per day of \$118.80 a day. Or, we will, as a result of commingling, we will receive approximately 10 cents a day less.

Q Were these exhibits prepared by you, or under your direction and supervision?

A Yes, sir, they were.

MR. WHITE: We offer the exhibits in evidence at this time.

MR. UTZ: Without objection, they will be entered in the record.

MR. WHITE: That concludes our direct testimony.

QUESTIONS BY MR. UTZ:

Q Mr. Robinson, will you give me the main production on each of these wells?

A Wells 1 and 3 produce from the Drinkard; Well Number 2 is a dual Blinebry oil and Tubb oil well; Well Number 4 is a dual



Eumont gas, and a Penrose-Skelly.

Q Actually, you only want at the present time, to commingle the Number 2 well?

A That's correct, commingle the Blinebry and the Tubb production from Well Number 2. And, of course, we would also like to commingle the production from these reservoirs from any future wells that may be drilled. However, we have no plans on drilling any additional wells.

MR. UTZ: Any other questions of this witness?

(No response.)

MR. UTZ: The witness may be excused.

(Witness excused.)

MR. UTZ: Any statements to be made in this case?

(No response.)

MR. UTZ: The case will be taken under advisement.

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STATE OF NEW MEXICO)
) ss.
 COUNTY OF BERNALILLO)

I, THOMAS T. TOMKO, Court Reporter, do hereby certify that the foregoing and attached Transcript of Proceedings before the New Mexico Oil Conservation Commission was reported by me in Stenotype and reduced to typewritten transcript under my personal supervision, and that the same is a true and correct record to the best of my knowledge, skill and ability.

WITNESS my hand this 29th day of January, 1960, in the City of Albuquerque, County of Bernalillo, State of New Mexico.

Thomas T. Tomko
 Thomas T. Tomko, Court Reporter.

I do hereby certify that the foregoing is a complete record of the proceedings in the Examiner hearing of case no. 1852, heard by me on 2-10-1960.

Frank H. [Signature] Examiner
 New Mexico Oil Conservation Commission

DEARNLEY-MEIER REPORTING SERVICE, Inc.

ALBUQUERQUE, NEW MEXICO

PHONE CH 3-6691



OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

December 27, 1963

C Texaco Inc.
Drawer 728
Hobbs, New Mexico

C Attention: Mr. H. D. Raymond

Re: Commingling Order
No. R-1599

O Gentlemen:

P Reference is made to your letter dated December 19, 1963, wherein
Y you request authority to commingle the Blinbry and Tubb oil on your
Little Weatherly Lease comprising the NW/4 of Section 17, Township 21
South, Range 37 East, Lea County, New Mexico, on the basis of periodic
well tests. This production was heretofore authorized to be commingled
by Commission Order No. R-1599 dated February 8, 1960, which order
required that all production from each pool shall be separately metered
prior to commingling. It is our understanding that the production from
each of the aforesaid pools is now of marginal nature and that commingling
on the basis of periodic tests as now proposed would be in accordance
with the Commission "Manual for the Installation and Operation of Com-
mingling Facilities," and would be eligible for administrative approval.

Y By the authority vested in me under the provisions of Rule 303
(b) of the Commission Rules and Regulations, you are hereby authorized
to commingle the production from the aforesaid pools on said lease 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";
and provided further, that you shall notify the Hobbs District Office
of the Commission at such time as any well in either of the aforesaid
pools is capable of top allowable production. In other respects, Order
No. R-1599 shall remain in full force and effect.

Very truly yours,

A. L. PORTER, Jr.
Secretary-Director

ALP/DSM/esr

cc: Oil Conservation Commission - Hobbs
Oil & Gas Engineering Committee - Hobbs

7

TEXACO
IN-HOUSE OFFICE 000

PETROLEUM PRODUCTS

1963 DEC 19 PM 1:28



HOBBS, NEW MEXICO 8840

December 19, 1963

*also CC in
Case 1882*

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

Re: Revision of Commingling Order
No. R-1599, TEXACO Inc., Mittie
Weatherly Lease, Blinebry (Oil)
and Tubb (Oil) Pools, Lea County,
New Mexico

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

Gentlemen:

TEXACO Inc. respectfully requests revision of the subject order to permit commingling on periodic well test basis rather than by the presently approved separate zone metering method in accordance with Section II-1, "Manual for the Installation and Operation of Commingling Facilities". All wells producing from the Blinebry (Oil) and Tubb (Oil) pools on the subject lease are incapable of producing top unit allowable, as indicated on the attached 60-day period production tabulation. Also attached are schematic diagrams of the present battery installation and the proposed installation.

Yours very truly,

H. D. Raymond

H. D. Raymond
Assistant District Superintendent

WPY-jr

NMOCC-Hobbs

Attachments

TEXACO Inc.

OFFICE 000

1963 DEC 24 PM 1 23

MITTIE WEATHERLY LEASE
Blinebry (Oil) & Tubb (Oil) Pools
Lea County, New Mexico

DATE 1963	BLINEBRY OIL WELL NO. 2	TUBB OIL WELL NO. 2	DATE 1963	BLINEBRY OIL WELL NO.2	TUBB OIL WELL NO. 2
October 1	4	7	November 1	8	2
2	4	6	2	7	1
3	3	6	3	6	1
4	4	7	4	7	1
5	5	6	5	8	2
6	4	5	6	8	1
7	4	5	7	6	4
8	4	5	8	8	7
9	4	5	9	6	8
10	4	6	10	4	7
11	4	5	11	2	0
12	4	5	12	0	5
13	5	6	13	4	8
14	4	5	14	5	6
15	5	5	15	5	6
16	4	4	16	3	7
17	4	5	17	3	6
18	4	5	18	2	6
19	4	5	19	3	8
20	4	5	20	3	6
21	4	6	21	3	6
22	5	5	22	3	7
23	4	5	23	2	7
24	4	5	24	2	7
25	4	5	25	3	7
26	5	4	26	4	7
27	5	3	27	2	7
28	5	3	28	2	7
29	6	4	29	2	8
30	5	4	30	1	6
31	6	4			
TOTALS	135	156		122	163

Average (bbl/day): Blinebry Oil 4.34; Tubb Oil 5.10

NOTE: Well No. 2 is the only well that produces from the Blinebry or Tubb pools on the subject lease.

