

NEW MEXICO OIL CONSERVATION COMMISSION  
POST OFFICE BOX 2088  
SANTA FE, NEW MEXICO 87501

COMMINGLING ORDER PLC-41

Company Carter Foundation  
Address c/o Robt. D. Fitting & Associate, Inc.  
City, State, Zip 901 West Missouri Ave.  
Midland, Texas 79701

Attention: Mr. Robt. D. Fitting

The above-named company is hereby authorized to commingle  
Teague Devonian and Teague Simpson  
pool production from the following leases:

Lease Name: E. C. Hill Fed D  
Description: Devonian formation, E/2 Sec. 34, T-23-S, R-37-E and NW/4  
Sec. 35, T-23-S, R-37-E, Lea County, New Mexico

Lease Name: E. C. Hill Fed M  
Description: Simpson formation, E/2 Sec. 34, T-23-S, R-37-E and NW/4  
Sec. 35, T-23-S, R-37-E, Lea County, New Mexico

Lease Name:  
Description:

Production shall be allocated to each lease by

       separately metering the production from each lease prior to  
commingling

       separately metering the production from the  
and determining the  
production by the subtraction method

  X   well tests (if this method or the subtraction method above is  
to be authorized, all commingled production must be of identical  
ownership: working interest, royalty interest, and overriding  
royalty interest)

Note: This installation shall be installed and operated in accordance  
with the applicable provisions of Rule 309-B of the Commission  
Rules and Regulations and the Commission "Manual for the Installation and  
Operation of Commingling Facilities." It is the responsibility of the  
producer to notify the transporter of this commingling authority.

REMARKS:

DONE at Santa Fe, New Mexico, on this 4th day of April 19 72.

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

## ROBERT D. FITTING &amp; ASSOCIATES, INC.

*Petroleum Engineering & Geological Consultants*

MIDLAND, TEXAS 79701

March 14, 1972

RECEIVED

15 1972

MAR 15 1972

Rec'd  
11/9/72

Mr. A. L. Porter, Jr.  
Secretary-Director  
New Mexico Oil Conservation Commission  
P. O. Box 2088  
Santa Fe, New Mexico 87501

Re: Request for Exception to Rule 303-A,  
and Application for Administrative  
Approval to Commingle Production from  
the Teague Devonian and Teague Simpson  
Pools, Lea County, New Mexico

Dear Mr. Porter:

Carter Foundation Production Company requests an exception to Rule 303-A, under authority of Rule 303-B, to permit surface commingling of hydrocarbon production from wells on the E. C. Hill "D" Federal Lease in the Teague Devonian Pool, and the E. C. Hill "M" Federal Lease in the Teague Simpson Pool, located in Sections 34 and 35, Township 23 South, Range 37 East, Lea County, New Mexico.

Following are the detailed data as required by Rule 303-B in making application for administrative approval to commingle the production from two common sources of supply with identical ownership:

(1) Gravity of Teague Devonian oil: 39.6 degrees API.  
Gravity of Teague Simpson oil: 46.0 degrees API.

(2) The Teague Devonian oil price - \$3.54 per barrel;  
150 barrels per month valued at \$531.00.  
The Teague Simpson oil price - \$3.56 per barrel;  
2,500 barrels per month valued at \$8,900.00.  
Total value of 2,650 barrels - \$9,431.00.

(3) Anticipated gravity of the commingled Devonian and Simpson oil is 45.6 degrees API, priced at \$3.56 per barrel; the expected total value of 2,650 barrels is \$9,434.00.

(4) Attached is schematic diagram of the proposed installation according to the provisions of the Commission's "Manual for the Installation and Operation of Commingling Facilities" dated October 1, 1969.

(5) Enclosed is plat showing the applicant's Teague Devonian and Teague Simpson wells on the E. C. Hill Federal Lease.

(6) The actual commercial value of the commingled production is approximately \$3.00 per month more than the sum of the values of the production from each common source of supply.

(7) Attached is copy of our letter dated February 29 to the Regional Supervisor of the United States Geological Survey, Roswell, New Mexico, requesting approval of the proposed commingling.

