

Case File **Union Oil Company of California** *4601*

M I D L A N D T E X A S

October 2, 1936

Mr. A. L. Porter, Jr.
Secretary-Director
New Mexico Oil Conservation Commission
Box 871
Santa Fe, New Mexico

Dear Mr. Porter:

Union Oil Company of California, as operator of oil producing properties in the Caprock Queen Field, hereby requests without formal hearing an exception to New Mexico Oil Conservation Commission Rule 502 I(a) regarding the rate of producing wells.

As recognized by the provisions of Rule 502 I(b), it is sometimes necessary to produce certain wells at daily rates in excess of 125% of the top daily unit allowable for the pool in which such wells are located. The reasons for this with regard to Union's Caprock Queen wells are as follows:

1. Pipeline deliveries are erratic because of viscous crude oil and over-loaded lines. In order to produce the monthly allowable with reasonable storage facilities, it may be necessary occasionally to over-produce the daily tolerance.
2. Individual well production is erratic because of the extreme paraffin difficulties. Periodic treatment with hot fluid is required and sucker rods equipped with paraffin control scrapers are essential. Periodically the wells may build up pressure and purge themselves of an accumulated deposit, and a normal 49 barrel pumper might flow oil in excess of the daily allowable.

Union Oil Company of California will diligently attempt to adhere to the normal daily tolerance as provided in Rule 502; but to account for the existing conditions as listed above, we respectfully request an exception.

We have provided every operator in the Caprock Queen Field with a copy of this application.

Very truly yours

UNION OIL COMPANY OF CALIFORNIA

W. D. Owens
Division Engineer

WDO:HN

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LARA OIL IN CAPROCK QUARTZ FIELD RECEIVING ATTACHED LETTER OF NOVEMBER 2, 1912

- ✓ ~~W. B. Company~~
Box 346
Midland, Texas
- ✓ ~~Amerada Petroleum Corporation~~
~~Enterprise Building~~ *Drawer D*
~~Enterprise, Texas~~ *Midland, N.M.*
- ✓ Morris H. Antwell
Box 1058
Hobbs, New Mexico
- ✓ Cities Service Oil Company
Box 97
Hobbs, New Mexico
- ✓ Barney Cockburn
Box 105
Artesia, New Mexico
- ✓ J. B. Miller
Box 792
Artesia, New Mexico
- ✓ Continental Oil Company
Box 427
Hobbs, New Mexico
- ✓ Crest Oil Company
3167 Atlantic Avenue
Long Beach 2, California
- ✓ Delfern Oil Company
1706 14th Street
Lubbock, Texas
- ✓ ~~Granridge Corporation~~
Box 752
~~Enterprise, Texas~~
- ✓ Great Western Building Company
Box 1659
Midland, Texas
- ✓ Gulf Oil Corporation
Box 1667
Hobbs, New Mexico
- ✓ Hinson Drilling Company
1115 Petroleum Building
Midland, Texas
- ✓ Major L. B. Hodges
Box 671
Roswell, New Mexico
- ✓ Kerr-McGee Oil Industries, Inc.
Box 1876
Midland, Texas
- ✓ Landa Oil Company
5738 North Central Expressway
Dallas, Texas
- ✓ Late Oil Company
Box 670
San Angelo, Texas
- ✓ M. A. Machrie
Midland Tower Building
Midland, Texas
- ✓ Magnolia Petroleum Company
Box 662
Roswell, New Mexico
- ✓ Monsanto Chemical Company
Box 1742
Midland, Texas
- ✓ Joseph I. O'Neill, Jr.
209 North Big Spring Street
Midland, Texas
- ✓ Phillips Petroleum Company
Box 2105
Hobbs, New Mexico
- ✓ W. E. Pittman
Box 283
Midland, Texas
- ✓ A. K. Potts
Box 959
Edisburg, Texas
- ✓ ~~Public Development, Inc.~~
Box 6633
Roswell, New Mexico
- ✓ Pure Oil Company
Box 1221
Roswell, New Mexico

✓ *Neville G. Penrose, Jr.*
P.O. Box 988
Enterprise, N.M.