1963 DEC

1 23

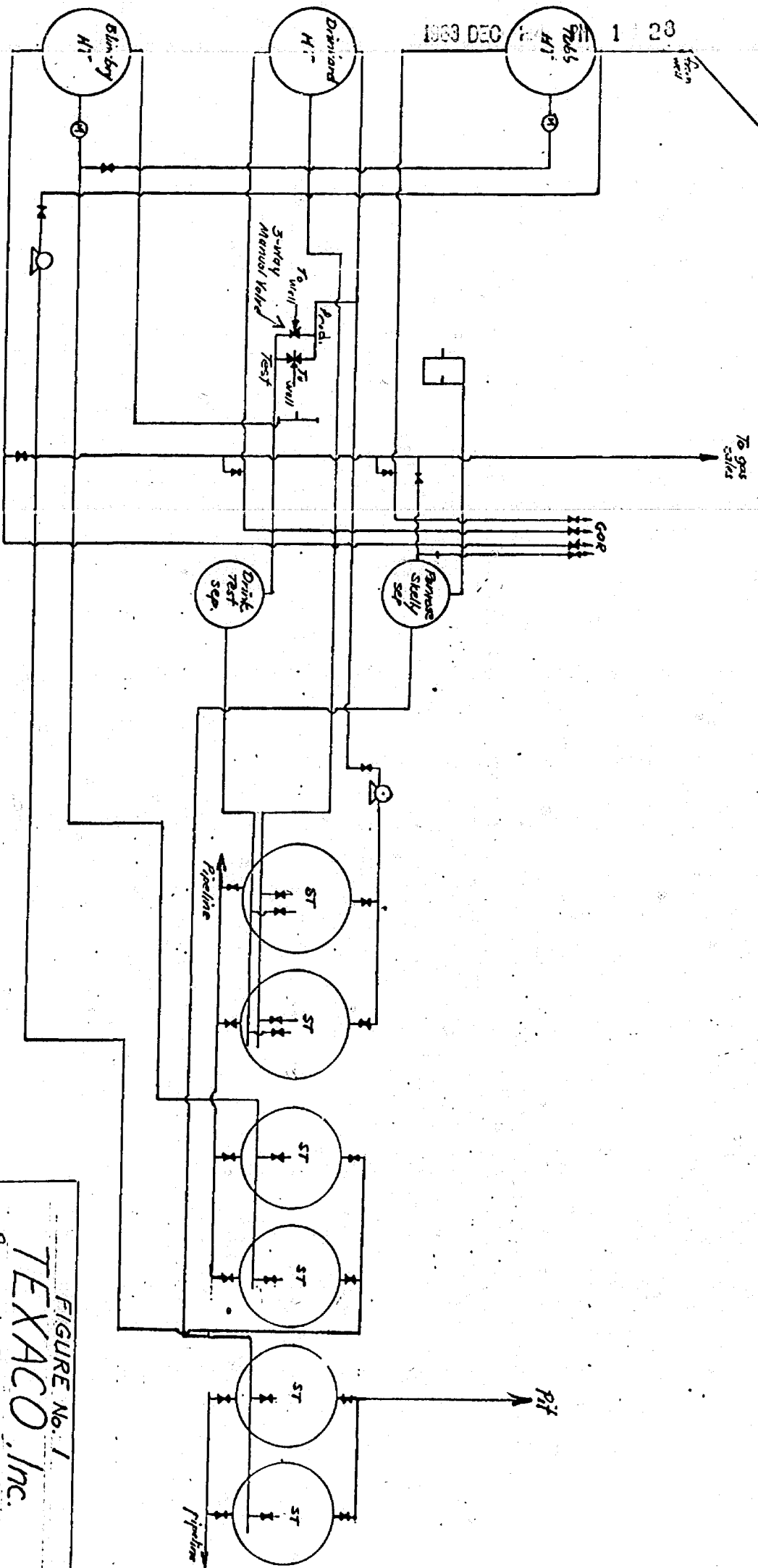


FIGURE No. 1

TEXACO, Inc.

Present Battery Facilities

Mittie Weatherly

Battery Nos. 1, 2, & 3

Date: 4-9-63 Drawn By: DLH

OFFICE 000
 1000 DEC 1953 PM 1 28

Typical Header
 Manifold

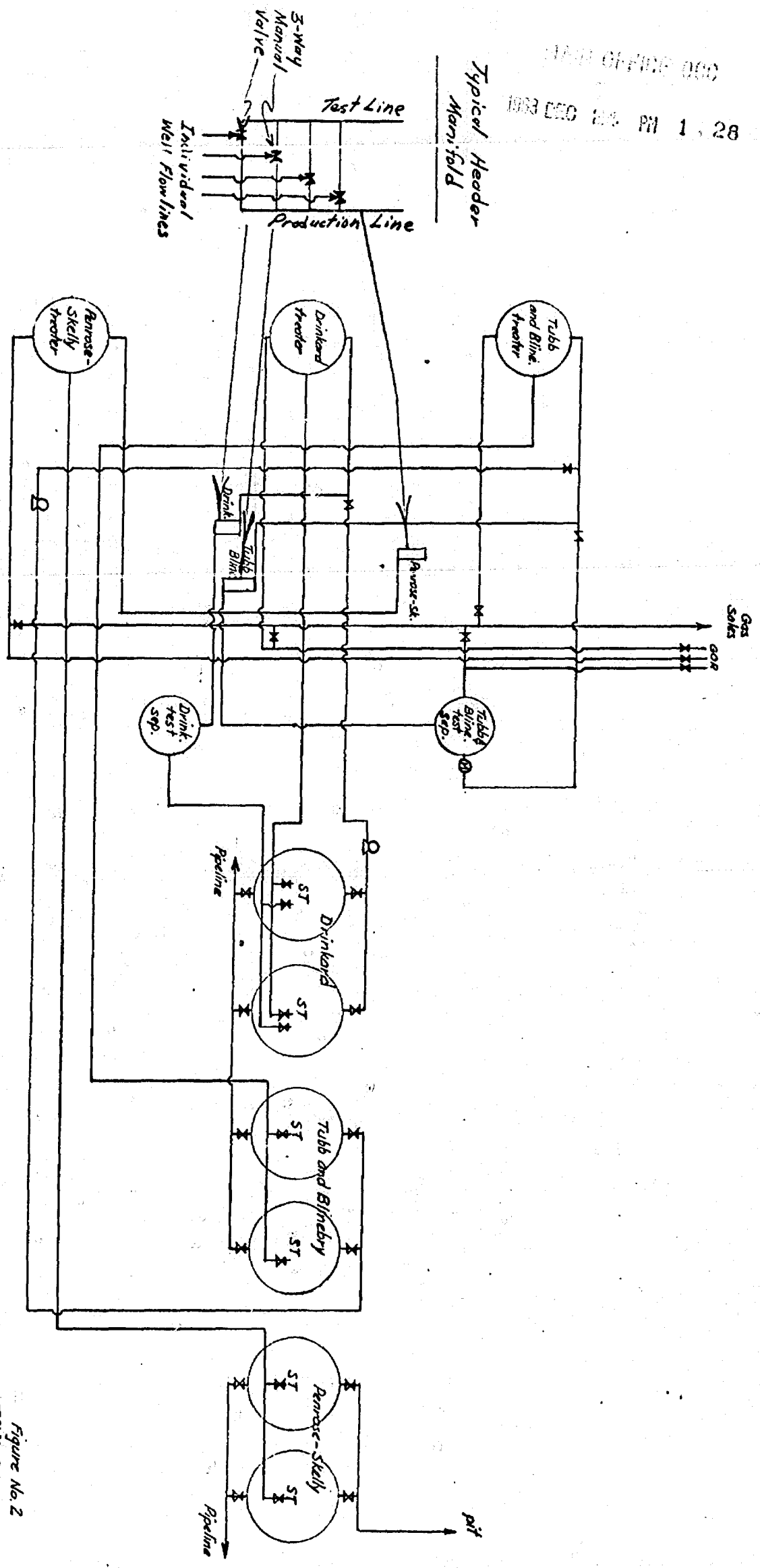


Figure No. 2
 TEXACO Inc.
 Proposed Battery
 Mittie Weatherly lease
 11-18-63 D.L.H.

1963 DEC 22 PM 1 23

December 19, 1963

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

Re: Revision of Commingling Order
No. R-1599, TEXACO Inc., Mittie
Weatherly Lease, Blinebry (Oil)
and Tubb (Oil) Pools, Lea County,
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Yours very truly,

H. D. Raymond

H. D. Raymond
Assistant District Superintendent

WPY-jr

NMOCC-Hobbs

Attachments

TEXACO Inc.