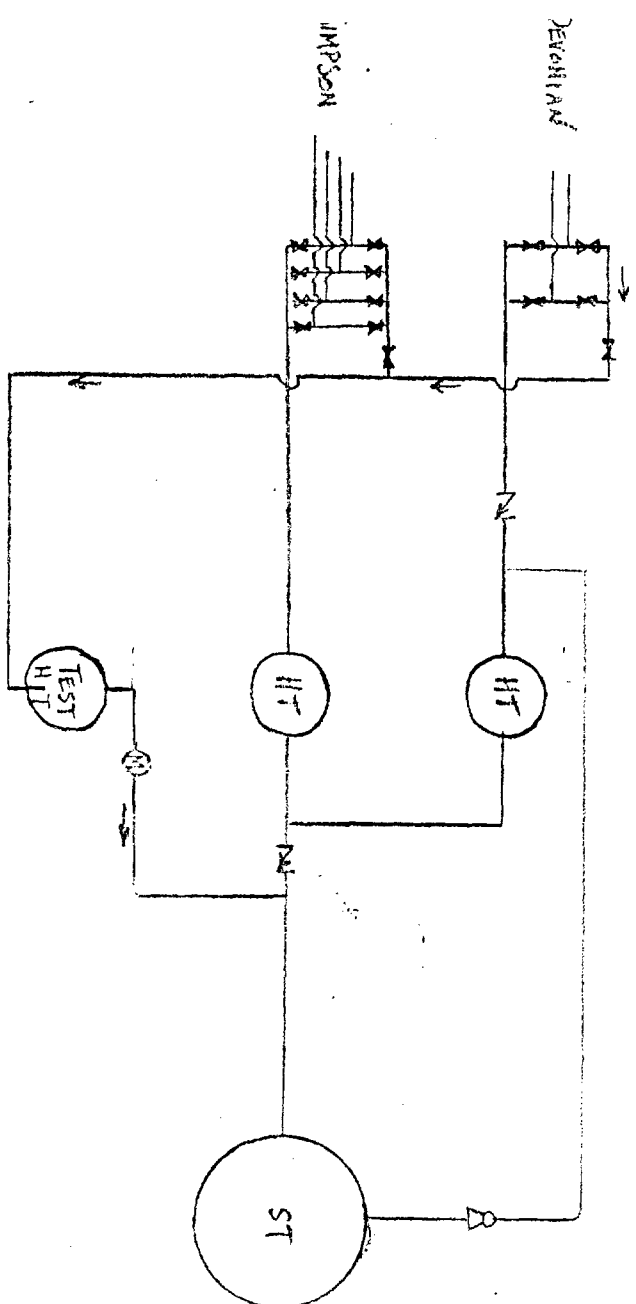
(8) Included is tabulation of the daily production for the past sixty days showing that the average daily production of the applicant's Teague Devonian and Teague Simpson wells is below the top allowable for both pools (per Commission's Manual, Section II, paragraph 1. Marginal Zones, page 5). Therefore, crude commingling is permitted without separately measuring the production from each pool.

Carter Foundation Production Company respectfully requests administrative approval, without notice and hearing, to permit the commingling of the Teague Devonian and Teague Simpson produced hydrocarbons on the E. C. Hill Federal Lease, Lea County, New Mexico.

Yours truly,

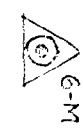
  
Robert D. Fitting

RDF:eg  
Encl. -



Test Meter or Tank

EC Hill - Federal  
 W 34 S  
 Carter Foundation Production Co.



34

EC Hill - Federal 35

EC Hill - Federal

Cade - Federal

PORTION OF TEAGUE POOL  
 LEA COUNTY, NEW MEXICO

SEC 34 & 35, T 23 S R 37 E

- Teague Deviation Pool Well
- Teague Simpson (Mokee) Pool Well
- Shut in well
- Water Injection Well

Scale: 1" = 100'

February 29, 1972

Regional Supervisor  
United States Geological Survey  
Box 1857  
Roswell, New Mexico 88201

Re: E. C. Hill Lease (#064118)  
Teague (Devonian & Simpson) Pools  
Lea County, New Mexico

Gentlemen:

Carter Foundation Production Company desires to produce the Hill "D" Lease (Devonian) and the Hill "M" Lease (McKee) into a common tank battery.

The monthly oil production from the four McKee wells approximates 2,500 barrels of 46° gravity oil, and the two Devonian wells less than 200 barrels of 39° gravity oil. Commingling this production would result in a 45° gravity mixture and, therefore, a price increase of two cents per barrel for the Devonian oil. A small amount of gas is sold from the McKee wells, and no gas is sold from the Devonian wells. These two zones underlie the same Federal Lease No. 064118, and the ownership in the produced hydrocarbons is identical.

