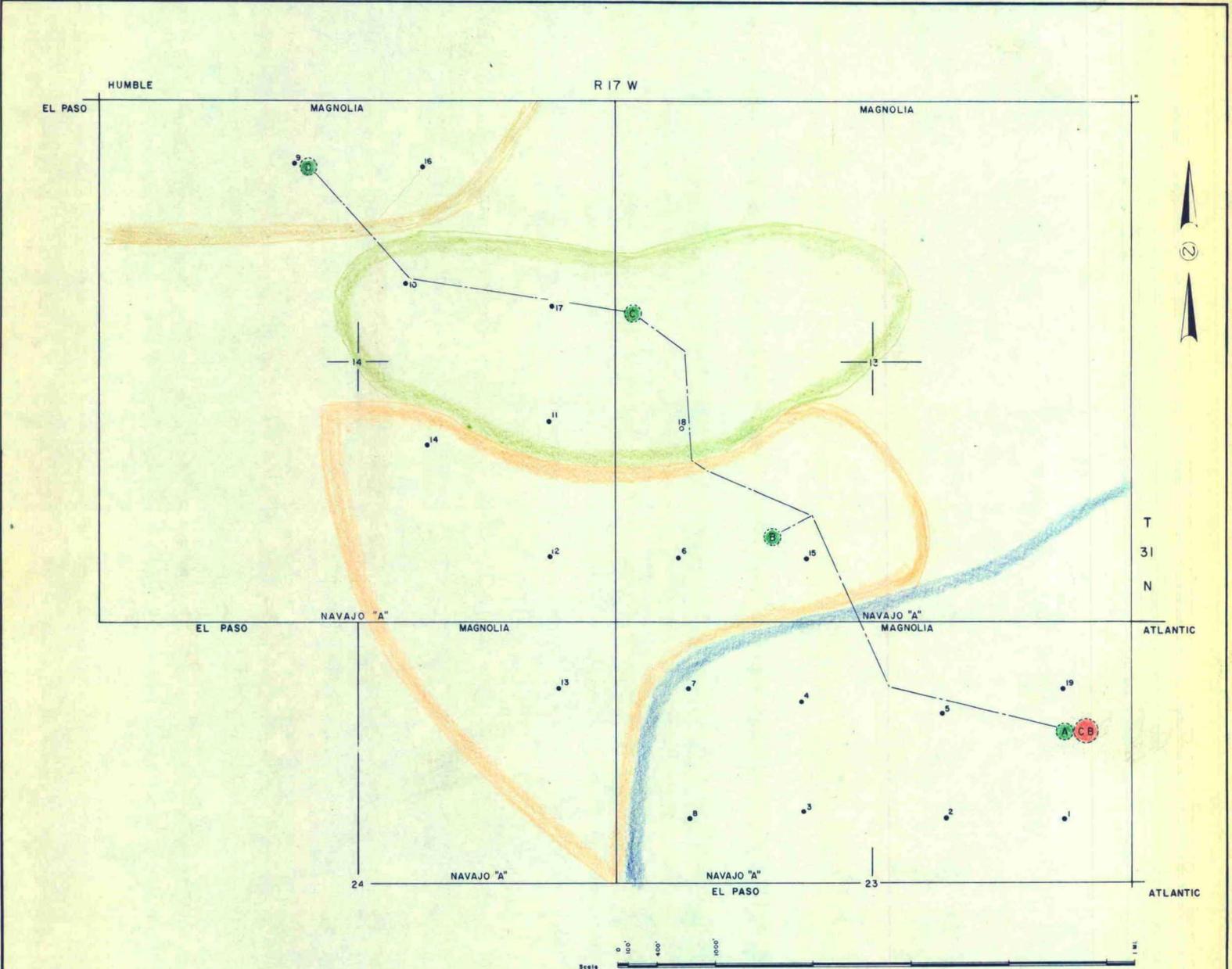


*18 wells now
expect total of 24*

*1760 acres
1000 to 1600'
deep.
variation due
to surface
