

CONTINENTAL OIL COMPANY

P. O. BOX 460

HOBBS, NEW MEXICO

PRODUCTION DEPARTMENT
HOBBS DISTRICT
JACK MARSHALL
DISTRICT MANAGER
G. C. JAMIESON
ASSISTANT DISTRICT MANAGER

November 11, 1964

1001 NORTH TURNER TELEPHONE: EX 3-4141

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

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

Re: Application for Commingling Southeast Monument Unit

Gentlemen:

We forward herewith application in triplicate for authority to commingle the crude produced from the Weir Drinkard, Monument Tubb and undesignated Blinebry Pools on our Southeast Monument Unit. Your further handling and approval of this application will be sincerely appreciated.

Yours very truly,

GCJ-JS cc: RGP GW JWK Attach

CONTINENTAL OIL COMPANY

BOX 460

HOBBS, NEW MEXICO

New Mexico Oil Conservation Commission Post Office Box 2088 Santa Fe, New Mexico

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

Re:

Gentlemen:

Application of Continental Oil Company for Exception to Rule 303(a) In Order to Commingle the Oil Produced From the Weir-Drinkard, Monument-Tubb, and Undesignated Blinebry Pools on the Southeast Monument Unit Located in Sections 13, 14, 15, 22, 23, 24, 25, 26, and 27, T-20S, R-37E, Lea County, New Mexico

Continental Oil Company requests an exception to Rule 303(a) for permission to commingle liquids produced from the captioned Unit and in support thereof submits the following data.

- 1. Applicant's Southeast Monument Unit consists of all or portions of Sections 13, 14, 15, 22, 23, 24, 25, 26 and 27 in T-20S, R-37E and other lands in T-20S, R-38E, Lea County, New Mexico. A plat attached hereto, shows the area under consideration, the wells thereon and the battery site.
- 2. Mineral rights under the above described lease are held by the Federal Government.
- 3. Production from each pool will be metered separately and individual well performance will be determined on the basis of periodic gas-oil ratio tests. A tabulation attached hereto shows the latest test on each well and the approximate value of the production before and after commingling.
- 4. The gravity of the Weir-Drinkard and Monument-Tubb crude from well No. 70, which is now commingled under Order No. R-1596, is 37° API with a value of \$2.86/bbl. while the Tubb and Blinebry gravity from No. 84 is approximately 39° with a value of \$2.92/bbl. The commercial value of the commingled production for

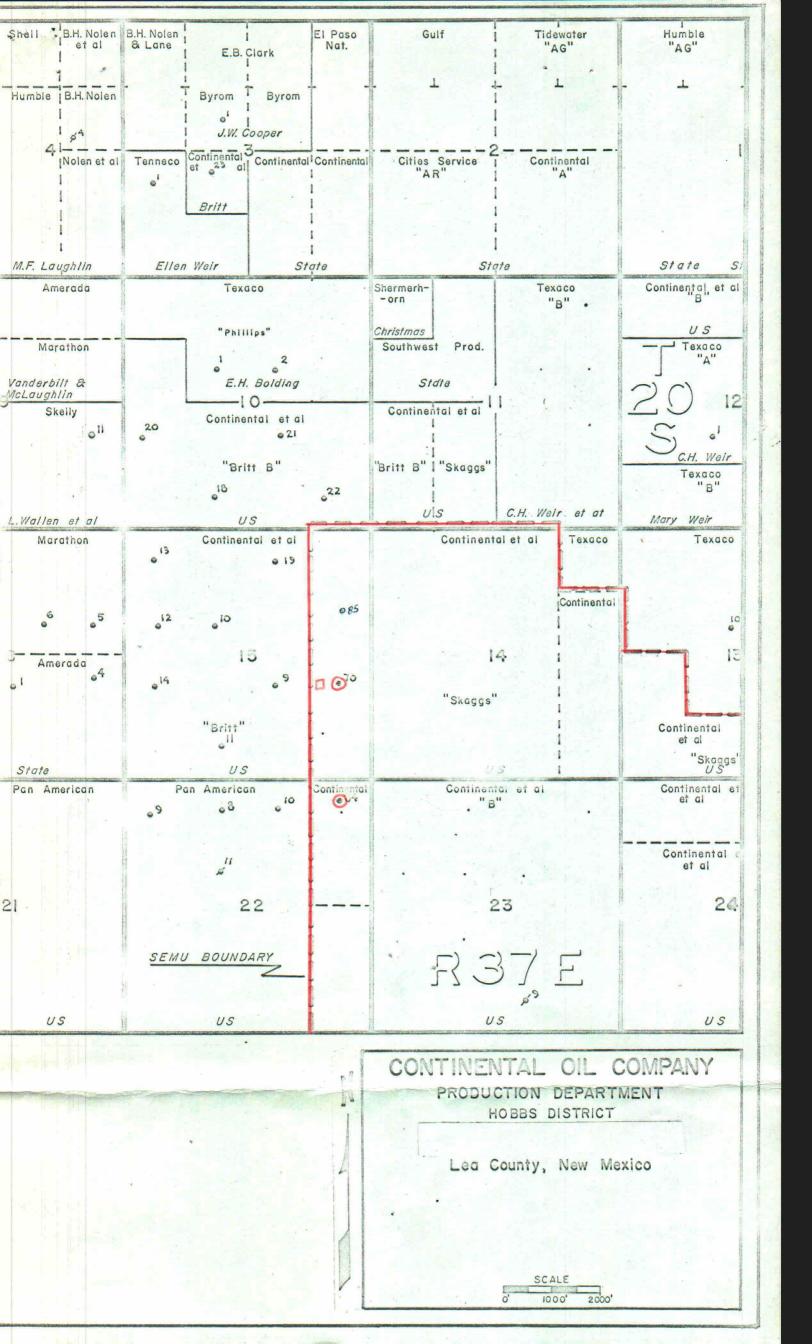
the unit will be approximately \$3.00 per day less than it is at the present time.

