



# CONTINENTAL OIL COMPANY

P. O. BOX 1377

ROSWELL, NEW MEXICO

November 21, 1962

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

825 PETROLEUM BUILDING  
TELEPHONE: MAIN 2-4202

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

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

Gentlemen:

Re: APPLICATION FOR PERMISSION TO  
COMMINGLE PRODUCTION FROM  
VARIOUS POOLS-HAWK B-3 LEASE

We forward herewith application, in triplicate, for authority to commingle production from the Wantz Abo, Drinkard, Tubb, Blinebry and Terry-Blinebry pools on the captioned lease which is located in Sections 3 and 4, T21S, R37E, Lea County, New Mexico. Please note that production is also being obtained from the Brunson and Hare Pools on the lease, but we are not seeking permission to commingle these two crudes with the others.

Please note also that the well heretofore designated Hawk B-4 No. 2 in Unit A-4-21-37 is being redesignated as Hawk B-3 No. 23. Hawk B-3 No. 22 in Lot 12, Section 3, is still completing and its final disposition has not been determined.

We believe that the proposed system should satisfy your requirements in all respects. A copy of the letter from the Regional Supervisor, U. S. Geological Survey approving the installation is attached.

Your favorable consideration will be sincerely appreciated.

Yours very truly,

VTL-sm  
CC: RGP, HGD, JRP

Roswell, New Mexico

November 21, 1962

New Mexico Oil Conservation Commission  
Post Office Box 871  
Santa Fe, New Mexico

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

Re: Application of Continental Oil Company for exception to Rule 303 (A) in order to commingle the oil production from the Drinkard, Terry Blinebry, Tubb, Blinebry and Wantz Abo Oil Pools on its Hawk B-3 Lease, located in Section 3 and 4, T-21S, R-37E, 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 in support thereof submits the following information.

1. Applicant's Hawk B-3 Lease consists of Lots 1, 2, 3, 4, 7, 8, 12, 15 and 16, N/2 SE/4 and SE/4 SE/4 of Section 3, T-21S, R-37E, and Lot 1 of Section 4, T-21S, R-37E, Lea County, New Mexico. A plat, Exhibit No. 1, attached hereto, shows the leases, the wells thereon and the battery sites.
2. The mineral rights under the Hawk B-3 Lease are held by the Federal Government.
3. Production from the Drinkard, Tubb, Blinebry and Wantz Abo oil pools will be allocated on the basis of periodic gas-oil ratio tests since there are no top allowable wells in these pools. A tabulation, Exhibit No. 2, attached hereto, shows the latest test on each well and the average daily production by pools during the period from May 1, 1962 to July 1, 1962. Some of the wells in the Terry Blinebry pool are penalized due to high gas-oil ratios. This production will be measured by a suitable meter with non-reset counter and sampler prior to commingling.
5. The anticipated gravity of the commingled production has been calculated to be approximately 38.4° API with a value of \$2.89 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 the lease will be approximately \$.15 per day more than it is at the present time.

6. One test facility (separator, meter and sampler) 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 manual for the installation and operation of commingling facilities dated September 13, 1961. Additional development is anticipated in the near future on the Hawk B-3 Lease in the Drinkard, Tubb, and Blinebry Oil Pools. Should top allowable production result from any of these zones, the production will be measured by a suitable meter with non-reset counter and sampler prior to commingling.

8. 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 an exception to Rule 303 (A) be granted permitting the commingling of production from the several reservoirs on Applicant's Hawk B-3 Lease as described above.