elevations*



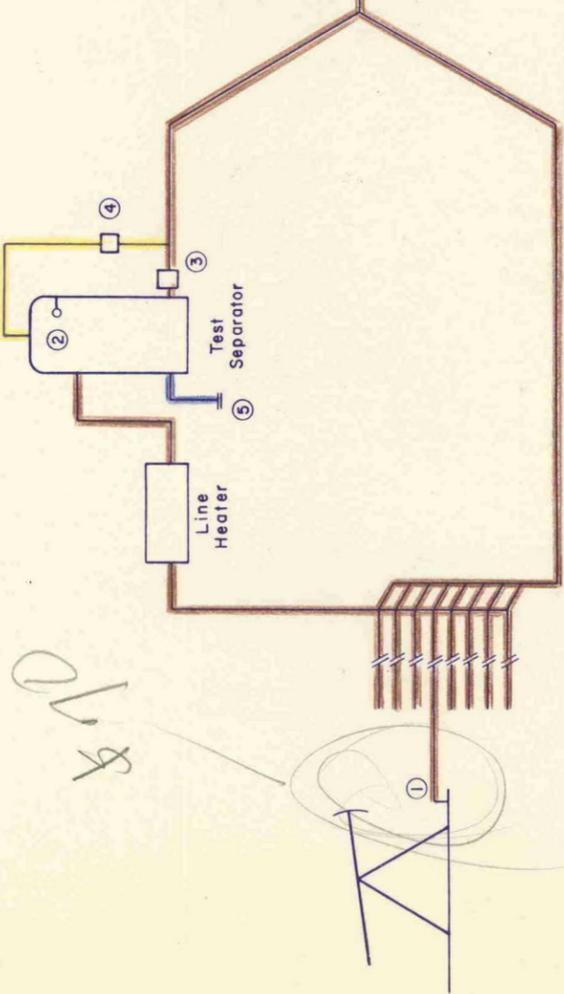
- LEGEND**
- Test Station
 - CB Central Battery
 - Gathering System