FIELD OFFICE 300

RECEIVED 23 PM 1 23

MITTIE WEATHERLY LEASE
Blinebry (Oil) & Tubb (Oil) Pools
Lea County, New Mexico

DATE 1963	BLINEBRY OIL WELL NO. 2	TUBB OIL WELL NO. 2	DATE 1963	BLINEBRY OIL WELL NO.2	TUBB OIL WELL NO. 2
October 1	4	7	November 1	8	2
2	4	6	2	7	1
3	3	6	3	6	1
4	4	7	4	7	1
5	5	6	5	8	2
6	4	5	6	8	1
7	4	5	7	6	4
8	4	5	8	8	7
9	4	5	9	6	8
10	4	6	10	4	7
11	4	5	11	2	0
12	4	5	12	0	5
13	5	6	13	4	8
14	5	5	14	5	6
15	5	5	15	5	6
16	4	4	16	3	7
17	4	5	17	3	6
18	4	5	18	2	6
19	4	5	19	3	8
20	4	5	20	3	6
21	4	6	21	3	8
22	5	5	22	3	7
23	4	5	23	2	7
24	4	5	24	2	7
25	4	5	25	3	7
26	5	4	26	4	7
27	5	3	27	2	7
28	5	3	28	2	7
29	6	4	29	2	8
30	5	4	30	1	6
31	6	4			
TOTALS	135	156		122	163

Average (bbl/day): Blinebry Oil 4.34; Tubb Oil 5.10

NOTE: Well No. 2 is the only well that produces from the Blinebry or Tubb pools on the subject lease.

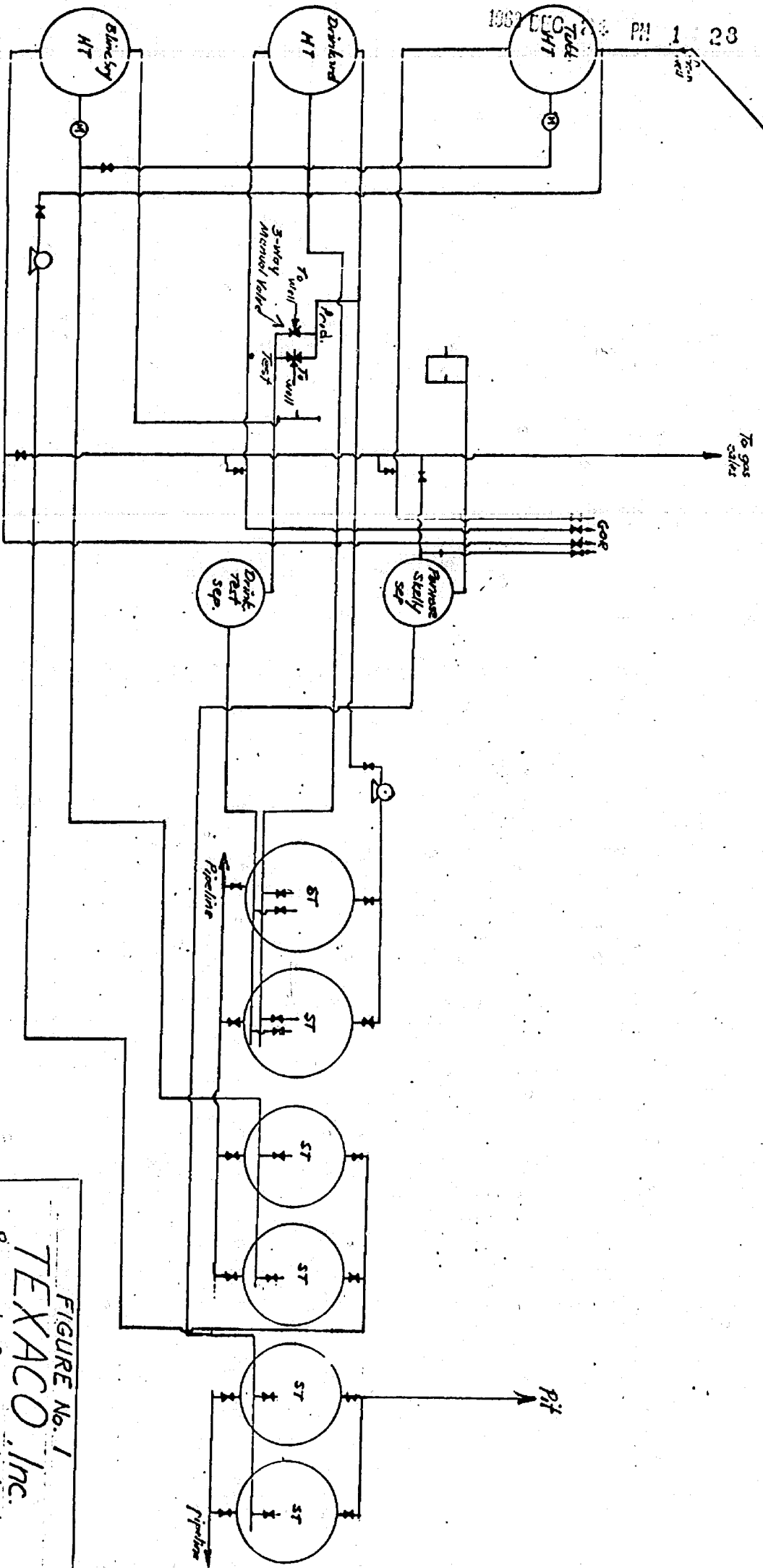


FIGURE No. 1
 TEXACO Inc.
 Present Battery Facilities
 Mittie Weatherly
 Battery Nos. 1, 2, & 3
 Date 4-9-63 Drawn By D.L.H

