

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

ILLEGIBLE

May 3, 1962

PC-43-A

Cities Service Petroleum Company
P. O. Box 97
Hobbs, New Mexico

Attention: Mr. E. F. Motter

Gentlemen:

Reference is made to your letter of May 1, 1962, requesting approval to commingle the production from the Ellenburger, Devonian, McRae, Fusselman and Drinkard Pools underlying your Hedger Lease, North Justis Field, Lea County, New Mexico.

It is our understanding that Administrative Order PC-43, dated November 9, 1961, permitted the commingling of Ellenburger, McRae, Fusselman, Drinkard and Blinshry production and that in effect you are now requesting an amendment of that order to include Devonian production in lieu of Blinshry which is being produced into a separate battery.

Administrative Order PC-43 is hereby so amended.

Very truly yours,

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

ALP/DHE/esr

cc: Oil Conservation Commission (with enclosure) - Hobbs

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CITIES SERVICE PETROLEUM COMPANY
500 Broadmoor Building
P. O. Box 97
Hobbs, New Mexico

May 1, 1962

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

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

Gentlemen:

Cities Service Petroleum Company respectfully requests administrative approval to commingle the production from the Ellenburger, Devonian, McKee, Fusselman and Drinkard Pools from the Hodges B #2, B #3, B #4 and B #5, North Justis Pool, Lea County, New Mexico.

The following data is submitted in support of this application:

<u>Formation</u>	<u>API Gravity</u>	<u>Value/Bbl</u>	<u>Expected Daily* Production</u>	<u>Gross Daily Value</u>
Ellenburger	46.5	\$ 2.97	108	\$ 320.76
McKee	46.5	2.97	84	249.48
Fusselman	41.5	3.01	84	252.84
Drinkard	37.5	2.95	64	188.80
Devonian	34.5	2.89	84	242.76
Totals			424	\$1,254.64

*Based on normal unit allowable of 36 BOPD.

Expected gravity of combined crudes 42.2

Expected value of combined crudes \$3.01

Expected gross daily value of combined crudes $\$3.01 \times 424 = \$1,276.24$

The proposed commingling facilities will meet all requirements as presented in the New Mexico Oil Conservation Commission "Manual for the Installation and Operation of Commingling Facilities," September 13, 1961. A diagrammatic sketch of the proposed installation is attached and also a plat of the lease.

On November 7, 1961, Cities Service requested permission to commingle the Ellenburger, McKee, Fusselman, Drinkard and Blinbry Pools from the Hodges B lease. Approval was granted by the New Mexico Oil Conservation Commission Administrative Order PC-43, November 9, 1961.

It was found after further testing that the Blinbry production was sour and could not be commingled with the other four zones. The Blinbry production is being produced into a separate battery and is not being commingled at the present time.

Very truly yours,



E. F. Motter
Asst. Division Engineer

EFH/sjb

Attachments

CC:

J. C. Williamson
606 V & J Tower
Midland, Texas

Sinclair Oil & Gas Company
520 East Broadway
Hobbs, New Mexico

Humble Oil & Refining Company
Box 2347
Hobbs, New Mexico

Western Natural Gas Company
Box 1060
Jal, New Mexico

Leonard Oil Company
Box 708
Roswell, New Mexico

Pan American Oil Company
Box 68
Hobbs, New Mexico

Claude Aikman
Box 2090
San Angelo, Texas

Texas Pacific Coal & Oil Company
Box 1688
Hobbs, New Mexico

Skelly Oil Company
Box 38
Hobbs, New Mexico

CITIES SERVICE PETROLEUM COMPANY
HODGES B LEASE

Schematic Diagram Proposed Commingling

