



# CONTINENTAL OIL COMPANY

P. O. Box 460  
Hobbs, New Mexico 88240  
November 6, 1970

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

Attention Mr. A. L. Porter, Jr.,  
Secretary-Director

Gentlemen:

Subject: Application for authority to commingle Scarborough Pool  
Production from McCallister "A" and "B" Leases

Enclosed, in triplicate, is our application to commingle  
production from the Scarborough Pool on our McCallister "A" and "B"  
Leases, Sections 24 and 25, T-26S, R-36E, Lea County, New Mexico.  
We are also enclosing a letter from the United States Geological  
Survey giving their approval of our proposed commingling.

Your further handling and approval of this application will  
be sincerely appreciated.

Yours very truly,

A handwritten signature in dark ink, appearing to read 'G. C. Jamieson'.

G. C. Jamieson  
Assistant Division Manager

VTL-RW

Enc

CC: NMOCC-Hobbs

JJB, NGP, NEL, JWA, JWK  
A. D. Kloxin, Atlantic Richfield, Roswell  
G. A. Schurman, Chevron Oil Co., Midland  
Alex Clarke, Pan American Pet., Fort Worth  
V. E. Staley, Pan American Pet., Hobbs  
Owners of Overriding Royalty  
(Addressed List Attached)



# United States Department of the Interior

## GEOLOGICAL SURVEY

Drawer 1857  
Roswell, New Mexico 88201

October 27, 1970

U.S. GEOLOGICAL SURVEY	
HOBBS DIVISION	
OCT 28 1970	
Div. Manager	
Asst. Div. M.	
Chf. Eng.	
Chf. Geol.	
Chf. Insp.	
Chf. Rec.	
Chf. Sec.	
SFS	✓
BEG	✓

Continental Oil Company  
P. O. Box 460  
Hobbs, New Mexico 88240  
Attention: Mr. G. C. Jamieson  
Gentlemen:

Your letter of October 19 requests approval to commingle Yates-Seven Rivers production from wells in secs. 24 and 25, T. 26 S., R. 36 E., Lea County, New Mexico, leases Las Cruces 030167(a) and 030167(b).

The system for commingling described in the diagram attached to your letter is hereby approved. Your Lessee's Monthly Report of Sales and Royalty, form 9-361, should show all computations used in allocating production to each lease. Approval of the proposed commingling by the New Mexico Oil Conservation Commission is also required.

Please notify our Hobbs office when the installation is completed so that a field inspection of the system can be made.

Sincerely yours,

N. O. FREDERICK  
Regional Oil and Gas Supervisor

C O N T I N E N T A L   O I L   C O M P A N Y

P. O. Box 460  
Hobbs, New Mexico 88240  
November 6, 1970

New Mexico Oil Conservation Commission (3)  
P. O. Box 2088  
Santa Fe, New Mexico

Attention Mr. A. L. Porter, Jr.,  
Secretary-Director

Re:   Application of Continental Oil  
Company for Administrative Approval  
as provided by Rule 309-B to Commingle  
Scarborough Yates, Seven Rivers Oil  
Production from its McCallister "A"  
and "B" Leases located in Section 24,  
and 25, T-26S, R-36E, NMPM, Lea County,  
New Mexico

Gentlemen:

Continental Oil Company requests administrative approval as provided by Rule 309-B, to commingle Scarborough-Yates, Seven Rivers oil production from its McCallister "A" and McCallister "B" Leases located in Sections 24 and 25, T-26S, R-36E, Lea County, New Mexico, and in support thereof submits the following data.