Carter Foundation Production Company is preparing an application to commingle this production to the New Mexico Oil Conservation Commission, and the consent of your office is required. If you have no objection to commingling the Teague (Devonian) and Teague (Simpson) production on the E. C. Hill "D" and "M" Federal Lease No. 064118, would you please advise this office.

Yours truly,

  
Robert D. Fitting

RDF:eg

CARTER FOUNDATION PRODUCTION COMPANY  
E. C. HILL FEDERAL LEASES  
TEAGUE FIELD  
LEA COUNTY, NEW MEXICO

DAILY OIL PRODUCTION, BARRELS

Day	January, 1972		February, 1972	
	Devonian	Simpson	Devonian	Simpson
	<u>E.C.Hill "D"</u>	<u>E.C.Hill "M"</u>	<u>E.C.Hill "D"</u>	<u>E.C.Hill "M"</u>
1	6.68	124.50	3.34	86.89
2	6.68	107.73	6.68	120.21
3	-	-	6.68	73.61
4	-	40.20	6.68	48.52
5	-	40.20	6.68	120.21
6	6.68	100.85	6.68	60.20
7	6.68	140.20	-	60.20
8	6.68	190.32	-	120.21
9	6.68	246.82	6.68	81.82
10	6.68	120.42	3.34	40.15
11	3.34	145.20	6.68	40.15
12	6.68	128.54	6.68	80.20
13	6.68	121.04	6.68	80.31
14	-	60.20	6.68	80.20
15	-	121.87	6.68	55.21
16	-	141.80	6.68	80.18
17	-	112.29	6.68	80.18
18	-	30.11	6.68	70.64
19	-	70.23	6.68	80.21
20	-	20.06	6.68	80.22
21	-	20.06	-	91.88
22	-	20.06	-	110.33
23	-	40.15	6.68	107.32
24	-	40.15	6.68	100.21
25	-	51.84	6.68	90.22
26	-	41.86	6.68	79.39
27	-	100.21	3.34	80.22
28	6.68	120.21	6.68	100.21
29	6.68	60.20	6.68	100.21
30	-	73.58	-	-
31	-	56.88	-	-
Total Per Tank				
Barrels	76.82	2687.78	156.98	2399.51
Average Daily				
Production	2.48	86.70	5.41	82.74
Top Daily Allowable				
Per Well	187.00	302.00	187.00	302.00

Teague Devonian - 2 wells.  
Teague Simpson - 4 wells.

ROBERT D. FITTING & ASSOCIATES, INC.

*Petroleum Engineering & Geological Consultants*

MIDLAND, TEXAS 79701

March 16, 1972

RECEIVED  
MAR 1 1972  
CONSERVATION COMM.  
(915) 683-4616

Mr. A. L. Porter, Jr.  
Secretary-Director  
New Mexico Oil Conservation Commission  
P. O. Box 2088  
Santa Fe, New Mexico 87501

Re: Carter Foundation Production Company  
Request for Exception to Rule 303-A,  
and Application for Administrative  
Approval to Commingle Production from  
the Teague Devonian and Teague Simpson  
Pools, Lea County, New Mexico

Dear Mr. Porter:

In connection with our letter of March 14 on the captioned application, enclosed is copy of a letter from the United States Geological Survey approving our commingling system for Devonian and Simpson production from the Carter Foundation Production Company, E. C. Hill Federal lease.

Yours very truly,

Robert D. Fitting

RDF:jd

Encl -

cc: Carter Foundation Production Company  
Mr. Walter Claer  
Mr. Carter Magendie





United States Department of the Interior

GEOLOGICAL SURVEY  
Drawer 1857  
Roswell, New Mexico 88201

RECEIVED

MAR 17 1972

CONSERVATION COMM.  
SANTA FE

March 15, 1972

Carter Foundation Production Company  
901 West Missouri Avenue  
Midland, Texas 79701

Attention: Mr. Robert D. Fitting

Gentlemen:

Your application of February 29 requests approval to commingle Devonian and Simpson (McKee) production from wells in the NE $\frac{1}{4}$  sec. 34 and W $\frac{1}{2}$ NW $\frac{1}{4}$  sec. 35, T. 23 S., R. 37 E., Lea County, New Mexico, lease Las Cruces 064118.

The system for commingling described in your application is hereby approved subject to like approval by the New Mexico Oil Conservation Commission.

Please notify our Hobbs office when the installation is completed so that a field inspection of the system can be made.

Sincerely yours,

A handwritten signature in cursive script, reading "N. O. Frederick".

N. O. FREDERICK  
Regional Oil and Gas Supervisor