



IN REPLY REFER TO:

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
GEOLOGICAL SURVEY  
Drawer 1857  
Roswell, New Mexico

April 19, 1962

**ILLEGIBLE**

Continental Oil Company  
P. O. Box 1377  
Roswell, New Mexico

Attention: Mr. William A. Mead

Gentlemen:

Your letter of March 23, 1962, requests approval for commencing oil production from the undesignated Blinberry Pool with the Eureka Pool in E<sub>2</sub> and E<sub>2</sub>W<sub>2</sub> of sec. 4, T. 21 S., R. 36 E., of Federal Lease and Grantee 031740(b).

The method of commencing described by the diagrams attached to your letter is hereby approved.

You are requested to notify our Hobbs office when the installation is completed so that a field inspection of the work can be made.

Very truly yours,

*Carl C. [Signature]*

JOHN A. ANDERSON

Regional Oil and Gas Supervisor

RECEIVED	
NEW MEXICO DIVISION	
APR 23 1962	
Please Note	Noted
Div. Sup.	
Div. Asst.	
Div. Engineer	
Div. Geologist	

*Copy to Bureau  
4-24-62  
Rm*



# CONTINENTAL OIL COMPANY

P. O. BOX 1377  
ROSWELL, NEW MEXICO

April 27, 1962

WM. A. MEAD  
DIVISION SUPERINTENDENT  
OF PRODUCTION  
NEW MEXICO DIVISION

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

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

Gentlemen:

Re: APPLICATION OF CONTINENTAL OIL COMPANY  
FOR EXCEPTION TO RULE 303(A) IN ORDER  
TO COMMINGLE THE OIL PRODUCTION FROM  
THE EUNICE AND UNDESIGNATED BLINEBRY  
OIL POOLS AND TRANSFER THIS PRODUCTION  
THROUGH ONE ACT UNIT PRESENTLY IN-  
STALLED ON ITS MEYER B-4 LEASE, LOCATED  
IN SECTION 4, T21S, R36E, NMPM, LEA  
COUNTY, NEW MEXICO

We forward herewith in triplicate the above captioned application and copies of a letter from the Regional Oil and Gas Supervisor of the United States Geological Survey approving the proposed commingling installation.

We shall appreciate your further handling of this application.

Yours very truly,

*W. A. Mead*

CCW-sm  
Attachments

Carbon copies to: RGP

HGD

JRP

CONTINENTAL OIL COMPANY

1962 APR 30 AM 8:31

Roswell, New Mexico

April 27, 1962

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

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

**ILLEGIBLE**

Re: Application of Continental Oil Company for exception to Rule 303(A) in order to commingle the oil production from the Eunice and Undesignated Blinberry Oil Pools and transfer this production through one ACT unit presently installed on its Mayer B-4 Lease, located in Section 4, T-21S, R-36E, NMPM, Lea County, New Mexico.

Gentlemen:

Continental Oil Company requests an exception to Rule 303(A) for permission to commingle liquids produced from the captioned lease and transfer the production through one ACT unit presently installed and in support thereof submits the following information:

1. Applicant's Mayer B-4 Lease consists of E/2 and E/2 W/2 of Section 4, T-21S, R-36E, NMPM, Lea County, New Mexico. A plat, Exhibit No. 1, attached hereto, shows the lease, the wells thereon and the battery site.
2. The mineral rights under the above described lease are held by the Federal Government.
3. Production from the Undesignated Blinberry Oil Pool will be measured by a suitable meter with non-reset counter prior to commingling. Production from the Eunice Oil Pool will be allocated on the basis of periodic gas-oil ratio tests. A tabulation, Exhibit No. 2, attached hereto, shows the latest test on each well and the average daily production by pools during the period December 1, 1961, to February 1, 1962.
4. The anticipated gravity of the commingled production has been calculated to be approximately 35.2° API with a value of \$2.80 per barrel. The gravity and volume of present production, by pools, is shown on Exhibit No. 2. The actual commercial value of the commingled production for this lease will be approximately \$4.24 per day more than it is at the present time.
5. One test facility (metering heater treater) will be utilized for all wells on the lease and will provide accurate measurement of the performance of each individual well. A schematic diagram, Exhibit No. 3, attached hereto, shows the proposed installation. As shown, the facility conforms to the requirements of the New Mexico Oil Conservation Commission manual for the installation and operation of commingling facilities dated September 13, 1961.

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6. Production from the Eunice and Undesignated Blinberry Oil Pools under the Meyer B-4 Lease is presently being produced into separate tank battery facilities. By commingling this production into one common battery and transferring through one ACT unit, there will be less investment for equipment on the lease and it is anticipated that there will be a reduction in operating costs.

7. Commingling of production will result in the prevention of waste and will not impair correlative rights.

8. Continental Oil Company was granted permission to install ACT facilities by the New Mexico Oil Conservation Commission's Order No. R-1810 and Eunice Pool production is presently being run through the ACT unit.

In view of the facts stated above, it is respectfully requested that an exception to Rule 303(A) be granted permitting the commingling of production and that permission be granted to transfer the production through one ACT Unit on Applicant's Meyer B-4 Lease as described above.

CONTINENTAL OIL COMPANY

BY: W. A. Mearl

TITLE: DIVISION SUPERINTENDENT

WAM-BFH

Copies to:

NMOCC-Santa Fe-3

USGS-2

RGP

HGD

JRP

File







MEYER B-4 LEASE

allow 12-1-61/2-1-62

1112 1041 Daily Average

monthly Prod Oil Production

Latest Test (Daily Rates)

Oil Meter

Oil

Date

Pool

Well No.

