

OIL CONSERVATION COMMISSION
TEXAS PACIFIC OIL COMPANY

SANTA FE, NEW MEXICO 87501
Hobbs, New Mexico 88240

MARCH 21, 1969

April 11, 1969

Texas Pacific Oil Company

P. O. Box 1069

Hobbs, New Mexico 88240

P. O. Box 1069

State of New Mexico

Attention: Mr. Sheldon Ward

Attention: Mr. A. L. Porter, Jr., Secretary-Director

Administrative Order PC-373

State of New Mexico

Gentlemen:

Reference is made to your application dated March 21, 1969, for administrative approval of an exception to Rule 303 (a) of the Commission Rules and Regulations to permit the commingling of Arrowhead and South Eunice production on your State "A" a/c-2 Lease comprising all of Section 11, Township 22 South, Range 36 East, Lea County, New Mexico, allocating the production on the basis of periodic well tests. It is our understanding that all production from the aforesaid pools on said lease is of marginal nature.

By the authority vested in me under the provisions of Rule 303 (b) of the Commission Rules and Regulations, you are hereby authorized to commingle the production from the aforesaid pools on said lease in the above-described manner. Provided however, that the installation shall be operated in accordance with the provisions of the Commission "Manual for the Installation and Operation of Commingling Facilities," and provided further, that you shall notify the Commission at such time as any well in either pool is capable of top allowable production.

Very truly yours,

A. L. PORTER, Jr.
Secretary-Director

SW:nb

ALP/DSN/esr

cc: Oil Conservation Commission (with enclosure) - Hobbs
Oil & Gas Engineering Committee - Hobbs
State Land Office - Santa Fe

TEXAS PACIFIC OIL COMPANY

P. O. Box 1069
Hobbs, New Mexico 88240

March 21, 1969

MAIN OFFICE OFC
'69 MAR 25 AM 8 24

PC-373

New Mexico Oil Conservation Commission
P. O. Box 2088
Santa Fe, New Mexico

Attention: Mr. A. L. Porter, Jr., Secretary-Director

Re: State "A" a/c-2 Lease
Commingling of Arrowhead
and South Eunice Production
Section 11, T-22-S, R-36-E
Lea County, New Mexico

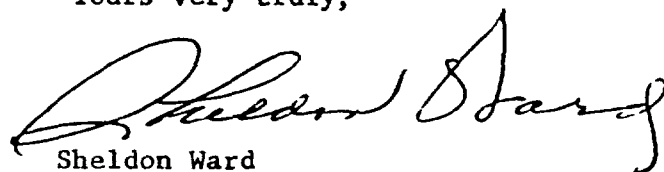
Gentlemen:

Texas Pacific Oil Company respectfully requests administrative approval of exception to Rule 303 (Segregation of Production from Pools) for its State "A" a/c-2, Well No. 14, South Eunice Seven-Rivers Queen and State "A" a/c-2, Wells No. 13, 15 and 16, Arrowhead Grayburg, Lea County, New Mexico to permit the commingling in common facilities the commonly owned production from the two pools. State "A" a/c-2 No. 14 has recently been recompleted from Eumont Gas to South Eunice oil and Jalmat gas dual.

Attached is a tabulation giving the comparative gravity of the liquid hydrocarbons, the volumes presently produced from the above wells, the value of the hydrocarbons and the expected gravity and values of the commingled production.

The wells in each pool are marginal and are physically incapable of producing top allowable from their respective pools; therefore, commingling will be accomplished, as designed on attached schematic. Production will be allocated from each well on the basis of well tests conducted periodically.