CONTINENTAL OIL COMPANY

By W. A. Mead  
W. A. Mead  
Division Superintendent

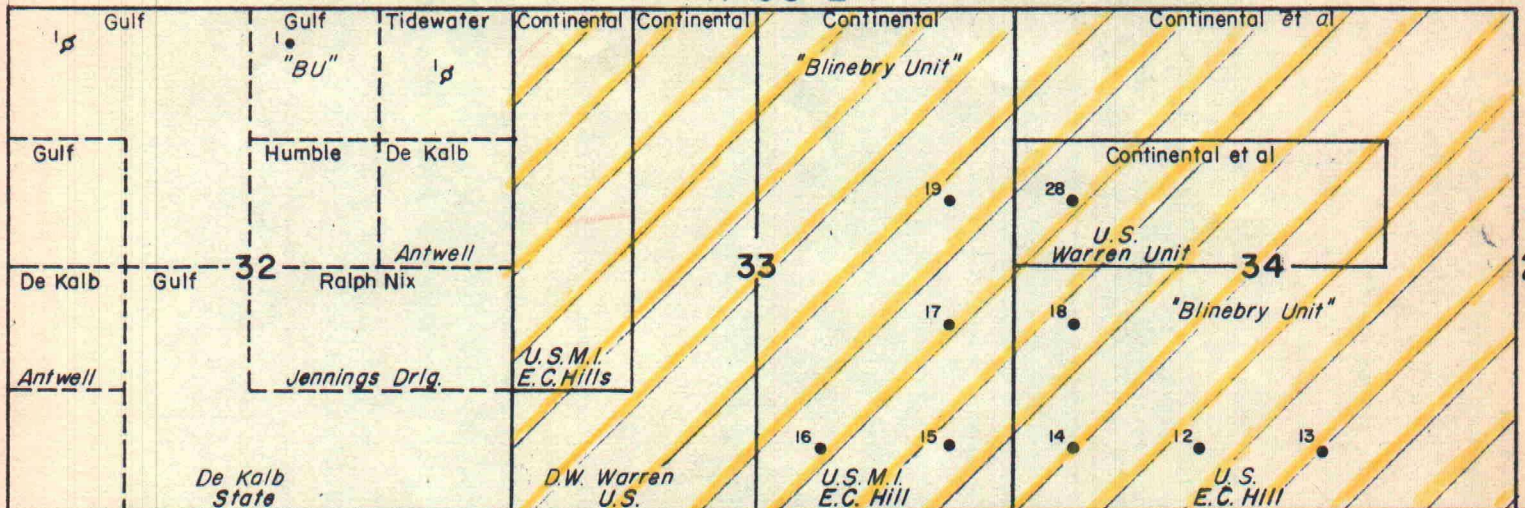
WAM-GJH

cc:  
NMOCC, Santa Fe-3  
RGP  
HGD  
JWK  
CES  
FEB  
SW  
JRP  
File



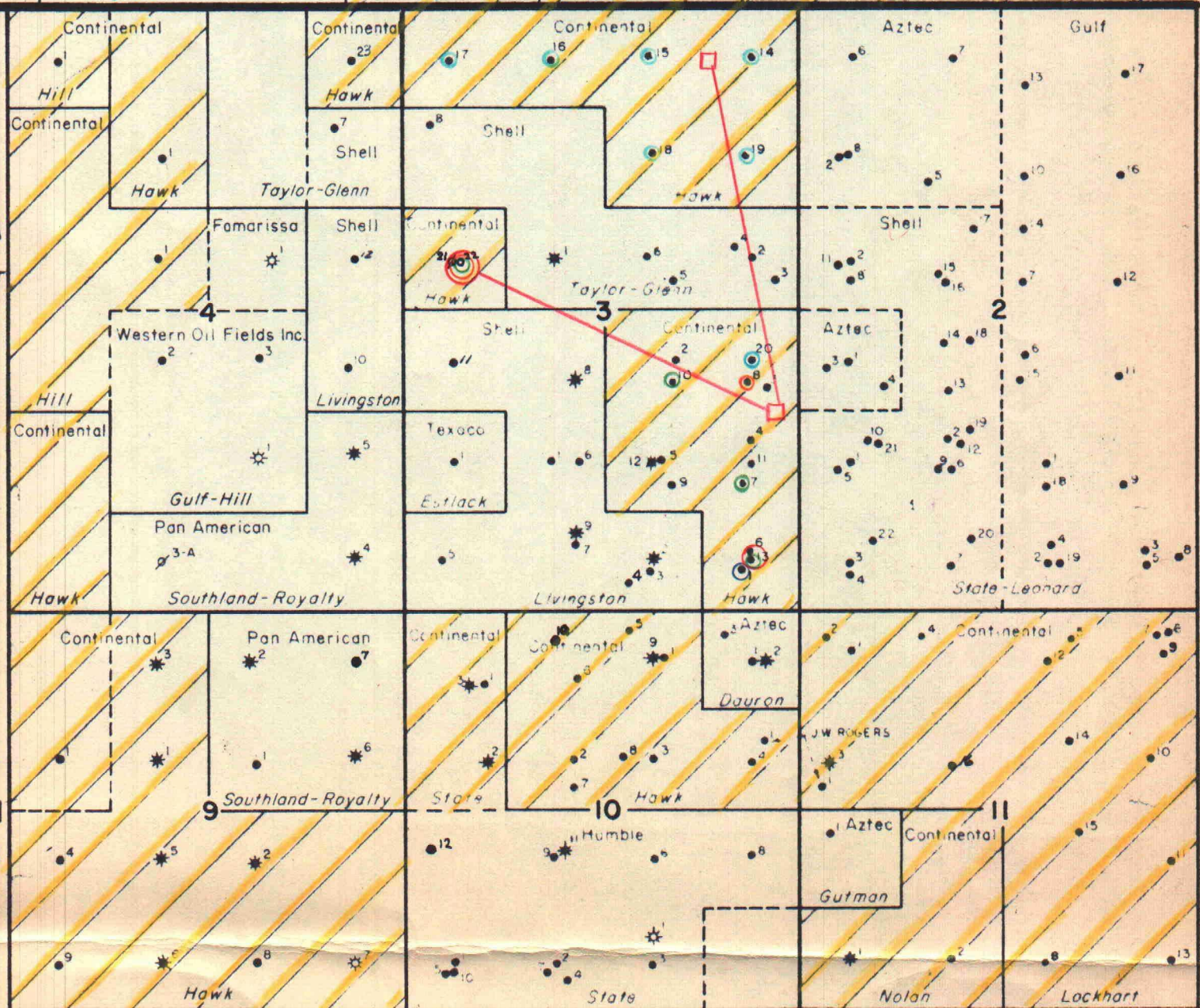
R-38-E

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R-37-E

— Hawk B-3 Lease  
 □ Tank Battery Location

- Wantz Abo Pool
- Tubb Oil Pool
- Drinkard Oil Pool
- Terry Blinebry Oil Pool
- Blinebry Oil Pool (Proposed)

EXHIBIT NO. 1

**CONTINENTAL OIL COMPANY**  
 PRODUCTION DEPARTMENT EUNICE, NEW MEXICO

LOCATION MAP  
 Hawk B-3 Lease

8-30-62

Scale 1" = 2,000'

Drawn By: G.A.S.



HAWK B-3 LEASE

<u>Pool</u>	Daily Avg. from <u>5-1-62 to 7-1-62</u>	<u>Gravity</u>	<u>Date</u>	<u>LATEST WELL TEST</u>		