BEFORE EXAMINER NUTTER
OIL CONSERVATION COMMISSION
Mag EXHIBIT NO. 1
 CASE NO. 1748

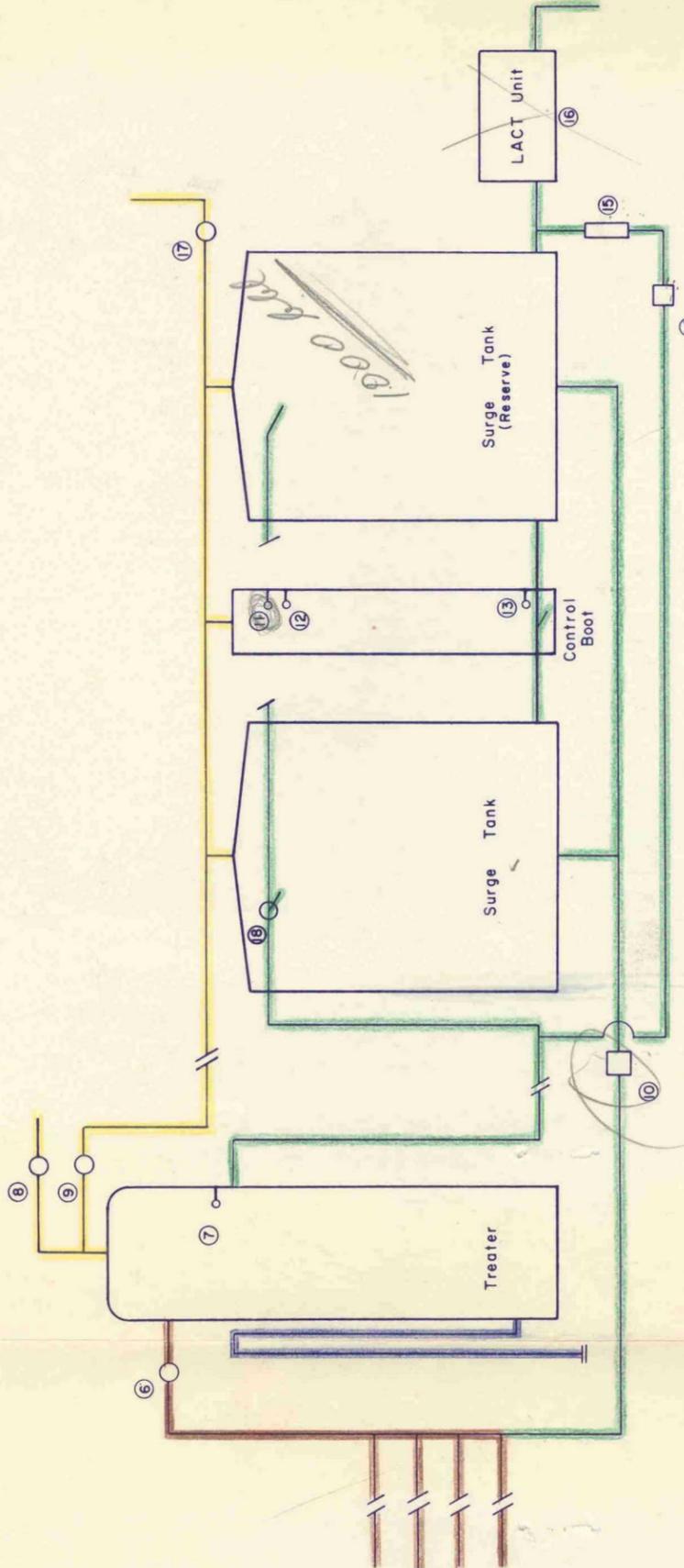
Exhibit I MAGNOLIA PETROLEUM COMPANY PETROLEUM ENGINEERING DEPARTMENT Leo District West Texas Division NAVAJO "A" LEASE Proposed Lease Production Facilities Horseshoe Gallup Field San Juan County, New Mexico		Scale Date 8-12-59 Drawn J.C.G. Checked J.C.G. Approved J.C.G. Prepared J.C.G.
--	--	---

WELL

TEST STATION



CENTRAL FACILITIES



- 1. High - Low Pressure Well Shut-In Controls
- 2. High Level Control
- 3. Oil Test Meter - Dump Type
- 4. Gas Test Meter
- 5. Water Dump, Blanked Off

- 6. Automatic Test Station / Shut-Off, Float Switch
- 7. High Level Lease Shut-Down Control, Float Switch
- 8. Back Pressure Regulator
- 9. Pressure Regulator - Vapor Supply
- 10. Bottom Recirculating Pump
- 11. High Level Lease Shut-Down Control
- 12. High Level Pipeline Pump Start Control

- 13. Low Level Pipeline Pump Stop Control
- 14. Constant Monitor Supply Pump
- 15. BS & W Monitor
- 16. Positive Displacement Type Meter With Required Accessories
- 17. Pressure Vent Relief
- 18. Surge Tank Diverting Valve