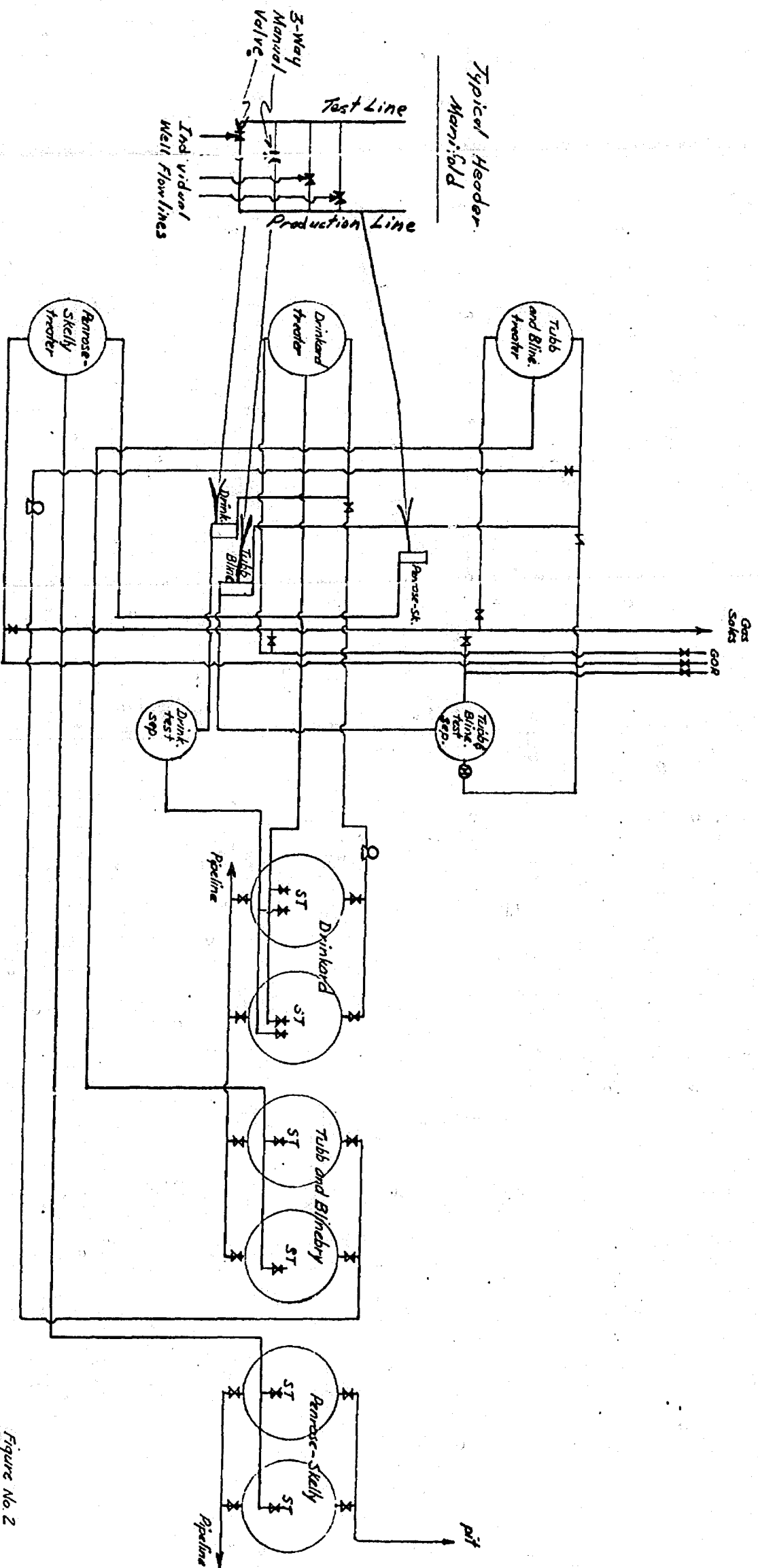


Figure No. 2
 TEXACO Inc.
 Proposed Battery
 Mittie Weatherly lease
 11-18-63
 D.L.H.

OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO

Date 2-1-60

CASE 1882

Hearing Date 1-27-60

My recommendations for an order in the above numbered cases are as follows:

1. Grant Teapoco's application for commingling the Dubb oil & Blinby oil. on its "Mittie Weatherly" lease consisting of NW/4 sec. 17, 21S-37E.
2. Applicant shall meter the productions from each pool before commingling into a common tank battery.
3. P. D. meters will be used! & should be tested every 30 days.
4. Exemption to Rule 303.
5. Common ownership.

Charles H. W.

Staff Member

DOCKET: EXAMINER HEARING JANUARY 27, 1960OIL CONSERVATION COMMISSION - 9 a.m., MABRY HALL, STATE CAPITOL, SANTA FE

The following cases will be heard before Elvis A. Siz, Examiner, or A. L. Porter, Jr., Secretary-Director:

- CASE 1866: Application of British-American Oil Producing Company for approval of a unit agreement. Applicant, in the above-styled cause, seeks an order approving its West Bisti-Lower Gallup Sand Unit Agreement, which Unit is to comprise 14,331 acres, more or less, in Townships 25 and 26 North, Ranges 13 and 14 West, San Juan County, New Mexico.
- CASE 1867: Application of British-American Oil Producing Company for a pressure maintenance project in the Bisti-Lower Gallup Oil Pool and promulgation of special rules in connection therewith. Applicant, in the above-styled cause, seeks an order authorizing a pressure maintenance project in the Bisti-Lower Gallup Oil Pool, San Juan County, New Mexico, by the injection of water into the Lower Gallup formation through 17 wells. Applicant further proposes that special rules be adopted governing said project including the transfer of allowables from injection and shut-in wells to producing wells in the project and for establishment of an administrative procedure to convert additional wells to injection.
- CASE 1868: Application of Hamilton Dome Oil Company, Ltd. for permission to commingle the production from three separate pools. Applicant, in the above-styled cause, seeks an order authorizing it to commingle the production from the Justis-Drinkard Pool, the Justis-Fusselman Pool and an undesignated Tubb pool from wells on a lease consisting of the S/2 SE/4 of Section 25, Township 25 South, Range 37 East, Lea County, New Mexico.
- CASE 1869: Application of Newmont Oil Company for approval to convert five additional wells in the Loco Hills Pool to water injection. Applicant, in the above-styled cause, seeks an order authorizing it to convert to water injection five additional wells in its water flood project in the Loco Hills Pool, Eddy County, New Mexico. Said wells are the Brigham Well No. 1-A, Yates Well No. 4, Yates A Well No. 10, Yates A Well No. 12, and Coppedge Well No. 2, located respectively in the SE/4 SE/4 of Section 31, Township 17 South, Range 30 East, NE/4 SW/4 of Section 6, SW/4 SW/4 of Section 6, NE/4 NE/4 of Section 6, and NW/4 NW/4 of Section 5, all in Township 18 South, Range 30 East.

CASE 1870: Application of Newmont Oil Company for permission to install four separate automatic custody transfer systems. Applicant, in the above-styled cause, seeks an order authorizing it to install a separate automatic custody transfer system on each of four leases in applicant's water flood project in the Loco Hills Pool, Eddy County, New Mexico.

CASE 1871: Application of Union Oil Company of California for approval of a unit agreement. Applicant, in the above-styled cause, seeks an order approving its North Anderson Ranch Unit Agreement, which Unit is to comprise 360 acres, more or less, consisting of portions of Sections 32 and 33, Township 15 South, Range 32 East, Lea County, New Mexico.

CASE 1872: Application of Gulf Oil Corporation for authority to commingle the production from four separate leases and for approval of an automatic custody transfer system to handle said commingled production. Applicant, in the above-styled cause, seeks permission to commingle the production from the following four separate leases and to install an automatic custody transfer system to handle the Pearl-Queen Pool production from all wells located thereon:

Lea-State "AP" lease, E/2 of Section 30;
Lea-State "AQ" lease, N/2 of Section 32;
Lea-State "BG" lease, N/2 of Section 33;
Lea-State "IH" lease, W/2 SW/4 and W/2 SE/4
of Section 29,

all in Township 19 South, Range 35 East, Lea County, New Mexico.

CASE 1873: Application of The Atlantic Refining Company for an oil-oil dual completion. Applicant, in the above-styled cause, seeks an order authorizing the dual completion of its Langlie Federal "A" Well No. 1, located in Unit H, Section 14, Township 25 South, Range 37 East, Lea County, New Mexico, in such a manner as to permit the production of oil from the Justis-Blinebry Pool and the production of oil from an undesignated Tubb pool through parallel strings of tubing.

CASE 1874: Application of Val R. Reese & Associates, Inc., for a dual completion. Applicant, in the above-styled cause, seeks an order authorizing the dual completion of its Lybrook Well No. 1-19, located in Unit C, Section 19, Township 24 North, Range 6 West, Rio Arriba County, New Mexico, in such a manner

as to permit the production of gas from an undesignated Gallup pool and the production of gas from an undesignated Dakota pool through parallel strings of tubing.

CASE 1875:

Application of Continental Oil Company for a non-standard gas proration unit and for an order force-pooling the interests therein. Applicant, in the above-styled cause, seeks the establishment of a 160-acre non-standard gas proration unit in the Blinebry Gas Pool consisting of lots 6, 10, 11, and 12 of Section 3, Township 21 South, Range 37 East, Lea County, New Mexico, to be dedicated to Shell Oil Company's Taylor-Glenn Well No. 1, located 3226 feet from the North line and 1980 feet from the West line of said Section 3. Applicant further seeks an order force-pooling the interests of those in said non-standard gas proration unit who have gas rights within the vertical limits of the Blinebry Gas Pool, including M. F. Taylor, P. O. Box 574, Amarillo, Texas, and R. B. Glenn, P. O. Box 461, Amarillo, Texas.