Yours very truly,



Sheldon Ward
Area Superintendent

SW:nb

Attachment

cc: N. M. O. C. C. - Hobbs
Commissioner of Public Lands - Santa Fe

TEXAS PACIFIC OIL COMPANY
Hobbs Area
Table I - Production Data

APR 1 1969
MAR 25 AM 8 24

Arrowhead Grayburg - State "A" A/c-2 #13 - 15 - 16

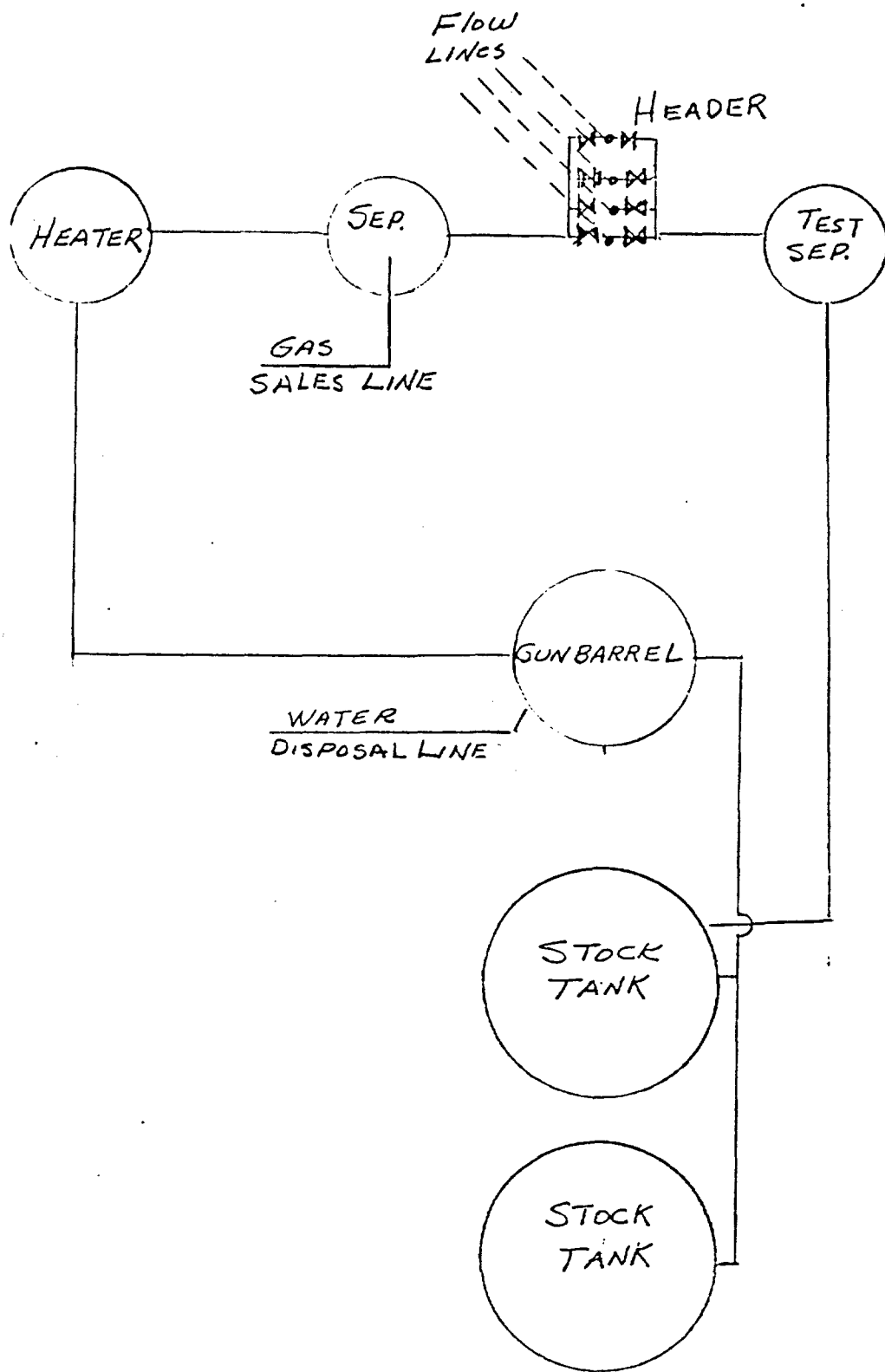
<u>Month</u>	<u>Avg. BOPD</u>	<u>API Grav. (Degrees)</u>
December, 1968	24	31.4
January, 1969	27	31.4
February, 1969	19	31.4

South Eunice Seven-Rivers Queen - State "A" a/c-2 #14

Potential test - 2-10-69 5 BOPD 33.8° API Gravity

Wtd. avg. gravity = 32.6°

Value of hydrocarbons will remain unchanged



COMMINGLING INSTALLATION
 STATE "A" a/c-2 Well #14
 TEXAS PACIFIC OIL COMPANY

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
COMMISSION OF THE STATE OF NEW
MEXICO FOR THE PURPOSE OF
CONSIDERING:

CASE NO. 928
Order No. R-679

THE APPLICATION OF CONTINENTAL OIL
COMPANY FOR AN EXCEPTION TO STATE-
WIDE RULE 303 FOR PRODUCTION INTO A
COMMON TANK BATTERY FOR ITS WELLS
LOCATED ON ITS LOCKHART B-31 LEASE
IN SECTION 31, TOWNSHIP 21 SOUTH, RANGE
36 EAST, NMPM, LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on July 14, 1955, at Santa Fe, New Mexico, before the Oil Conservation Commission, hereinafter referred to as the "Commission".