ILLEGIBLE

✓ Resler Oil Company
Carper Building
Artesia, New Mexico

✓ Salsich, McGrath and Smith
Petroleum Life Building
Midland, Texas

✓ Ross Sears
Box 727
Artesia, New Mexico

✓ Bill A. Shelton
Lovington, New Mexico

✓ Sinclair Oil and Gas Company
Box 1927
Hobbs, New Mexico

✓ Skelly Oil Company
Box 38
Hobbs, New Mexico

✓ William Spurek
Box 744
Roswell, New Mexico

✓ Stanelind Oil and Gas Company
Box 68
Hobbs, New Mexico

✓ Sunray Mid-Continent Oil Company
Box 128
Hobbs, New Mexico

✓ The Superior Oil Company
Andrews Highway
Midland, Texas

✓ The Texas Company
Box FF
Hobbs, New Mexico

✓ Texas Pacific Coal and Oil Company
Box 1688
Hobbs, New Mexico

✓ Tidewater Oil Company
Box 547
Hobbs, New Mexico

✓ John H. Trigg
Box 6629
Roswell, New Mexico

✓ Vickers Petroleum Company, Inc.
Box 744
Roswell, New Mexico

✓ Watson Drilling Company
Box 563
Artesia, New Mexico

✓ 1301 Whaley Company, Inc.
Continental Life Building
Fort Worth 2, Texas

✓ White-Corer Oil Corporation
1846 East Broadway
Tucson, Arizona

✓ George Williams
207 West Avenue B
Lovington, New Mexico

✓ R. R. Woolley
705 South Ninth Street
Artesia, New Mexico

✓ Union Oil Co of California
619 West Tenth St.
Midland, Texas

✓ Western Drilling Co, Inc.
901 Hubbard Nat'l Bank Bldg.
Hubbuck, Texas

Total 366

Union Oil Company of California

M I D L A N D T E X A S

October 22, 1956

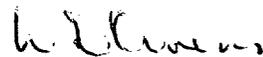
Mr. A. L. Porter, Jr.
Secretary - Director
New Mexico Oil Conservation Commission
P. O. Box 871
Santa Fe, New Mexico

Dear Mr. Porter:

Union Oil Company of California, as operator of oil producing properties in the Caprock Queen Field, has submitted a request dated October 2, 1956, for an exception to New Mexico Oil Conservation Commission Rule 502 I(a) regarding the rate of producing wells. At the time of the request it was believed that the problem was of a local nature and it was believed that the exception could be most easily handled without a formal hearing. Further investigation has shown the problems to be field wide. These problems should be considered by all operators in the Caprock Queen Field, and we respectfully request that we be granted a temporary exception without formal hearing and that a formal hearing be scheduled in the near future.

Very truly yours,

UNION OIL COMPANY OF CALIFORNIA



W. D. Owens

WDO:dr

OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

October 15, 1956

Union Oil Company of California
Midland, Texas

Exception to Rule 502 I (a)

Attention : Mr. W. D. Owens

Gentlemen:

Reference is made to your application for approval of an exception to paragraph I (a) of Rule 502 of the Commission's Rules and Regulations for all of your wells in the Caprock-Queen Pool of Chaves and Lea Counties, New Mexico. Said wells are located in Sections 3, 8, 17 and 31, Township 15 South, Range 31 East; Sections 14 and 28, Township 14 South, Range 31 East and Section 16, Township 12 South, Range 32 East.

In view of the extenuating circumstances of your case with regards to oil viscosity, individual well problems and pipeline capacities affecting said wells, I feel that a temporary exception should be granted. Therefore, by authority granted me under Rule 502 I (b) of the Commission's Rules and Regulations, you are hereby authorized to produce your Caprock-Queen Pool Wells at a daily production rate not to exceed 200% of each well's daily allowable. In no case shall the monthly tolerance as established by Rule 502 II be exceeded.

It is understood that this exception is granted temporarily and that the Commission shall call this matter for hearing on November 13, 1956 to consider an exception to Rule 502 I (a) for the entire pool.

Very truly yours,

A. L. PORTER, JR.
Secretary-Director

W:Minc

cc: OCC, Hobbs

NM Oil & Gas Engr. Comm., Hobbs

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TEXAS-NEW MEXICO PIPE LINE COMPANY

F. B. WHITAKER, JR.
DIVISION MANAGER

July 24, 1956

P. O. BOX 1510
MIDLAND, TEXAS

THIS SPACE USED FOR LEASE
NAME AND DESCRIPTION

ADDRESSEE

Gentlemen:

You are probably familiar with the fact that during the winter months when atmospheric temperatures are low, the characteristics of the Caprock Queen Crude change materially. This change of flow characteristics is so severe that in some instances the fluid becomes a semi-solid, and will only move slowly out of your tanks, if at all. It is extremely difficult for us to pump, and in fact, last winter we had some lines that became completely plugged and remained so for some time.

It was pointed out to producers last winter that the only solution was for each producer to heat the oil in his tank. The response to our suggestion has been limited.

The practice of producers heating oil in the winter is not new. It is common practice in Montana, Wyoming, and Colorado. In these areas steam coils are necessary. It will probably not be necessary to install steam coils in the tanks in the Caprock Queen Pool; however, heat will be required.

Beginning October 1, 1956, and extending through the month of March, we will not be able to receive this type of crude oil into our system if the temperature of the crude in lease tanks is lower than 50° F.

Yours very truly,

FBW, Jr.:mec