Value

Oil Gravity

No. 1	12-13-61	14	1	-	26.5	1061	1112	1041	21.1	34.0	2.77
No. 2	12-29-61	38	16	-	15.0			1041	36.8	34.0	2.77
No. 3	11-9-61	8	1		30.0				8.4	34.0	2.77
No. 4	11-10-61	13	69						31.6	34.0	2.77
No. 5	11-14-61	19	3		31.5		1115	1041	31.6	34.0	2.77
No. 6	11-15-61	40	4		15.0	1061			36.9	34.0	2.77
No. 7	11-16-61	18	7		13.4		1113	1041	31.6	34.0	2.77
No. 8	12-30-61	39	5		33.5	1061			36.8	34.0	2.77
No. 9	11-28-61	8	114		-				22.1	34.0	2.77
No. 10	11-29-61	2	3		-	1061	1115	1041	7.4	34.0	2.77
No. 11	11-22-61	40	10		-				36.9	34.0	2.77
No. 12	9-14-61	3	37		-		1115	1041	19.0	34.0	2.77
No. 13	9-22-61	36	60		-	1062			36.9	34.0	2.77
No. 15	11-6-61	4	1		-				10.5	34.0	2.77
No. 16	12-7-61	2	1		-				4.2	34.0	2.77
No. 17	12-8-61	1	1		-				1.1	34.0	2.77
No. 18	8-4-61	8	2		14.1				8.4	34.0	2.77
No. 19	Undesignated Line- bry	237	0		247				New Completion 48 BOPD Allowable	34.0	2.95

Guarantee

By Jan

ILLEGIBLE

POOL TOTALS

Pool

Barrels

Undesignated Linebry

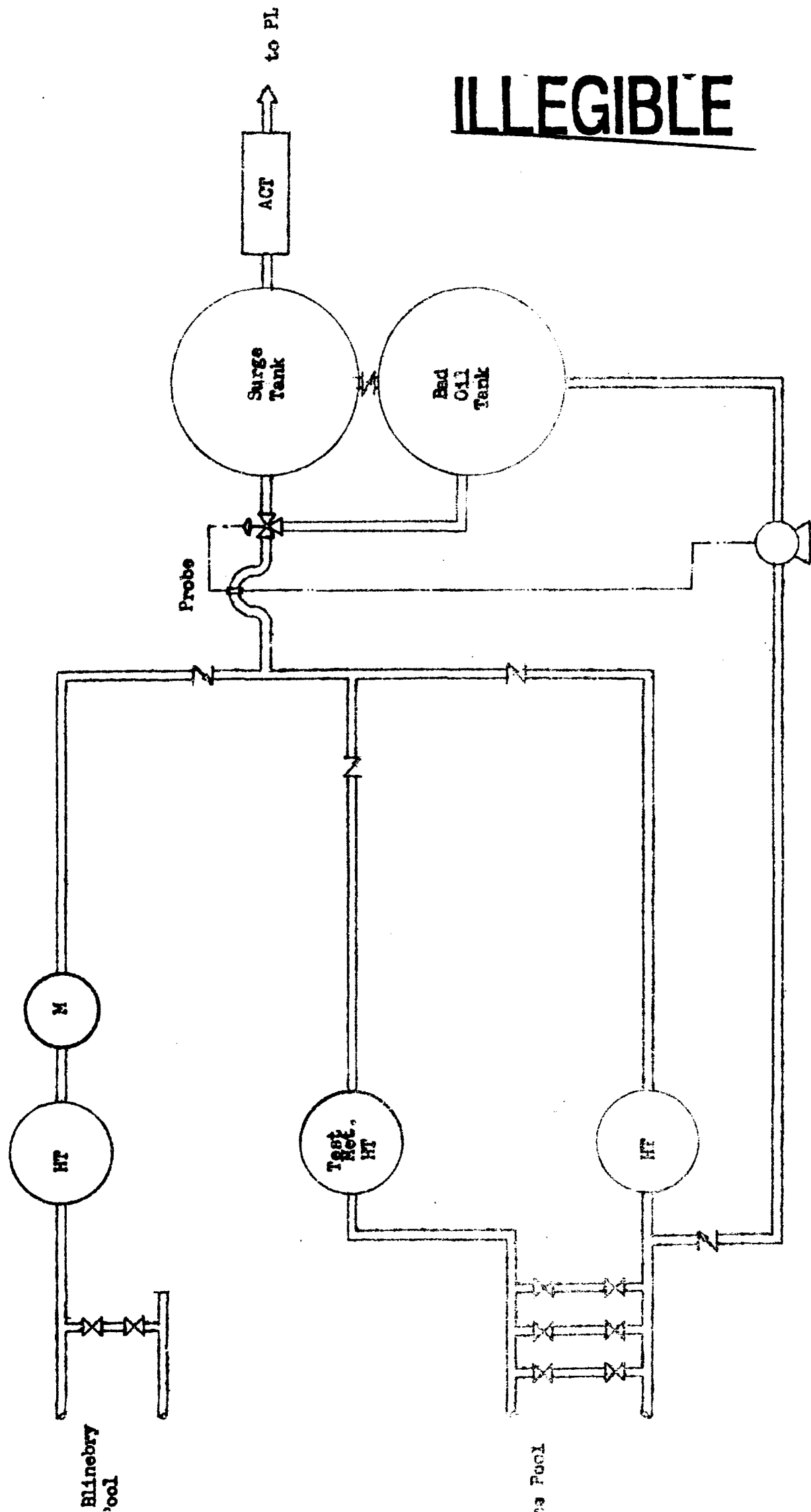
Daily Average Production

Value

Gravity

381.3	34.0	2.77
48 (Top Allowable)	44.0	2.95

CONTINENTAL OIL COMPANY  
MEYER B-4, LEASE  
PROPOSED COMINGLING



**ILLEGIBLE**