COLOR CODE
 Oil
 Gas
 Water
 Well Fluid

BEFORE EXAMINER NUTTER
OIL CONSERVATION COMMISSION
 EXHIBIT NO. 1748
 CASE NO. _____

Exhibit II

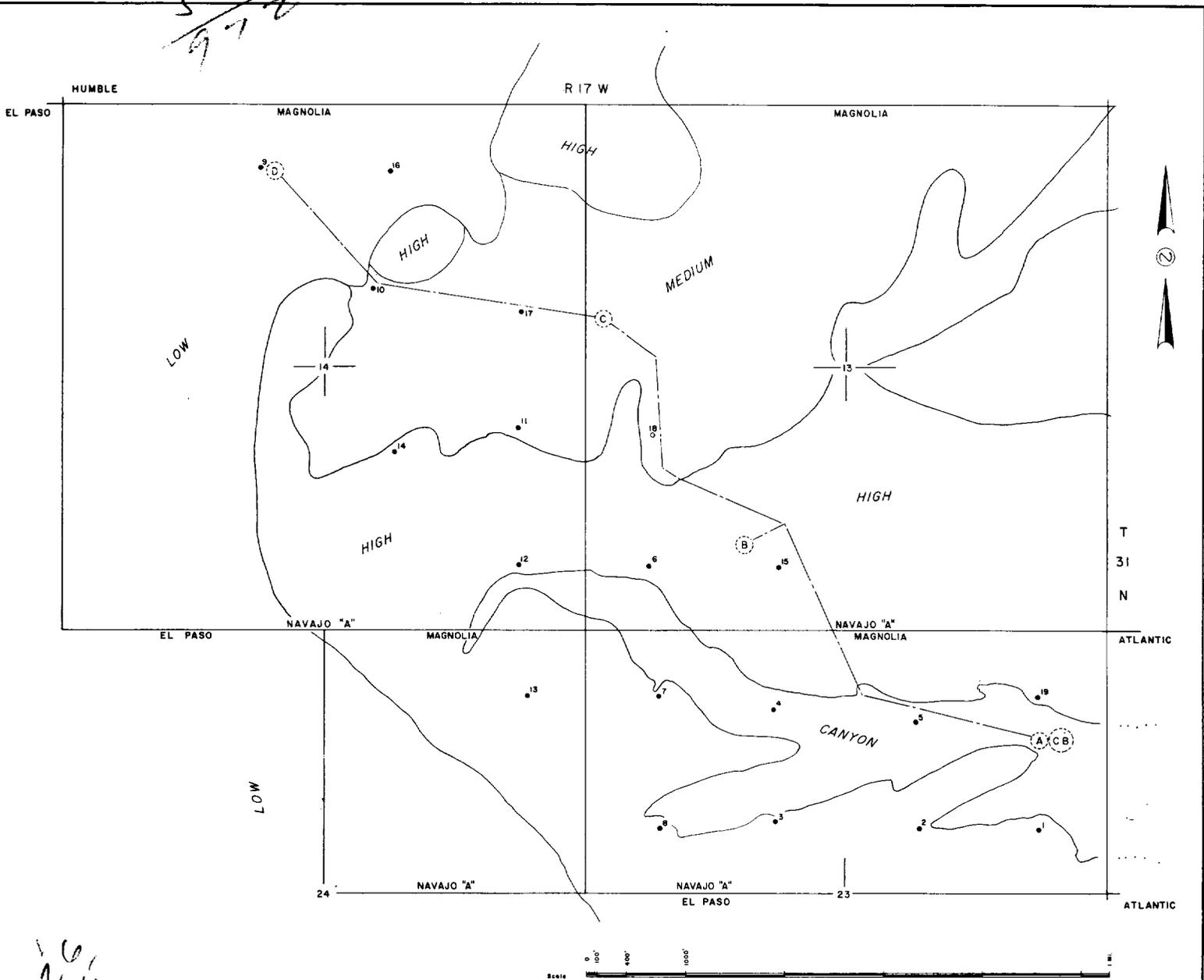
MAGNOLIA PETROLEUM COMPANY
 PETROLEUM ENGINEERING DEPARTMENT
 Lea District West Texas Division
NAVAJO "A" LEASE
 Facilities For Automatic Custody Transfer And To Produce More Than Sixteen Wells into A Common Tank Battery

Date 8-13-59
 Drawn B.J.B.
 Checked JCG
 Approved [Signature]
 Prepared H.J.R.

3
 54
 18

 433
 54

 972



16
 25
 30

 70
 42

 50

LEGEND
 (A) Test Station
 (CB) Central Battery
 --- Gathering System

BEFORE EXAMINER NUTTER
OIL CONSERVATION COMMISSION
 Mag EXHIBIT NO. 3
 CASE NO. 1748

Exhibit III	
MAGNOLIA PETROLEUM COMPANY	
PETROLEUM ENGINEERING DEPARTMENT	
Leo District West Texas Division	
NAVAJO "A" LEASE	
TOPOGRAPHICAL MAP	
Horseshoe Gallup Field San Juan County, New Mexico	
State	Date 8-12-89
Drawn J.C.B.	Checked J.C.B.
Approved J.C.B.	Prepared J.C.B.