NOW, on this 11th., day of August, 1955, the Commission, a quorum being present, having considered the testimony adduced, and being fully advised in the premises,

FINDS:

- (1) That due notice of the time and place of hearing and the purpose thereof having been given as required by law, the Commission has jurisdiction of this case and the subject matter thereof.
- (2) That applicant is the co-owner and is the operator of the Lockhart B-31 lease consisting of the NW/4, E/2 SW/4 and the SE/4 of Section 31, Township 21 South, Range 36 East, NMPM, Lea County, New Mexico, containing 400 acres, more or less.
- (3) That applicant has five oil wells now producing on said lease; Wells No. 1 and No. 5 having been classified by Commission Order No. R-520 as producing from the Jalmat Gas Pool, whereas Wells No. 2, 3 and 4 are classified as South Eunice Oil Wells.
- (4) That under the provisions of Statewide Rule No. 303, Wells No. 1 and 5 should be produced into a separate battery from that into which the South Eunice Oil Wells are producing.
- (5) That the Commission has the authority to grant an exception to said Rule 303 after notice and hearing.
- (6) That said wells heretofore have produced into common tankage for several years in compliance with the Commission's Rules and Regulations.

(7) That the erection of a separate battery to receive oil production from the recently created Jalmat Gas Pool would result in unnecessary expense to the applicant.

IT IS THEREFORE ORDERED:

That the application of the Continental Oil Company for approval of an exception to Rule No. 303 of the Statewide Rules and Regulations, to permit the production of oil from the Jalmat Gas Pool from applicant's Lockhart B-31 Wells Nos. 1 and 5 to be commingled with the oil produced from applicant's Lockhart B-31 Wells No. 2, 3, and 4 in the South Eunice Oil Pool into a common tank battery, be and the same is hereby approved.

DONE at Santa Fe, New Mexico on the day and year hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

JOHN F. SIMMS, Chairman

E. S. WALKER, Member

W. B. MACEY, Member and Secretary

S E A L

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

COMMINGLING ORDER PC- 572

Company Cities Service Company
Address P. O. Box 1919
City, State, Zip Midland, Texas 79702

Attention: Mr. E. Y. Wilder

Lease Name: State H
Description: NE/4 Sec. 17, T-22-S, R-36-E, Lea County

The above-named company is hereby authorized to commingle production from the following pools

Jalmat and South Eunice Seven Rivers-Queen

in a common tank battery, and to determine the production from each pool by

separately metering the production from each pool prior to commingling

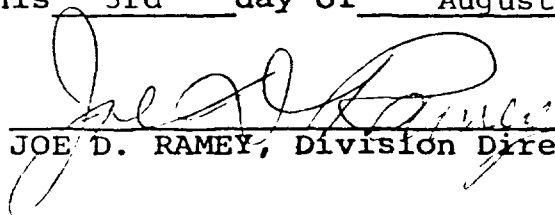
separately metering the production from
and determining the
production by the subtraction method

well tests (if this method is to be authorized, all commingled production must be of marginal nature; further, the operator shall notify the Santa Fe Office of the Division in the event any well producing into the commingled battery becomes capable of top allowable production, at which time the Division will amend this order or take such other action as may be appropriate)

Note: This installation shall be installed and operated in accordance with the applicable provisions of Rule 303 of the Division Rules and Regulations and the Division "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 3rd day of August, 197



JOE D. RAMEY, Division Director

JDR/DSN/dr

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
COMMISSION OF NEW MEXICO FOR
THE PURPOSE OF CONSIDERING:

CASE No. 2056
Order No. R-1767

APPLICATION OF GULF OIL CORPORATION
FOR PERMISSION TO COMMINGLE THE PRO-
DUCTION FROM SEVERAL SEPARATE LEASES
AND FOR AUTHORIZATION TO INSTALL TWO
AUTOMATIC CUSTODY TRANSFER SYSTEMS,
LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on August 24, 1960, at Santa Fe, New Mexico, before Daniel S. Nutter, Examiner duly appointed by the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission," in accordance with Rule 1214 of the Commission Rules and Regulations.

