



PETROLEUM MARKETERS

224 PETROLEUM BUILDING

ARILEMS, TEXAS



April 3, 1961

The Atlantic Refining Company
P. O. Box 1610
Midland, Texas

Attention: Mr. H. E. Bond

Re: Atlantic Refining Company
LACT Unit Rutter Federal Lease,
Roosevelt County, New Mexico

Gentlemen:

We have examined the schematic diagram and specifications for an automatic custody transfer unit you propose to install on your Rutter Federal Lease, Roosevelt County, New Mexico. We wish to advise you that the unit will be acceptable to us as stated in your proposal and specifications.

1. The amount of sample per unit volume of throughput should be rated at not more than 4 cc's of fluid per sample and each sample should be removed from the line each 5 barrels that flow through the meter.

2. The daily schedule for making delivery of crude should not exceed the unit allowable per day, therefore a set-stop counter should be included in the meter installation to stop the flow of crude when the daily allowable has been recorded on the meter.

3. McWood Corporation, as a matter of general policy, will assume complete responsibility for proving the meter at this installation.

As a matter of record, we wish to state that we will not require a monitor on an installation of this type, however, in the event the sampler should show that unmerchantable crude oil has been passing through the meter, we will require you to install a monitor acceptable to us.

The Atlantic Seining Company - Page 2

Will you please advise us as to the completion date of this unit.

Yours very truly,

FORM 10800-1-74

R. G. Smalley
Manager of Field Operations

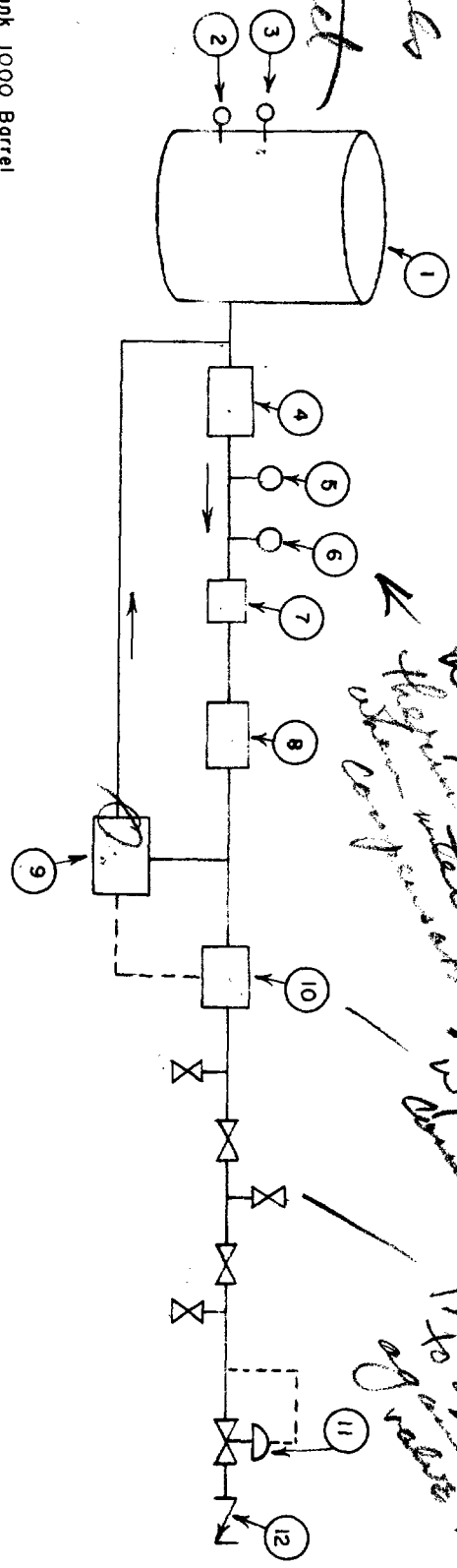
RCB/24

The diagram illustrates a two-stage process. Stage 1, labeled 'Preparation', shows a sequence of three boxes: 'Preparation', 'Preparation', and 'Preparation'. Stage 2, labeled 'Measurement', shows a sequence of three boxes: 'Measurement', 'Measurement', and 'Measurement'. Arrows indicate a flow from Stage 1 to Stage 2, and a feedback loop from Stage 2 back to Stage 1.

500 lbs
 5000 lbs
 high level
 switch
 #3

LEGEND:

- 1- Surge Tank 1000 Barrel
- 2- Low Level Switch
- 3- High Level Switch
- 4- Pump w/ TEFC Motor
- 5- Pressure Gauge
- 6- Thermometer
- 7- Spool for Future BSAW Monitor
- 8- Strainer-Air eliminator
- 9- 15 gal. Sampler w/ Hand Pump
- 10- PD Meter w/ Counter & I/I Transmitter
- 11- Back Pressure Valve
- 12- Check Valve



167 BPD
 334

THE ATLANTIC REFINING CO.
 PRODUCTION ENGINEERING GROUP
 MIDLAND, TEXAS

SCHEMATIC OF PROPOSED LACT SKID
 RUTTER FEDERAL LEASE
 BLUITT FIELD, ROOSEVELT CO., NEW MEXIC