				<u>Oil, B/D</u>	<u>Water, B/D</u>	<u>Gas, MCF/D</u>
Wantz Abo						
#1	9.8	39.5	8-14-62	8	4	TSTM
#2	S.I.					
Tubb Oil						
#8	7.8	38.1	8-4-62	9	0.5	9.38
Drinkard						
#10	S.I.	37.0	5-18-61	0	0	19.5
#11	6.4	37.0	7-22-62	6	3	45
#12	3.5	37.0	7-17-62	10	3	33
#13	1.8	37.0	8-13-62	7	4	99.7
Terry Blinebry						
#14	26.7	38.4	8-13-62	26	1	117
#15	22.6	38.4	8-12-62	21	1	180
#16	20.6	38.4	8-13-62	20	1	186
#17	12.3	38.4	8-7-62	10	1	110
#18	19.5*	38.4	8-17-62	37	1	454
#19	8.2*	38.4	8-7-62	16	1	658
#20	7.2	38.4	8-10-62	56	4	30
#23	5.1	38.4	8-3-62	8	0.5	97

POOL TOTALS

<u>Pool</u>	<u>Daily Rates</u>	<u>Gravity</u>	<u>Value - \$/Bbl.</u>
Wantz Abo	9.8 B/D	39.5	\$2.92
Tubb Oil	7.8 B/D	38.1	2.89
Drinkard	14.7 B/D	37.0	2.86
Terry Blinebry	122.2 B/D	38.4	2.89