CASE 1876:

Application of Continental Oil Company for permission to commingle the production from two separate pools. Applicant, in the above-styled cause, seeks an order authorizing it to commingle the production from the Weir (Drinkard) Oil Pool and Weir-Tubb Gas Pool from all wells on its Britt B-15 lease consisting of the W/2 and the W/2 E/2 of Section 15, Township 20 South, Range 37 East, Lea County, New Mexico.

CASE 1877:

Application of Continental Oil Company for permission to install an automatic custody transfer system and for permission to produce more than 16 wells in a common tank battery. Applicant, in the above-styled cause, seeks an order authorizing it to install an automatic custody transfer system to handle the production from all Skaggs Pool oil wells on its Southeast Monument Unit comprising lands located in Township 20 South, Ranges 37 and 38 East, Lea County, New Mexico.

CASE 1878:

Application of Continental Oil Company for permission to commingle the production from two separate pools. Applicant, in the above-styled cause, seeks an order authorizing it to commingle the production from the Weir (Drinkard) Oil Pool and the Weir-Tubb Gas Pool from all wells on that portion of the Southeast Monument Unit consisting of the W/2 W/2 of Section 14 and the E/2 E/2 of Section 15, Township 20 South, Range 37 East, Lea County, New Mexico.

CASE 1879:

Application of Amerada Petroleum Corporation for a gas-oil dual completion and for a non-standard gas proration unit. Applicant, in the above-styled cause, seeks an order authorizing the dual completion of its State EM "A" Well No. 2, located 660 feet from the South and West lines of Section 22, Township 19 South, Range 37 East, Lea County, New Mexico, in such a manner as to permit the production of gas from the Eumont Gas Pool and the production of oil from the Eumont Gas Pool through the casing-tubing annulus and the tubing respectively. Applicant further seeks the establishment of a 160-acre non-standard gas proration unit in the Eumont Gas Pool consisting of the SW/4 of said Section 22 to be dedicated to the said State EM "A" Well No. 2.

CASE 1880:

Application of Texaco Inc. for permission to commingle the production from two separate pools. Applicant, in the above-styled cause, seeks permission to commingle the production from the Blinebry Oil Pool and the Drinkard Pool from all wells on its V. M. Henderson lease consisting of the N/2 of Section 30, Township 21 South, Range 37 East, Lea County, New Mexico.

CASE 1881:

Application of Texaco Inc. for approval of an automatic custody transfer system. Applicant, in the above-styled cause, seeks an order authorizing the installation of automatic custody transfer facilities to handle the Crossroads-Devonian Pool production from the U. D. Sawyer lease comprising the E/2 of Section 34, Township 9 South, Range 36 East, Lea County, New Mexico.

CASE 1882:

Application of Texaco Inc. for permission to commingle the production from two separate pools. Applicant, in the above-styled cause, seeks permission to commingle the production from the Tubb Pool and the Blinebry Oil Pool from all wells located on its Mittie Weatherly lease comprising the NW/4 of Section 17, Township 21 South, Range 37 East, Lea County, New Mexico.

CASE 1883:

Application of Texaco Inc. for permission to commingle the production from two separate pools. Applicant, in the above-styled cause, seeks permission to commingle the production from the Culwin (Queen) Pool and the Culwin-Yates Pool from all wells located on its Federal Lease comprising the NE/4, E/2 NW/4, N/2 SE/4 and the NE/4 SW/4 of Section 6, Township 19 South, Range 31 East, Eddy County, New Mexico.

CASE 1842:

(Continued)

Application of Skelly Oil Company for permission to commingle the production from two separate pools. Applicant, in the above-styled cause, seeks permission to commingle the production from the Langlie-Mattix Pool and the Drinkard Pool from all wells on its Baker "A" lease comprising the NW/4 of Section 26, Township 22 South, Range 37 East, Lea County, New Mexico.

CASE 1884:

Application of Skelly Oil Company for permission to commingle the production from two separate pools. Applicant, in the above-styled cause, seeks permission to commingle the production from the Langlie-Mattix Pool and the Drinkard Pool from all wells on that portion of the J. V. Baker lease comprising the SE/4 SW/4 of Section 22, Township 22 South, Range 37 East, Lea County, New Mexico.

CASE 1885:

Application of Skelly Oil Company for permission to commingle the production from two separate pools. Applicant, in the above-styled cause, seeks permission to commingle the production from the Drinkard Pool and the Tubb Gas Pool from all wells on its State "K" lease comprising the N/2 NW/4 of Section 32, Township 21 South, Range 37 East, Lea County, New Mexico.

CASE 1886:

Application of E. P. Campbell for an exception to Rule 107 (e) of the Commission Rules and Regulations. Applicant, in the above-styled cause, seeks an exception to Rule 107 (e) in order to recomplete his No. 1 Cleveland Well, located in NW/4 NE/4 of Section 33, Township 18 South, Range 26 East, Eddy County, New Mexico, as a "slim-hole" completion in the Pennsylvanian formation at a depth greater than 5000 feet.

CASE 1887:

Application of Monsanto Chemical Company for an exception to the "no-flare" provision of Order R-1427. Applicant, in the above-styled cause, seeks an exception to February 15, 1960, to the "no-flare" provision of Order R-1427 for five wells in the Bisti-Lower Gallup Oil Pool, San Juan County, New Mexico.

CASE 1888:

Application of C. W. Trainer for off-lease storage of oil production. Applicant, in the above-styled cause, seeks permission to store the Pearl-Queen Oil Pool production from his Rushing lease, consisting of the W/2 NE/4 of Section 22, Township 19 South, Range 35 East, Lea County, New Mexico, in a tank battery located on his Signal State lease, consisting of the E/2 NW/4 of said Section 22.

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

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BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE APPLICATION OF
TEXACO INC. FOR AN EXCEPTION TO OCC
RULE 303 TO PERMIT THE COMINGLING OF
CRUDE FROM THE TUBB (OIL) AND BLINEBRY
(OIL) POOLS UNDERLYING ITS MITTIE
WEATHERLY LEASE LOCATED IN THE NORTHWEST
QUARTER OF SECTION 17, TOWNSHIP 21 SOUTH,
RANGE 37 EAST, LEA COUNTY, NEW MEXICO.

CASE No. 1882

A P P L I C A T I O N

Comes now Texaco Inc. and respectfully alleges and states:

1. That it is the owner and operator of its Mittie Weatherly Lease consisting of 160 acres located in the Northwest Quarter of Section 17, Township 21 South, Range 37 East, Lea County, New Mexico.
2. That Applicant's Mittie Weatherly Wells No. 1 and No. 3 on the subject Lease each produce from the Drinkard Pool and its Mittie Weatherly Well No. 2 produces dually from the Tubb (oil) and Blinebry (oil) Pools and upon the Lease there are three tank batteries presently serving these individual reservoirs.
3. That Applicant is in the process of completing its Mittie Weatherly Well No. 4 as a dual producer from the Grayburg Formation, Penrose-Skelly Pool, and from the Penrose section of the Eumont (gas) Pool. To eliminate the necessity for installing an additional tank battery for the Penrose-Skelly production Applicant proposes to comingle the Tubb (oil) and Blinebry (oil) production in the Blinebry (oil) battery and to utilize the Tubb (oil) battery for the Penrose-Skelly production.
4. The gravity of the Tubb crude is approximately 37° API and classified as intermediate sweet. The Blinebry crude has a gravity of approximately 43° API and is also classified as an intermediate sweet.
5. Proper positive displacement meters and equipment will be installed to accurately measure the production from each reservoir prior to

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

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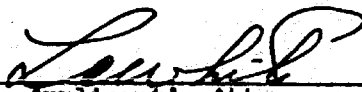
comingling the same.

6. Attached hereto marked EXHIBIT A and made a part hereof by reference is a plat showing the location of Applicant's Mittie Weatherly Well No. 4, the subject wells, and the location of all known off-set operators together with their names and addresses.

