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

April 25, 1960

Texaco Inc. P. O. Box 352 Midland, Texas

Attention: Mr. J. G. Blevins, Jr.

Administrative Order PC 5

Gentlemen:

Reference is made to your application for administrative approval of an exception to Rule 303 (a) of the Rules and Regulations of the Oil Conservation Commission to permit the commingling of the oil produced from the Blinebry Oil Pool, Tubb Gas Pool and Drinkard Pool from all wells presently completed or hereafter drilled on the A. H. Blinebry (NCT-2) lease comprising the \$/2 SW/4 of Section 29, Township 22 South, Range 38 East, NMPM, Lea County, New Mexico,

By the authority vested in me under the provisions of Rule 303 (b) of the Rules and Regulations of the Oil Conservation Commission, I hereby authorise you to commingle the oil production from the Blinebry Oil Pool, Tubb Gas Pool and Drinkard Pool from all wells presently completed or hereafter drilled on the above described A. H. Blinebry lease after separately metering the production from each pool.

There shall be no common line connecting the metering separators.

Very truly yours,

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

ALP/OEP/og cc: Oil Conservation Commission - Hobbs



PETROLEUM PRODUCTS



DOMESTIC PRODUCING DEPARTMENT MIDLAND DIVISION

P. O. Box 352 Midland, Texas

April 1, 1960

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

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Re: Application for Permit to Commingle Production, TEXACO Inc. A. H. Blinebry (NCT-2) Lease, Blinebry (Oil), Tubb (Gas) and Drinkard Pools, Lea County, New Mexico

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

Gentlemen:

In accordance with New Mexico Oil Conservation Commission Rule 303(b), TEXACO Inc. hereby makes application for administrative approval of an exception to Rule 303(a) to permit commingling operations to be conducted on the A. H. Blinebry (NCT-2) Lease involving production from the <u>Blinebry (Oil)</u>, Tubb (Gas) and <u>Drinkard</u> Pools, in support of which is stated the following:

1. TEXACO Inc. is owner and operator of the A. H. Blinebry (NCT-2) Lease consisting of 80 acres, being the S/2 of the SW/4 of Section 29, T-22-S, R-38-E, Lea County, New Mexico. Attached is a plat showing the location of all wells on this lease and the pools from which they are producing.

2. The A. H. Blinebry (NCT-2) Well No. 5 in Unit "M" was recently dually completed in the Blinebry (Oil) and Tubb (Gas) Pools. A tank battery consisting of four 500-barrel tanks has been erected to serve the Blinebry pay and it is desirous that the liquid hydrocarbons from the Tubb (Gas) completion in Well No. 5 and from the Drinkard completion in Well No. 2 be commingled with the Blinebry oil in this battery.

3. The expected daily liquid hydrocarbon production from the Blinebry (Oil) is 25 barrels of 48° API gravity oil at \$2.93 per barrel, that from the Tubb (Gas) is six barrels of 66° API oil at \$2.79 per barrel and that from the Drinkard is six barrels of 48° API oil at \$2.93 per barrel. The combined daily production after commingling is expected to be 37 barrels of 50.7° API gravity oil at \$2.89 per barrel, resulting in a \$0.64 per day loss. A statistical summary sheet showing these figures is attached. 4. The liquid hydrocarbon production from the three reservoirs will be accurately measured by positive displacement type meters prior to commingling. A schematic diagram of the proposed commingling installation is attached.

5. Royalty interests in the subject lease are as shown on the attached list and a copy of this application is being sent this date by registered mail to the addresses shown.

In view of the facts recited in this application, it is respectfully requested that administrative approval of an exception to Rule 303(a) be granted TEXACO Inc. to permit the commingling into a common tank battery of liquid hydrocarbon production from the Blinebry (Oil), Tubb (Gas) and Drinkard Pools from the wells now completed on the A. H. Blinebry (NCT-2) Lease and from all wells which may be completed in these reservoirs on this lease in the future.