\*Penalized Allowable Due to High GOR

EXHIBIT NO. 2

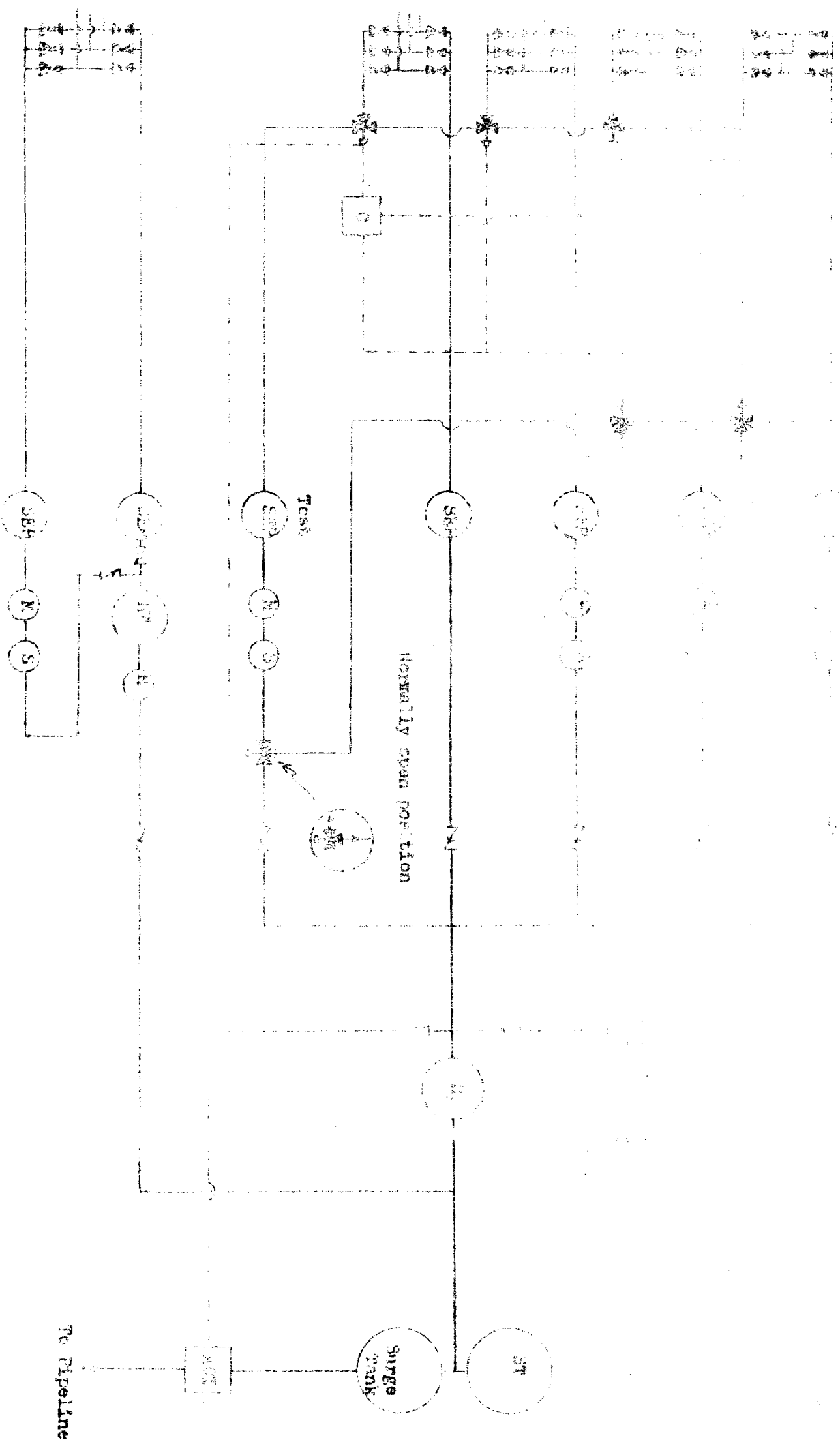
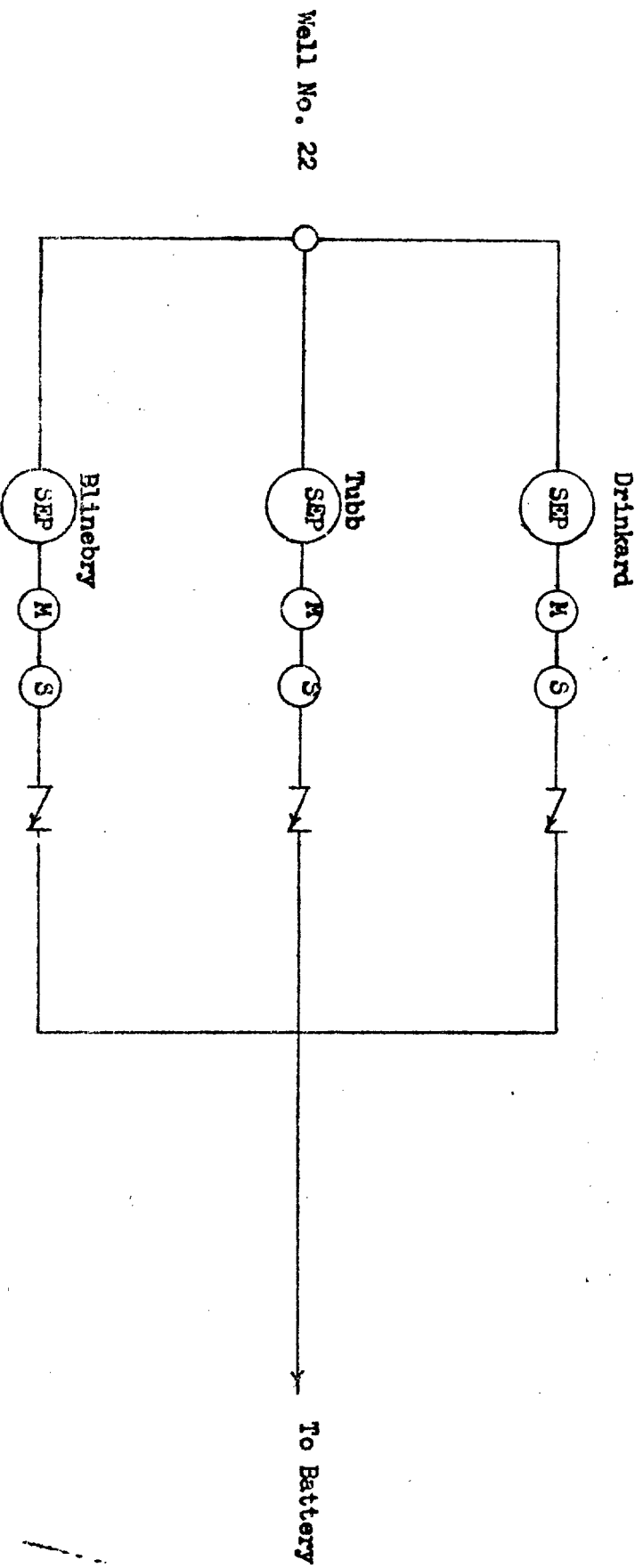