WHEREFORE, Applicant prays that this matter be set down for hearing; that due notice thereof be given as required by law; and upon the evidence adduced at the hearing the Commission issue its Order permitting Applicant to comingle the crudes as herein requested.

TEXACO INC.

BY GILBERT, WHITE AND GILBERT

By 
Applicant's Attorneys
P. O. Box 787
Santa Fe, New Mexico

(Our File #8048)

<p>36.63Ac 1</p> <p>E G Rodman</p> <p>E (o)</p> <p>Mary F. Curry</p>	<p>Continental, etal</p> <p>A</p>	<p>Continental, etal</p> <p>A</p>	<p>Pan Amer.</p> <p>D-T</p> <p>A</p>
<p>36.63Ac 1</p> <p>F.J. Danglade</p> <p>Claude F Aikman</p> <p>E G Rodman</p> <p>PS</p> <p>J. V. Alexander, etal</p>	<p>(Gulf, D/R)</p> <p>N.G. H B P</p> <p>Penrose</p> <p>B</p> <p>Continental, etal</p> <p>B</p>	<p>Continental, etal</p> <p>B</p>	<p>Southland</p> <p>J E Owens</p>
<p>36.63Ac 1</p> <p>Tide Water</p> <p>10-10-56</p> <p>E 1057</p> <p>Danglade</p> <p>H.B.</p> <p>B 2527</p> <p>State</p>	<p>N G Penrose</p> <p>(Gulf)</p> <p>"Alves"</p> <p>DE Price, etal</p>	<p>Continental, etal</p> <p>B</p>	<p>BLINEBRY</p>
<p>Shell</p> <p>El Paso Nat</p> <p>Gas</p> <p>H B P</p> <p>J. 167</p> <p>Tide Water</p> <p>AF</p> <p>State</p> <p>David E. Price, etal</p>	<p>Gulf H B P</p> <p>N G Penrose, etal</p> <p>to 4000</p>	<p>TEXACO Inc.</p> <p>Pech Oil</p> <p>Sun</p> <p>Cont'l</p> <p>A</p>	<p>Pan Amer.</p> <p>"Stano"</p> <p>5762</p> <p>6X</p> <p>D-T</p> <p>C-12</p>
<p>Gulf</p> <p>C</p>	<p>N. G Penrose, etal</p> <p>2 (Gulf)</p> <p>"Alves"</p>	<p>Mittie Weatherly</p>	<p>Gulf</p> <p>"E"</p> <p>B-T</p>
<p>36.76Ac 3</p> <p>E</p> <p>PS</p> <p>H T Mattern, Tr.</p>	<p>Continental</p> <p>A</p> <p>PS</p> <p>J.W. Perry</p>	<p>Continental</p> <p>A</p> <p>B(o)</p> <p>Lockhart</p> <p>U.S.</p>	<p>Amerada</p> <p>"DA"</p> <p>T-D</p> <p>D-B</p> <p>H</p>
<p>Olsen Oils</p> <p>(Pan Amer.)</p> <p>State</p>	<p>Ohio</p> <p>11-18-56</p> <p>8-20-63</p> <p>PS</p> <p>L.G Warlick</p> <p>Bertha E. Davis</p>	<p>N G Penrose</p> <p>Tide Water</p> <p>D 2</p> <p>P.O. Hardy</p> <p>Jas G. Randle</p>	<p>Sunray - Mid-Continent</p> <p>State</p>
<p>36.82Ac 1</p> <p>Gulf</p> <p>H.B.P.</p> <p>B-1732</p>	<p>(Ohio, D/R Penrose)</p> <p>Jackson</p> <p>E</p> <p>Coats</p> <p>II Mil.</p>	<p>Sunray</p> <p>D 1 R</p> <p>Elliott</p> <p>U.S.</p>	<p>Hunt etal</p>
<p>36.83Ac 2</p> <p>Amerada</p> <p>H.B.P.</p> <p>B-104C</p>	<p>Amerada</p>	<p>Sunray Ips. & Amerada</p> <p>IE</p> <p>Lee</p> <p>Rodman</p> <p>J.G Randle</p>	<p>BRUNSON</p>
<p>36.89Ac 3</p> <p>Gulf</p> <p>H.B.P.</p> <p>A-1543</p>	<p>L G Warlick</p> <p>Bertha E Davis, S</p>	<p>Gulf</p> <p>PS</p> <p>O L Hardy</p>	<p>Continental</p> <p>Hunt, etal</p>
<p>36.92Ac 2</p> <p>Eumont</p> <p>Unit</p> <p>State</p>	<p>(Pan Amer)</p> <p>J W Perry</p> <p>D-B</p> <p>E-PS</p> <p>Hardy Fed.</p>	<p>Ohio</p> <p>PS</p> <p>D C Hardy</p>	<p>SE. Cone, etal</p> <p>Anderson</p>

B—Blinsbury Gas Pool
D—Drinkard pool
T(0)—Tubb Oil Pool
B(0)—Blinsbury Oil Pool
E(0)—Eumant Oil Pool
T—Tubb Gas Pool
PS—Penrose-Skelly Pool
H—Hare Pool
E—Eumant Gas Pool

OFFSET OPERATORS

Sun Oil Company-Box 1861-Midland, Texas
Continental Oil Company-Box 68-Eunice, New Mexico
J.W. Peery-Box 655-Odessa, Texas
Gulf Oil Corporation-Box 669-Roswell, New Mexico
N.G. Penrose Inc.-Box 988-Eunice, New Mexico
Pech Oil Company-110 Phillips Bldg.-Odessa, Texas

EXHIBIT "A"

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. 1882
Order No. R-1599

APPLICATION OF TEXACO INC. FOR
PERMISSION TO COMMINGLE THE
PRODUCTION FROM TWO SEPARATE
POOLS IN LEA COUNTY, NEW MEXICO

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on January 27, 1960, 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 8th day of February, 1960, 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 is the owner and operator of the Mittie Weatherly lease comprising the NW/4 of Section 17, Township 21 South, Range 37 East, NMPM, Lea County, New Mexico.
- (3) That the applicant proposes to commingle the Tubb and Blinbry production from said lease after separately metering the production from each pool.
- (4) That approval of the subject application will neither cause waste nor impair correlative rights provided that adequate treating, testing, and storage facilities are installed.

IT IS THEREFORE ORDERED:

- (1) That the applicant be and the same is hereby authorized to commingle the Tubb and Blinbry production from all wells on the Mittie Weatherly lease comprising the NW/4 of Section 17,

-2-
Case No. 1882
Order No. R-1599

Township 21 South, Range 37 East, NMPM, Lea County, New Mexico.

PROVIDED HOWEVER, That the production from each pool shall be separately metered prior to commingling.

(2) That all meters shall be operated and maintained in such a manner as to ensure an accurate measurement of production at all times.

That all meters shall be checked for accuracy at intervals not to exceed one month until further direction by the Secretary-Director. Meters shall be calibrated against a master meter or against a test tank of measured volume and the results of such calibration filed with the Commission on the Commission form entitled "Meter Test Report."

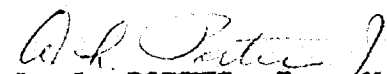
(3) That the applicant shall install adequate testing facilities to permit the testing of all wells now or hereafter completed on the above-described lease at least once each month to determine the individual production from each well.