- 5. Test facilities (separator, meter, and sampler) will be used for testing, which will provide accurate measurement of the performance of each individual well. A schematic diagram 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 an exception to Rule 303(a) be granted permitting the commingling of production from the reservoirs on the Applicant's Southeast Monument Unit as described above.

CONTINENTAL OIL COMPANY

By SA James



DRINKARD

SEMU No. 70 8-18-64 F 26 BOPD, 39 BWPD, 93.7 MCFGPD, GOR 3604, Allowable 28 BOPD

TUBB

SEMU No. 70 8-17-64 P 15 BOPD, 3 BWPD, Gas TSTM, Allowable 15 BOPD

SEMU No. 84 9-1-64 F 201 BOPD in 14 hrs. w/274 MCF Gas, GOR 794, Allowable 66 BOPD (Est.)

SEMU No. 85 10-27-64 F 85 BO, 6 BW in 21 hrs. w/44.2 MCF gas, GOR 520, Allowable 66 BOPD (Est.)

Value of Crude (38°) (173 X 2.89) \$499.97

BLINEBRY

SEMU No. 84 P 113 BOPD, 17 BWPD, 45 MCFGPD, GOR 398, Allowable 50 BOPD (Est.)

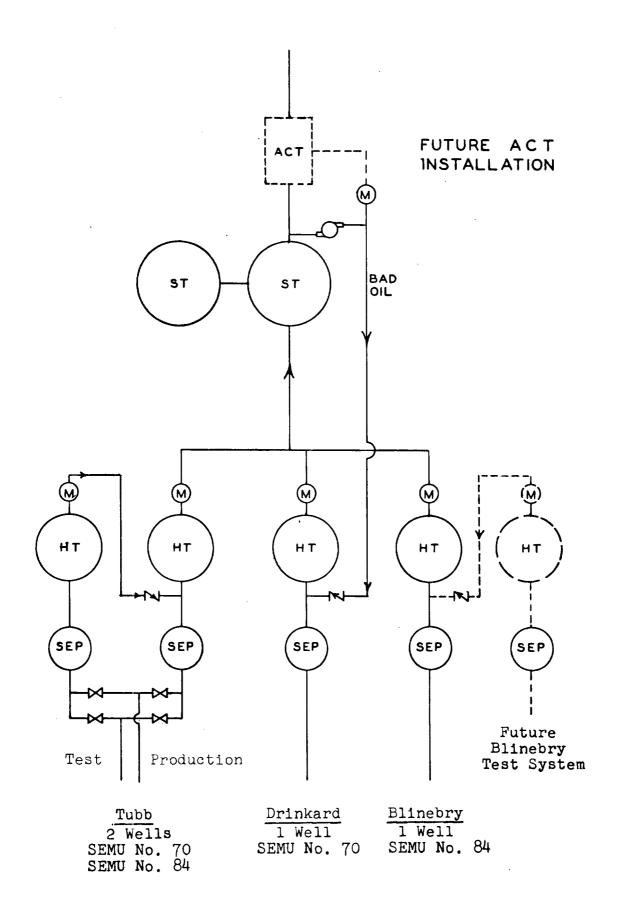
SEMU No. 85 P 83 BOPD, 31 BLWPD, 27 MCFGPD, GOR 325, Allowable 50 BOPD (Est.)

Value of Crude (39°) (100 X 2.92) \$292.00

Total Value Crude Produced Separately \$791.97

Total Value Crude Commingled (380 - 390)

(273 X 2.89) \$788.97



SEMU LEASE



UNITED STATES DEPARTMENT OF THE INTERIOR

GEOLOGICAL SURVEY

Drawer 1857 Roswell, New Mexico 88201

November 6, 1964

Continental Oil Company Box 460 Hobbs, New Mexico

Attention: Mr. Jack Marshall

Gentlemen:

Your letter of October 27, requests approval to commingle production from the Weir-Drinkard, Monument-Tubb and undesignated-Blinebry Pools within the Southeast Monument unit area.

The method of commingling as described by the diagram 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 can be made.

Sincerely yours,

CARL C. TRAYWICK

Acting Oil and Gas Supervisor