NOW, on this 9th day of September, 1960, the Commission, a quorum being present, having considered the application, the evidence adduced, and the recommendations of the Examiner, Daniel S. Nutter, and being fully advised in the premises,

FINDS:

(1) That due public notice having been given as required by law, the Commission has jurisdiction of this cause and the subject matter thereof.

(2) That the applicant, Gulf Oil Corporation, is the owner and operator of the following-described leases in Lea County, New Mexico:

William A. Ramsay "A" Lease, consisting of all of Sections 27, 34 and 35,

Arnott Ramsay "C" Lease, consisting of the S/2, NW/4, N/2 NE/4, and SW/4 NE/4 of Section 21,

Arnott Ramsay "D" Lease, consisting of all of Section 33,

J. F. Janda "A" Lease, consisting of the E/2 SE/4 of Section 20,

J. F. Janda "B" Lease, consisting of the SE/4 of Section 32,

Harry Leonard "A" Lease, consisting of the S/2
and the NE/4 of Section 22,

all in Township 21 South, Range 36 East, NMPM, and the

J. F. Janda "F" Lease, consisting of all of
Section 4,

Harry Leonard "D" Lease, consisting of all of
Section 3,

both in Township 22 South, Range 36 East, NMPM.

(3) That the applicant has previously been authorized to commingle the production from the Arrowhead, Eumont, Eunice-Monument, South Eunice, and Jalmat Pools, Lea County, New Mexico, from all wells on each of the above-described leases.

(4) That the applicant now seeks an order authorizing it to produce this commingled production from all wells on the said Ramsay Leases into one battery and to produce the commingled production from the said Janda and Leonard Leases into another battery. Further, the applicant seeks permission to install two automatic custody transfer systems, one to handle the commingled production from the Ramsay Leases, the other to handle the commingled production from the Janda and Leonard Leases.

(5) That the ownership of the said Ramsay Leases is common throughout and the ownership of the said Janda and Leonard Leases is common throughout. Accordingly, approval of the request to commingle the production from the separate leases will neither cause waste nor impair correlative rights.

(6) That the previous use of automatic custody transfer equipment, similar to that proposed by the applicant, has shown that such equipment is a reliable and economic means of transferring the custody of oil, and that the use of such equipment should be permitted, provided adequate safety features are incorporated therein.

IT IS THEREFORE ORDERED:

(1) That the applicant be and the same is hereby authorized to produce the Arrowhead, Eumont, South Eunice, and Eunice Pool production from the following-described leases into a common tank battery:

William A. Ramsay "A" Lease, consisting of all of
Sections 27, 34 and 35,

Arnott Ramsay "C" Lease, consisting of the S/2,
NW/4, N/2 NE/4, and SW/4 NE/4 of Section 21,

Arnott Ramsay "D" Lease, consisting of all of
Section 33,

Township 21 South, Range 36 East, NMPM.

(2) That the applicant be and the same is hereby authorized to install an automatic custody transfer system to handle the above-mentioned commingled production.

(3) That the applicant be and the same is hereby authorized to produce the Eumont, South Eunice, Eunice-Monument, and Jalmat Pool production from the following-described leases into a common tank battery:

J. F. Janda "A" Lease, consisting of the E/2 SE/4
of Section 20,

J. F. Janda "B" Lease, consisting of the SE/4 of
Section 32,

Harry Leonard "A" Lease, consisting of the S/2
and the NE/4 of Section 22,

all in Township 21 South, Range 36 East, NMPM, and the

J. F. Janda "F" Lease, consisting of all of
Section 4,

Harry Leonard "D" Lease, consisting of all of
Section 3,

both in Township 22 South, Range 36 East, NMPM.

(4) That the applicant be and the same is hereby authorized to install an automatic custody transfer system to handle the above-mentioned commingled production.

PROVIDED HOWEVER, That there shall be no commingling of the production from either of the above-described common tank batteries or automatic custody transfer systems prior to the marketing of said production.

PROVIDED FURTHER, That the applicant shall install adequate facilities to permit the testing of all wells located on the above-described leases at least once each month to determine the individual production from each zone of each well.

PROVIDED FURTHER, That the applicant shall install storage facilities capable of handling the total production from said leases during the maximum unattended hours of operation.