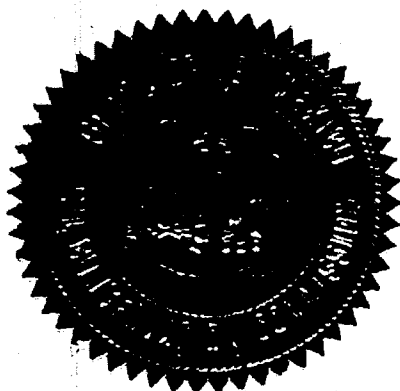
DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION


JOHN BURROUGHS, Chairman


MURRAY E. MORGAN, Member


A. L. PORTER, JR., Member & Secretary



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BEFORE EXAMINER UTZ	
OIL CONSERVATION COMMISSION	
EXHIBIT NO.	<u>3</u>
CASE NO.	<u>1582</u>

TEXACO Inc.
 Mittie Weatherly Well No. 2
 Blinebry (Oil) and Tubb (Oil) Pools
 Section 17, T-21-S, R-37-E
 Lea County, New Mexico

PRODUCTION CHARACTERISTICS

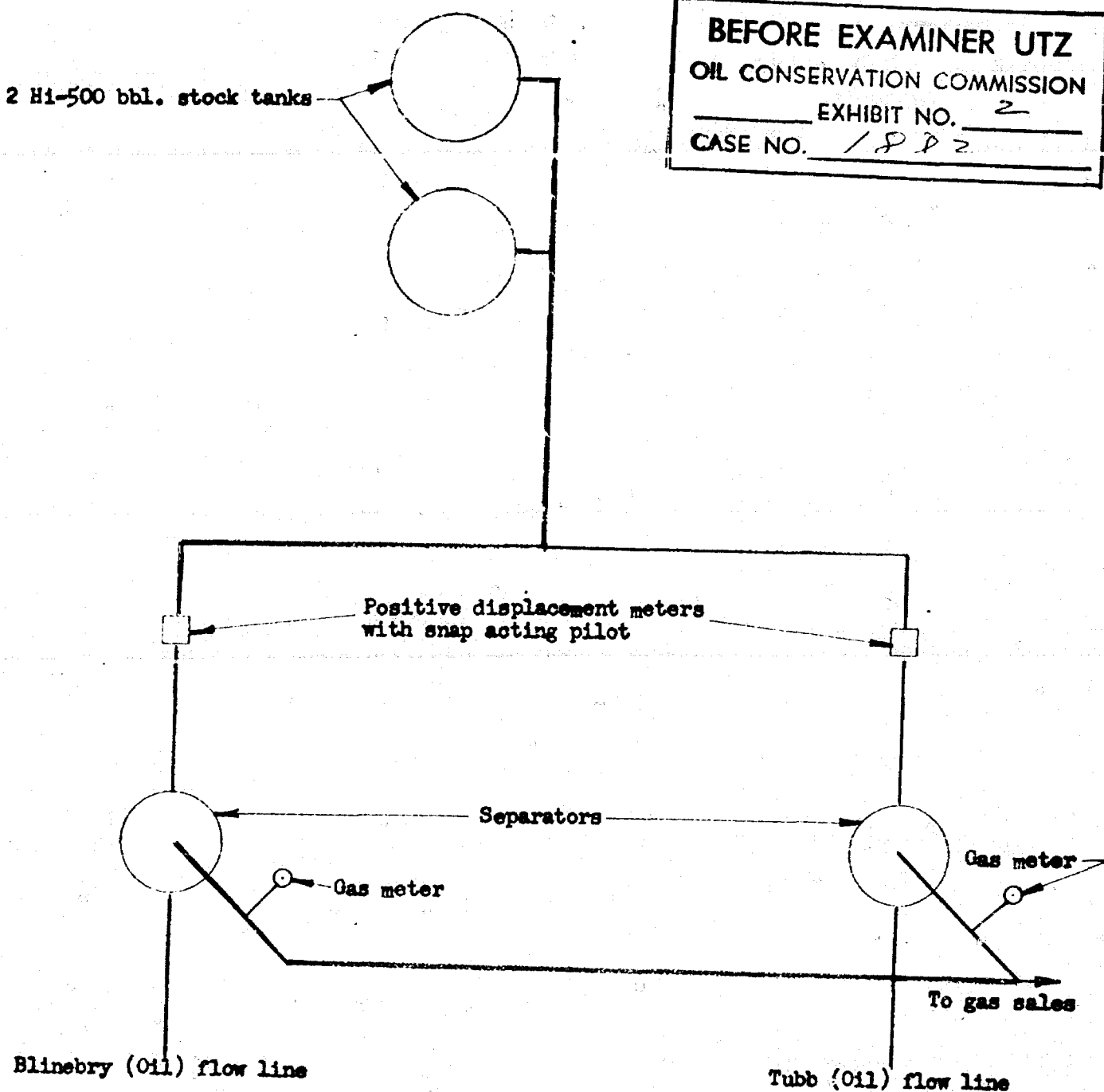
<u>Item</u>	<u>Blinebry (Oil) Zone</u>	<u>Tubb (Oil) Zone</u>
Type of Crude	Intermediate Sweet	Intermediate Sweet
GOR (ft. 3/bbl.)	20,600	5,350
Gravity (^o API)	43	37
BHP (psi)	2,067	1,960

COMMINGLING STATISTICS

<u>Zone</u>	<u>Productivity (BOPD)</u>	<u>Gravity (API)</u>	<u>Price Per Barrel</u>	<u>Revenue Per Day</u>
Blinebry (Oil)	15	43.0	\$3.01	\$ 45.15
Tubb (Oil)	25	37.0	2.95	73.75
Blinebry-Tubb	40	38.6	2.97	118.90
				118.80

2 H1-500 bbl. stock tanks

BEFORE EXAMINER UTZ
OIL CONSERVATION COMMISSION
EXHIBIT NO. 2
CASE NO. 1882



SCHEMATIC DIAGRAM COMINGLING INSTALLATION

TUBB (OIL) & BLINEBRY (OIL) POOLS

TEXACO INC., MITTIE WEATHERLY LEASE
NW $\frac{1}{4}$ OF SECTION 17, T-21-S, R-37-E
LEA COUNTY, NEW MEXICO

NEW MEXICO OIL CONSERVATION COMMISSION
POST OFFICE BOX 2088
SANTA FE, NEW MEXICO 87501

COMMINGLING ORDER PC-441

Company Texaco Inc.
Address Drawer 728
City, State, Zip Hobbs, New Mexico 88240

Attention: Mr. J. V. Gannon
Lease Name: Mittie Weatherly
Description: NW/4 of Sec. 17, T-21-S, R-37-E

The above-named company is hereby authorized to commingle production from the following pools

Blinebry, Tubb, and Drinkard

in a common tank battery, and to determine the production from each pool by

 separately metering the production from each pool prior to commingling

 separately metering the production from
and determining the
production by the subtraction method

 x well tests (if this method is to be authorized, all commingled production must be of marginal nature; further, the operator shall notify the Santa Fe Office of the Commission in the event any well producing into the commingled battery becomes capable of top allowable production, at which time the Commission will amend this order or take such other action as may be appropriate)

Note: This installation shall be installed and operated in accordance with the applicable provisions of Rule 303 of the Commission Rules and Regulations and the Commission "Manual for the Installation and Operation of Commingling Facilities." It is the responsibility of the producer to notify the transporter of this commingling authority.

REMARKS: Commission Order R-1599 which authorized commingling of Blinebry and Tubb production only, is hereby put in abeyance.

DONE at Santa Fe, New Mexico, on this 19th day of May, 1972.


