



CITIES SERVICE OIL COMPANY

BOX 97

HOBBS, NEW MEXICO

December 15, 1958

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

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

Gentlemen:

Attached are three copies of corrected application for Lease Automatic Custody Transfer on the Cities Service Oil Company Government "B" Lease. In the first application the Government "B" Lease was erroneously reported in Lea County. Please make the necessary changes.

Very truly yours,

E. F. Motter
Assistant Division Engineer

EFM/gk
Attachs.

*Docket Mailed
12-28-58 BP*

OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

January 22, 1959

Mr. Jason Kellahin
Kellahin & Fox
P.O. Box 1713
Santa Fe, New Mexico

Dear Mr. Kellahin:

Enclosed herewith please find Order No. R-1326 entered in Case No. 1580 authorizing the installation of automatic custody transfer equipment on the Government "B" Lease. You will note that this order requires that the meters used in the automatic custody transfer equipment shall be checked for accuracy once each month until further order of the Secretary - Director.

Results of tests shall be filed with the appropriate district office of the Commission and shall be on the meter test report form which is available at all district offices.

Very truly yours,

A. L. Porter, Jr.
Secretary - Director

ALP/DSN:bp
Encls.



Case 1580

CITIES SERVICE OIL COMPANY

BOX 97

HOBBS, NEW MEXICO

December 12, 1958

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

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

Gentlemen:

It is respectfully requested that the Oil Conservation Commission schedule a hearing at an early date in Santa Fe, New Mexico, to consider our application to install Lease Automatic Custody Transfer on the Government "B" Lease, Caprock Queen Pool, Lea County, New Mexico. In support of this application, the following data is presented:

1. The installation of Lease Automatic Custody Transfer will allow handling of oil through positive displacement meters, sampling equipment and related facilities to measure and account for oil produced from the Government "B" Lease.
2. The Government "B" Lease is composed of 960 acres, fully developed by twenty-four wells. Four wells have been converted to water injection wells for pilot waterflood as per New Mexico Oil Conservation Commission Order No. R-1123 and the production from the remaining twenty wells will be periodically tested by dump type meters prior to delivery to the Automatic Custody Transfer unit.
3. Installation of Lease Automatic Custody Transfer is in the interest of conservation by preventing the loss of volatile fractions and reducing the hazards of ordinary tankage.
4. Delivery of crude will be made to the Texas-New Mexico Pipe Line Company who have verbally consented to the installation of a Lease Automatic Custody Transfer system.

A plat of the Government "B" Lease and all offset operators is attached hereto and indicates the location of the proposed installation.

Very truly yours,

E. F. Motter
Asst. Division Engineer

EFM/gk
Attach.