EXHIBIT NO. 3

CONTINENTAL OIL COMPANY  
Proposed Installation  
At Hawk B-3 No. 22





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

November 14, 1962

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

Attention: Mr. Wm. A. Mead

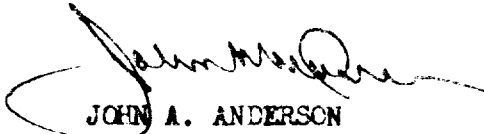
Gentlemen:

Your letter of November 1, 1962, requests our approval to install an automatic custody transfer unit and to commingle the oil produced from the Blinebry, Drinkard, Terry Blinebry, Tubb and Wartz Abo Pools in Section 3 and Lot 1 of Section 4, T. 21 S., R. 37 E., N. M. P. M., Lea County, New Mexico, on Federal lease Las Cruces 031741(b).

The automatic custody transfer system and the method of metering the oil production as described by the diagrams attached to your application, are hereby approved.

All master meter proving tests should be scheduled so that a Survey engineer of our Hobbs office may be notified in sufficient time to witness the calibration. You are requested to notify our Hobbs office when the installation is completed so that a field inspection of the system can be made.

Very truly yours,

  
JOHN A. ANDERSON  
Regional Oil and Gas Supervisor





# CONTINENTAL OIL COMPANY

P. O. BOX 1377

ROSWELL, NEW MEXICO

PRODUCTION DEPARTMENT  
NEW MEXICO DIVISION

WM. A. MEAD

DIVISION SUPERINTENDENT

A. B. SLAYBAUGH

ASSISTANT DIVISION SUPERINTENDENT

May 15, 1963

825 PETROLEUM BUILDING  
TELEPHONE: MAIN 2-4202

New Mexico Oil Conservation Commission  
Post Office Box 871  
Santa Fe, New Mexico

Attention: Mr. D. S. Nutter, Chief Engineer

Gentlemen:

Re: ORDER PC-112

In accordance with the conversation May 15, 1963, between you and our Mr. V. T. Lyon, we forward herewith three revised schematic diagrams of the commingling installation on our Hawk B-3 Lease. In our application, we stated that all production was below top allowable, but that some Terry-Blinebry wells were penalized for high GOR. However, the schematic submitted at that time showed meter and samples on all systems except the Wantz Abo.

We believe that the installation, as installed and as shown on the schematic, conforms to the captioned order in that Terry-Blinebry production with GOR-penalized allowables and Blinebry oil wells, completed since the application and producing top allowable, are metered prior to commingling. This schematic is submitted for your information.

Yours very truly,

A handwritten signature in cursive script, appearing to read "A. B. Slaybaugh".

VTL-pr  
Enc.

cc: JWK JRP

CONTINENTAL OIL COMPANY

Block 8-3 Lease