EXHIBIT IV

COMPARATIVE COST ESTIMATES
CONVENTIONAL FACILITIES COMPARED TO
CENTRALIZED FACILITIES

Magnolia Petroleum Company
Navajo "A" Lease
Horseshoe Gallup Field
San Juan County, New Mexico

Item	Costs	
	Conventional	Centralized
Flowlines	\$ 60,000	\$ 60,000
Tank Batteries	60,000	22,000
Test Facilities	6,000	12,000
Gathering System	31,000	31,000
TOTAL	\$ 157,000	\$ 125,000
SAVINGS		\$ 32,000

BEFORE EXAMINER NUTTER
OIL CONSERVATION COMMISSION
EXHIBIT NO. 7
CASE NO. 1768

Case 1748

MAIN OFFICE OCC LAW OFFICES OF
MODRALL, SEYMOUR, SPERLING, ROEHL & HARRIS

J. R. MODRALL
AUGUSTUS T. SEYMOUR
JAMES E. SPERLING
JOSEPH E. ROEHL
GEORGE T. HARRIS
DANIEL A. SISK
DEAN F. KIMBALL
LELAND S. SEDBERRY
BURNS H. ERREBO
ALLEN C. DEWEY

1959 JUL 27 AM 8:32

SIMMS BUILDING
P. O. BOX 466
ALBUQUERQUE, NEW MEXICO
TELEPHONE CHAPEL 3-4514
July 24, 1959

JOHN F. SIMMS (1885-1954)

Oil Conservation Commission
Santa Fe, New Mexico

Gentlemen:

Enclosed herewith in triplicate is Application of Magnolia Petroleum Company for Exception to Statewide Rule 309 requiring the 16 well limitation and also for permission to install Automatic Custody Transfer on its Navajo "A" lease, Horseshoe-Gallup oil pool, San Juan County, New Mexico. We would appreciate your setting this for hearing on the August 19 Examiners' Docket.

Very truly yours,



Burns H. Errebo

Roehl
mailed
8-4-59
DR

APPROXIMATE 300
OCT 10 11 0 32

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE APPLICATION
OF MAGNOLIA PETROLEUM COMPANY FOR
EXCEPTION TO STATEWIDE RULE 309
~~TO PERMIT PRODUCTION OF MORE THAN
SIXTEEN OIL WELLS INTO A COMMON TANK
BATTERY AND TO ALLOW LEASE AUTOMATIC
CUSTODY TRANSFER OF PRODUCTION FROM
ITS NAVAJO "A" LEASE,~~ HORSESHOE-
GALLUP OIL POOL, SAN JUAN COUNTY,
NEW MEXICO

CASE NO. 1748

APPLICATION

Comes now Magnolia Petroleum Company and respectfully alleges
and states as follows:

(1) That it is the owner and operator of an oil and gas
lease known as its Navajo "A" lease in the Horseshoe-Gallup
oil pool, San Juan County, New Mexico, comprising the following
described acreage:

Township 31 North, Range 17 West, N.M.P.M.

Section 13: All
Section 14: All
Section 23: NE $\frac{1}{4}$
Section 24: N $\frac{1}{2}$

doesn't match exhibit #1

(2) That Applicant anticipates that in its development
of said lease, more than sixteen oil wells will be drilled
thereon, but that all of said wells can be efficiently produced
into a common tank battery.

(3) That Applicant proposes to install a lease automatic
custody transfer system for the production from Horseshoe-Gallup
oil pool wells on said lease which will result in the efficient
handling of oil and gas produced therefrom.

WHEREFORE Applicant prays that this matter be set for hearing,
that notice be given as required by law, and that upon the evidence
adduced at said hearing, Applicant be granted the relief sought
and such other relief as may be indicated therein.

MAGNOLIA PETROLEUM COMPANY

BY MODRALL, SEYMOUR, SPERLING, ROEHL & HARRIS



By Burns H. Errebo
1200 Simms Building
Albuquerque, New Mexico