1. The McCallister "A" and McCallister "B" Leases produce from a common reservoir - the Scarborough-Yates-Seven Rivers Pool.
2. The McCallister "A" Lease consists of the E/2 and E/2 W/2, Section 24, NE/4 NW/4, N/2 NE/4 and SE/4 NE/4 Section 25; and the McCallister "B" Lease consists of the SE/4 and SW/4 NE/4 Section 25, T-26S, R-36E, Lea County, New Mexico. A plat, Exhibit No. 1, attached hereto, shows the leases, the wells, thereon, and the location of the proposed commingling facility.
3. Mineral rights under both leases are held by the federal government. Working interest ownership under both leases is identical, but the McCallister "A" Lease carries a 7 1/2% overriding royalty which does not apply to the McCallister "B" Lease. Notice of proposed commingling has been given to the overriding royalty owners.

4. Oil production from each lease will be segregated until after being treated, metered and sampled. It is proposed to utilize an ACT unit at the commingled tank battery.
5. One test facility (separator, meter and sampler) will be used for testing all wells on both leases. A schematic diagram, Exhibit No. 2, attached hereto, shows the proposed installation. As shown, the facility conforms to the requirements of the "Manual for the Installation and Operation of Commingling Facilities" dated September 13, 1961.
6. Commingling of production will result in the prevention of waste and will not impair correlative rights.

In view of the facts stated above, it is respectfully requested that Administrative approval be granted under Rule 309-B for the commingling of Scarborough-Yates, Seven Rivers oil production from the applicant's McCallister 'A' and McCallister 'B' leases as described above.

CONTINENTAL OIL COMPANY



L. P. Thompson  
Division Manager

LPT:rw  
CC: NMOCC-Hobbs  
JJB NGP NEL JWA JWK

OVERRIDING ROYALTY OWNERS  
McCALLISTER "A"

Charles Francis Belmont  
No. 7 Westover Road  
Fort Worth, Texas

Henry De Graff Bedford  
1312 North Richardson Avenue  
Roswell, New Mexico

Rachel Bedford Bowen  
P. O. Box 572  
San Clemente, California

Cities Service Oil Company  
Bartlesville, Oklahoma 74003

Jessie Blevins Crump  
David C. Blevins and  
Fort Worth National Bank  
Tr U/W and Testament  
Jones Lester Crump  
DECD Account No. 23112  
P. O. Box 2050  
Fort Worth, Texas

Ed N. Harrison  
Executor of Estate of  
Thomas S. Harrison, Deceased  
1100 Glendon Avenue  
Suite 1407  
Los Angeles, California 90023

Edwin M. Bedford  
964 Westchester Place  
Los Angeles 19, California

J. H. Bemis  
D. L. McRae  
Joint Tenants with Right of Survivorship  
Prescott, Arkansas 71857

Chase Manhattan Bank, Assignee  
Attention: General Loan 1-B  
Argo Production Payment  
1 Chase Manhattan Plaza  
New York, 15 New York

Jessie Blevins Crump  
Box 713  
Midland, Texas 79701

Frank Garrison Lower  
1848 South Clarkson Street  
Denver, Colorado 80210

Hinton Brothers Inc  
1st Merchant National Bank  
Richmond 17, Virginia

Mrs. Emily J. Martin  
335 Sherman Street  
Denver, Colorado 80203

Ellen Anne W. Williams  
1840 Shere Lane  
Glendale, California

Elizabeth Homes Hinton  
C/O Virginia Trust Company  
821 East Main Street  
Richmond 14, Virginia

J. M. Richardson Lyeth, Jr.  
Munro Longyear Lyeth, Jr.  
First National Bank Denver  
Attention: Robert J. Sullivan,  
Vice President  
Box 5808 TA  
Denver Colorado 80202

Mrs. Alice Miller Martin  
2316 French Street  
Santa Ana, California

Blanche McCallister  
C/O St. Mary Hospital  
Roswell, New Mexico

Anne Tederstrom McComb  
99 South Downing St.  
Denver 9, Colorado

Hinman Stuart Milam  
Box 126  
Chelsea, Oklahoma

North Central Oil Corp.  
1300 Main Street  
Suite 1000  
Houston, Texas 77002

Roger B. Owings  
1617 Commerce Building  
Fort Worth, Texas 76102

Phillips Investment Corporation  
3843 Park Blvd.  
San Diego, California 92103

Donald M. Phillips  
3843 Park Blvd.  
San Diego, California 92103

Pittsburg National Bank, Trustee  
U/W James W. Grant Estate  
C/O R. E. Department  
P. O. Box 747  
Pittsburg, Pennsylvania

