

TEXACO  
INC.

PETROLEUM PRODUCTS



April 21, 1965

DRAWER 728

HOBBS, NEW MEXICO 88240

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

Re: Amendment, Order No. PC-192,  
TEXACO Inc. L. R. Kershaw Lease,  
Lea County, New Mexico

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

Gentlemen:

TEXACO Inc. respectfully requests Administrative amendment to Commission Order No. PC-192 for permit to commingle hydrocarbon production from the Skaggs, Skaggs (Drinkard) and East Weir (Tubb) Pools on the L.R. Kershaw Lease, Lea County, New Mexico. In support of this request, the following is stated:

1. Order No. PC-192 granted authority to commingle production from the Skaggs and Undesignated Tubb Pools, the Tubb subsequently designated as being in the East Weir (Tubb) Pool, on the L.R. Kershaw Lease after separately metering the Tubb production and determining the Skaggs production by means of the subtraction method.

2. The abandoned Blinebry casing string in the L. R. Kershaw Well No. 9, Tubb-Blinebry dual tubingless completion, was recently re-completed in the Skaggs (Drinkard) Pool and the zone produced three barrels of 43° API gravity oil in 24 hours on potential test.

3. The expected daily liquid hydrocarbon production from the Skaggs zone is 30 barrels of 34.6° API gravity oil at \$2.89 per barrel, that from Tubb zone is 105 barrels of 37.7° API gravity oil at \$2.95 per barrel and that from the Drinkard zone is 3 barrels of 43.0° API gravity oil at \$3.01 per barrel. The combined daily production after commingling is expected to be 138 barrels of 37.0° API gravity oil at \$2.95 per barrel, resulting in a \$2.62 per day gain.

4. Blinebry production from the subject lease shall be maintained separate from the proposed commingling facility. The Eumont (Gas) zone in the triply completed L. R. Kershaw Well No. 8 is currently shut in pending connection to gas market. Disposition of the liquid

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Eumont (Gas) production, if any, shall be considered after placing the well on production.

5. All working royalty and overriding royalty interests are common among all wells and producing zones on the L. R. Kershaw Lease.

6. Due to the low producing capacity and expected short producing life of the Drinkard zone, it is proposed to continuously meter the Tubb production only in the current manner with a positive displacement meter and fluid sampler of an approved kind and use the subtraction method for determining the Skaggs and Drinkard production. Also, only one well on the subject lease is capable of top allowable production. This well is completed in the Tubb and it has been anticipated that the producing capacity of this well shall decline to below top allowable in the near future. After this decline occurs, it shall be proposed that all commingling shall be performed on well test basis rather than with meters.

Production from each well shall be allocated on well test basis. Facilities for accurately determining the producing capacity of each well currently are installed at the pertinent tank battery and shall be used after connecting the Drinkard for allocation of production to each well.

7. A diagrammatic sketch of the proposed commingling tank battery and lease plat are attached.

In view of the aforementioned, TEXACO Inc. would appreciate receiving an amendment to Order No. PC-192 to permit commingling production on the L.R. Kershaw Lease by metering the Tubb production and using the subtraction method for determining the Skaggs and Drinkard production.

Yours very truly,



J. G. Blevins, Jr.

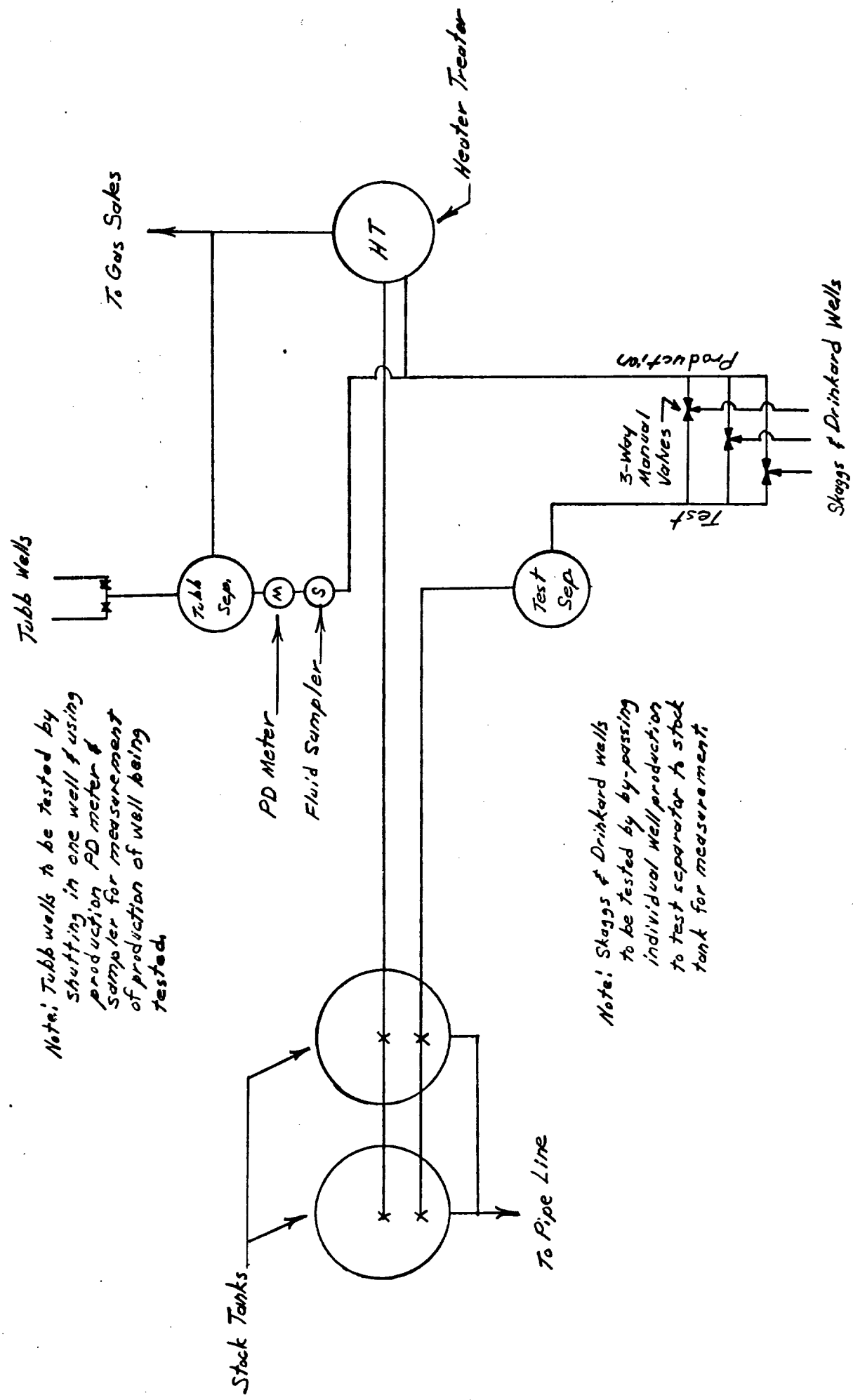
Assistant District Superintendent

WPY-bh

CC: NMOCC - Hobbs

Attachment

TEXACO Inc.  
 Proposed Commingling Battery  
 L. R. Hershaw Lease  
 Lea County, New Mexico  
 4-21-65



Note: Tubb wells to be tested by  
 shutting in one well & using  
 production PD meter &  
 sampler for measurement  
 of production of well being  
 tested.

Note: Skaggs & Drinkard wells  
 to be tested by by-passing  
 individual well production  
 to test separator & stock  
 tank for measurement.

(Revises sketch dated January 24, 1964)

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