A. L. PORTER, Jr., Secretary-Director

<p>3683Ac</p> <p>E G Rodman ★ E (G) Mary F. Curry</p>	<p>Continental, etal A</p>		<p>Continental, etal B</p>	<p>Pan Amer. ★ D-T A</p>
<p>3685Ac</p> <p>F.J. Danglede ★ E 4.35Mil.</p> <p>Claude F Aikman</p>	<p>(Gulf, DR) N.G. H B P Penrose E</p>		<p>D 1 R-D</p>	<p>D 1 D-B Smithland Bay J.E Owens</p>
<p>E G Rodman ★ PS</p> <p>J.V. Alexander, etal</p>	<p>Curry ★ E</p>	<p>Continental, etal B</p>	<p>9</p> <p>BLINEBRY</p>	
<p>3689Ac</p> <p>Tide Water 10-10-56 E 1057</p> <p>Danglede H.B. B 2527 State</p>	<p>N G Penrose (Gulf) Alves DE Price, etal</p>	<p>"Alves" DE Price, etal</p>	<p>Hawk U.S.</p>	<p>Hawk U.S.</p>
<p>Shell El Paso Nat'l Gas H B P J-167</p> <p>Tide Water AF S.Mil. David E. Price, etal</p>	<p>Gulf H B P N G Penrose, etal, to 4000</p>	<p>TEXACO Inc. Ev-Pam DR. Sun Cont'l A</p>	<p>Pech Oil Sun Cont'l A</p>	<p>Pan Amer. 7 "Stane" C-12 D-T</p>
<p>Gulf C</p>	<p>N.G. Penrose, etal 2 (Gulf) ★ E "Alves"</p>	<p>B.T(O) 1 Cont'l PS J.W. Peery</p>	<p>B(o)</p>	<p>Gulf E B-T</p>
<p>3674Ac</p> <p>E 3</p> <p>PS 2</p> <p>PS 4</p> <p>PS 1</p> <p>H T. Mattern, Tr.</p>	<p>18</p>	<p>B.T(O) 1 Cont'l PS J.W. Peery</p>	<p>W.W. Weatherly</p>	<p>Amerado DA T-D</p>
<p>Olsen Oils (PanAmer.) State</p>	<p>Ohio PS L.G Warlick Bertha E Davis</p>	<p>N G Penrose Lockhart U.S.</p>	<p>Tide Water P.O. Hardy Jas G. Randle</p>	<p>Sunray - Mid-Continent State</p>
<p>3682Ac</p> <p>Gulf H.B.P. B-1732</p>	<p>(Ohio, DR Penrose) Jackson & Coats H.Mil.</p>	<p>Sunray D 1 B Elliott U.S.</p>	<p>E G Rodman PS 1 D 3 W.E Lee</p>	<p>Sinclair D-T(o)</p>
<p>3683Ac</p> <p>Amerado H.B.P. B-1040</p>	<p>Amerado D</p>	<p>Sunray lps & Amerada IE P.A.B. Lee Rodman J.G. Randle</p>	<p>A N York B-D</p>	<p>Hunt etal BRUNSON</p>
<p>3689Ac</p> <p>Gulf H.B.P A-1543</p>	<p>L G Warlick Bertha E Davis, S</p>	<p>Gulf B-D</p>	<p>Ohio PS 1 D 2</p>	<p>21</p> <p>B-E D Hunt, etal Ross Sears Mary E. Wantz</p>
<p>3692Ac</p> <p>HBP Eumont Unit State</p>	<p>(Pan Amer) J W Perry D-B E-PS Hardy Fed.</p>	<p>20</p> <p>Gulf D 4</p>	<p>Tidewater PS 2 D C Hardy</p>	<p>S.E. Cone, etal D-T Anderson</p>

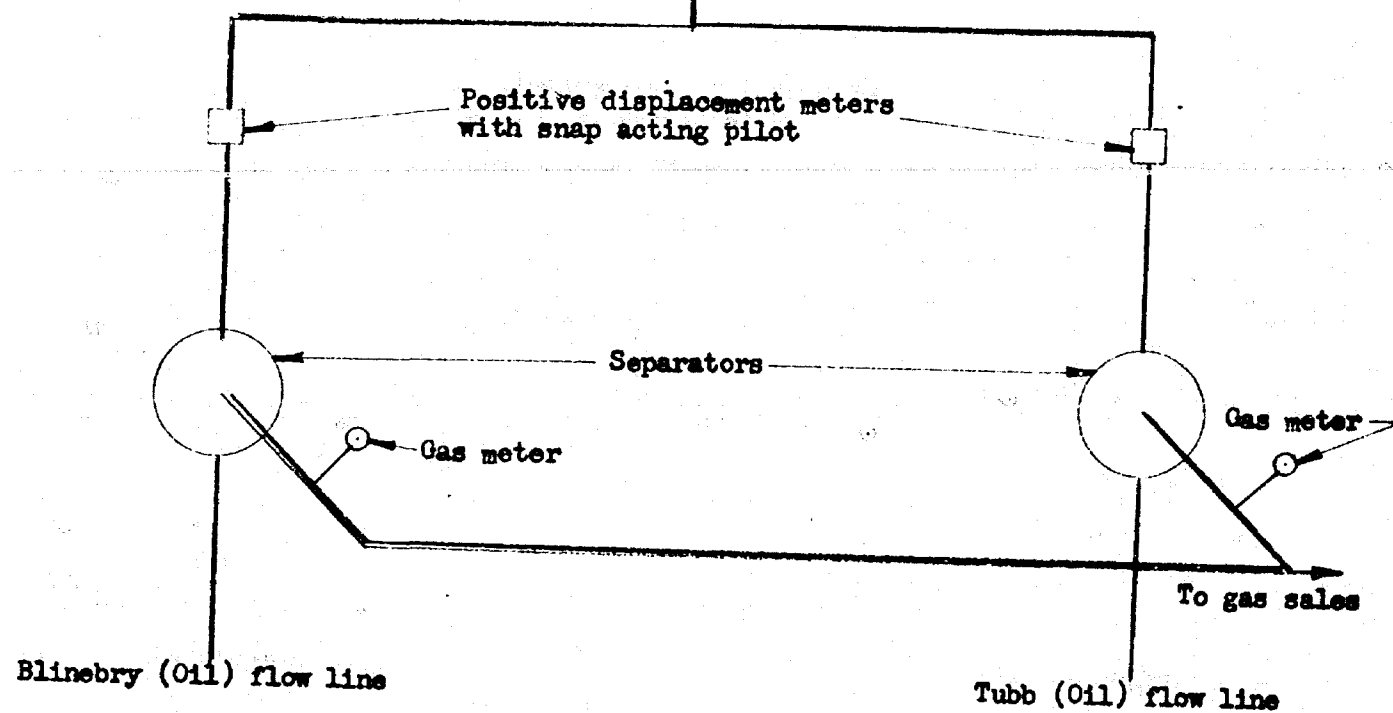
B—Blinery Gas Pool
D—Drinkard pool
T(O)—Tubb Oil Pool
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PS—Penrose-Skelly Pool
H—Hare Pool
E—Eumont Gas Pool

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Sun Oil Company-Box 1861-Midland, Texas
Continental Oil Company-Box 68-Eunice, New Mexico
J.W. Peery-Box 655-Odessa, Texas
Gulf Oil Corporation-Box 669-Roswell, New Mexico
N.G. Penrose Inc.-Box 988-Eunice, New Mexico
Pech Oil Company-310 Phillips Bldg.-Odessa, Texas

2 Hi-500 bbl. stock tanks

BEFORE EXAMINER UTZ
OIL CONSERVATION COMMISSION
EXHIBIT NO. 2
CASE NO. 1882



SCHEMATIC DIAGRAM COMMINGLING INSTALLATION

TUBB (OIL) & BLINEBRY (OIL) POOLS

TEXACO INC., MITTIE WEATHERLY LEASE
NW $\frac{1}{4}$ OF SECTION 17, T-21-S, R-37-E
LEA COUNTY, NEW MEXICO