Onez Norman Rooney  
2915 Liberty Bank Building  
Oklahoma City, Oklahoma

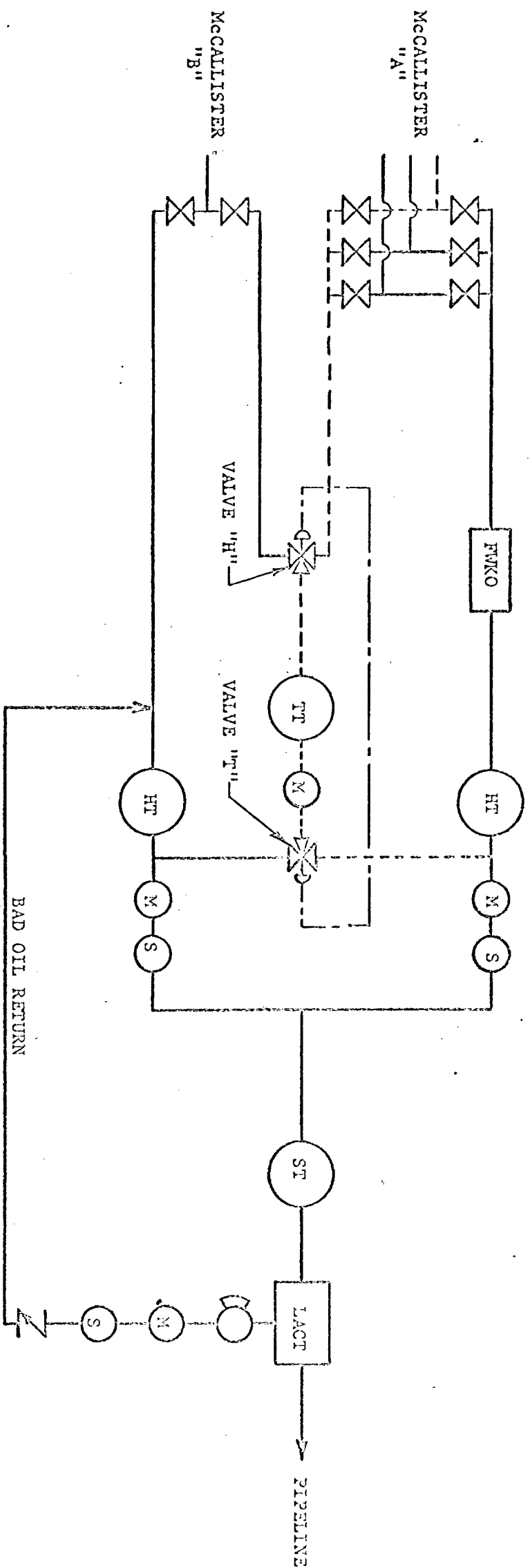
Mary M. Stevenson  
902 Park Street  
Tarkio, Missouri










Mildred M. Viles  
Box 531  
Claremore, Oklahoma


Jane McComb Wilson  
200 Gaylord Street  
Denver, Colorado







-  CHECK VALVE
-  BLOCK VALVE
-  3 WAY VALVE MECHANICAL OPERATED
-  METER POSITIVE VOLUME TYPE
-  SAMPLER
-  OIL AND WATER METERING HEATER TREATER
-  HEATER TREATER
-  STOCK TANK
-  PUMP

 FREE WATER KNOCK OUT  
 ----- INDICATED PATH FOLLOWED BY PRODUCTION OF McCallister "A" WELL WHILE ON TEST  
 McCallister A AND B LEASES  
 SCHEMATIC FOR COMINGLING  
 RDT 9-18-70  
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