Yours very truly,

J. G. Blevins, Jr. Assistant District Superintendent

LMF-MAB ERF,Jr.

Attachments

LIST OF ROYALTY OWNERS TEXACO Inc. A. H. Blinebry (NCT-2) Lease Section 29, T-22-S, R-38-E Lea County, New Mexico

United States Geological Survey P. O. Box 6721 Roswell, New Mexico

Selma E. Andrews c/o Trust Department Albuquerque National Bank Albuquerque, New Mexico

Albuquerque National Bank Testamentary Trustee of Frank A. Andrews, Deceased, Albuquerque, New Mexico

T. A. Pedley, Jr. 4025 E. 22nd Avenue Denver 7, Colorado

Gracean M. Pedley 115 McGoodwin Avenue Princeton, Kentucky

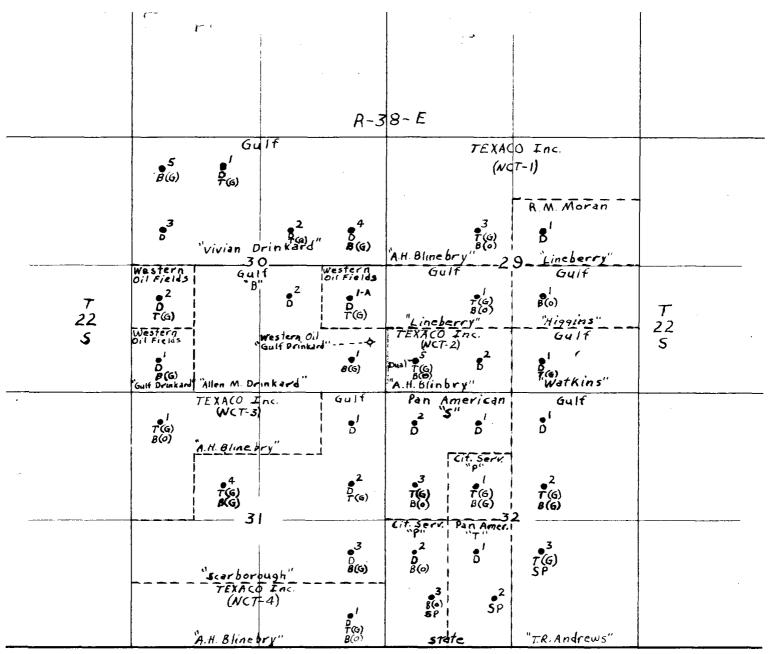
The First National Bank of Denver Successor Trustee under Will of Josephine M. Smith, Deceased, c/o Trust Department Denver 17, Colorado TEXACO Inc. A. H. Blinebry (NCT-2) Lease Blinebry (Oil), Tubb (Gas) and Drinkard Pools S/2 SW/4 Section 29, T-22-S, R-38-E Lea County, New Mexico

Production Characteristics

| Item | Blinebry | Tubb | Drinkard | |
|------------------------------|---------------|----------------------|---------------|--|
| Type of Crude | Interm. Sweet | Interm. Sweet | Interm. Sweet | |
| GOR (ft. ³ /bbl.) | 11,714 | 22,500 | 11,900 | |
| Gravity (°API) | 48 | 66 | 48 | |

Commingling Statistics

| Zone | Productivity (BOPD) | Gravity (°API) | Price Per Barrel | Revenue Per Day |
|------------------------------|------------------------|-------------------|----------------------------|--|
| Blinebry Tubb Drinkard | 25 6 6 | 48 66 48 | \$2.93 \$2.79 \$2.93 | \$73.25 \$16.74 <u>\$17.58</u> \$107.57 |
| Blinebry-Tubb Drinkard | - 37 | 50.7 | \$2.89 | <u>\$106.93</u> \$ 0.64 per day loss |



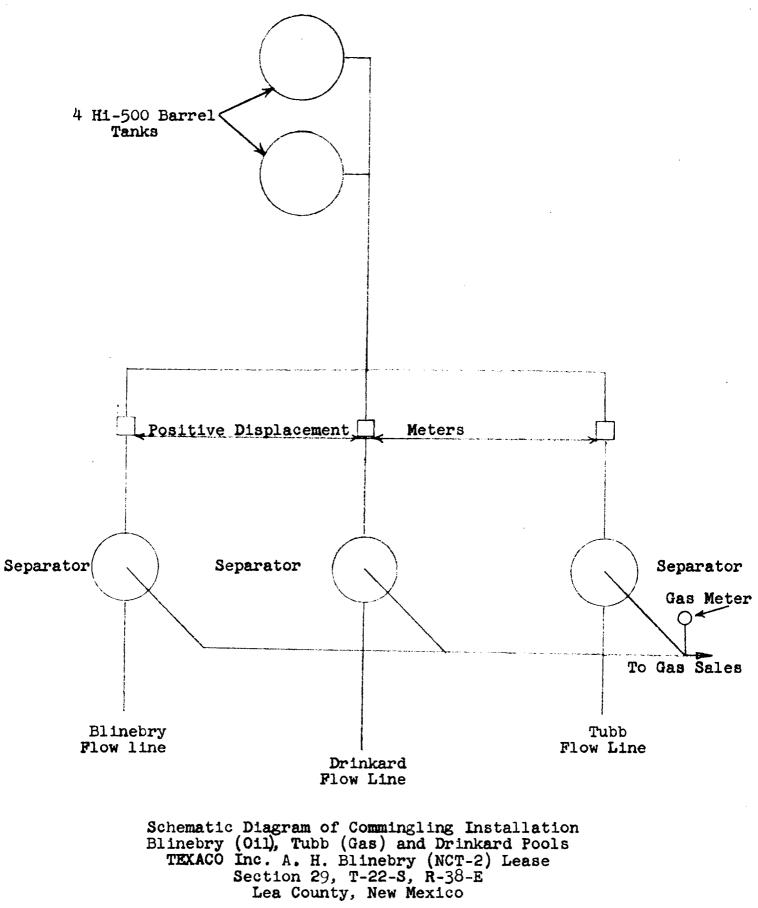
PLAT OF TrXACO INC. A. H. PLINLERY (UCT-2) MASE A.D. OFPSET LEASES Lea County, New Loxico Beals 1" = 2000!

LuF-November 28, 1959

OFFSET OPERATORS

LEGEND SP--South Paddock Pool 3(6)--Blinebry Ges Fool 5(0)--Flinebry Cil Fool 7(0)--Flinebry Cil Fool D--Frinkand Fool

P. J. moran-Pox 1718-Tobbs, New Mexico Gulf Oil Corporation-Drawer 669-Roswell, New Mexico Pan American Petroloum Toro.-Box 268-Lubbock, Texas Western Oil Fields, Tuc.-Box 1147-Tobbs, New Lexico



OIL CONSERVATION COMMISSION

BOX 2045

HOBBS, NEW MEXICO

| | DATE | April 7. | 1960 | 00 | - | |
|---|---------------|-----------------------------------|------|---------|--------------------|----|
| OIL CONSERVATION COMMISSION BOX 871 | Re: | Proposed | NSP_ | | - | |
| SANTA FE, NEW MEXICO | | Proposed | NSL_ | | - | |
| | | Proposed | NFC. | | - | |
| | | Proposed | DC _ | | - | |
| Gentlemen: | | P.C. | | 5 | | |
| I have examined the application dated <u>Apr</u> | <u>il 5</u> , | 1960 | | | - | |
| for the <u>Texaco Inc. A.H.Blinebry(NCT-2) Share</u> Operator Lease and Well No. | | <u>-22-38 B1</u> S -T-R | ineb | ry,Tubh | , &Drinkard | !. |
| and my recommendations are as follows: | | | | | | |
| O.KE.F.E. | | | | | - | |
| C.KJ.W.R. | | | | | _ | |
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Yours very truly,

OIL CONSERVATION COMMISSION

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