-4-

CASE No. 2056
Order No. R-1767

IT IS FURTHER ORDERED:

That all meters used in the above-described automatic custody transfer systems shall be operated and maintained in such a manner as to ensure an accurate measurement of the liquid hydrocarbon production at all times.

That meters shall be checked for accuracy at least once each month until further direction by the Secretary-Director.

That meters shall be calibrated against a master meter or against a test tank of measured volume and the results of such calibration filed with the Commission on the Commission form entitled "Meter Test Report."

DONE at Santa Fe, New Mexico, on the day and year herein-above designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

JOHN BURROUGHS, Chairman

MURRAY E. MORGAN, Member

A. L. PORTER, Jr., Member & Secretary

S E A L

esr/

TRANSPORTER - OPERATOR - POOL - LEASE	COMMINGLED AUTHORITY	WELL COUNT	OIL ALLOWABLE	OIL PRODUCTION	QUAL. OIL OP	BATTERY VOLUME	ENDING STOCKS
EMPIRE ABO STATE S 19		2	4260	350			
EMPIRE ABO STATE 19 BATTERY TOTAL			4260	350			
=====							
JOHN H HENDRIX CORP	*****						
BLINERY OIL AND GAS BELCHER		1	840	339			
BRUNSON DRINKARD ABO, SOUTH BELCHER A		1	1020	274			
BLINERY OIL AND GAS BELCHER A		1	60	16			
BRUNSON DRINKARD ABO, SOUTH BELCHER		1	240	97			
TUBB OIL AND GAS BELCHER		1	120	48			
TUBB OIL AND GAS BELCHER A		1	120	33			
PRESIDIO EXPLORATION INC.	*****						
D-K ABO LAND 31 FEDERAL		1	660	138			
TERRY BLINERY EAST FEDERAL		2	840	175			
LAND 31 BATTERY TOTAL			1500	313			
=====							
EL PASO NATURAL GAS COMPANY							
AMERICAN EXPLORATION CG.	*****						
JALMAT TANSILL YATES SEVEN RIVERS NEW MEXICO H STATE		1					
EIMONT YATES SEVEN RIVERS QUEEN NEW MEXICO H STATE		1	2400	55			
LANGLIE MATTIX 7 RVS 0 GRAYBURG NEW MEXICO H STATE BATTERY TOTAL		60	999999	2799			
		19	15680	2177			
=====							
J.M. PETROLEUM CORP.							
MOBIL PRODUCING TEXAS AND NEW MEXICO STATE L	*****						
VACUUM ABO, NORTH STATE L		2	10650	372			
VACUUM ABO, NORTH STATE PP BATTERY TOTAL			10650	200			
		1	21300	572			
=====							
M. A. MONCRIEF, JR.	*****						

J.M. PETROLEUM CORP.	TRANSPORTER - OPERATOR - POOL - LEASE	WELL COUNT	OIL ALLOWABLE	OIL PRODUCTION	QUAL. OIL OP	BATTERY VOLUME	ENDING STOCKS
	LYNNGTON PADDOCK YATES STATE						
	LYNNGTON PENN. NORTHEAST YATES STATE BATTERY TOTAL						
	PETRUS OIL CO., L.P.						
	MALJANAR GRAYBURG SAN ANDRES STATE D						
	SAMUAL QUEEN STATE D BATTERY TOTAL						
	KNOX OIL CO						
	ARC0 OIL & GAS COMPANY						
	DRINKARD A M YORK						
	BLINERY OIL AND GAS A M YORK BATTERY TOTAL						
	CONOCO, INC.						
	SHOE BAR WOLFECAMP, NORTH CHAMBERS						
	SHOE BAR WOLFECAMP, NORTH ELMOKE						
	SHOE BAR WOLFECAMP, NORTH HUSTON BATTERY TOTAL						
	GRAHAM ROYALTY LTD						
	LEA WOLFECAMP SOUTHEAST (GAS)						
	SOUTHEAST LEA UNIT BATTERY TOTAL						
	D SUDO MORGAN, WEST (GAS) SOUTHEAST LEA UNIT BATTERY TOTAL						
	HONDO OIL AND GAS COMPANY						
	TEAS PENN. (GAS) MAHAFFEY ARC FEDERAL						
	TEAS BONE ARC FEDERAL MAHAFFEY BATTERY TOTAL						
	PEARL QUEEN MESCALERO RIDGE UNIT 35						
	PEARL SEVEN RIVERS MESCALERO RIDGE UNIT 35 BATTERY TOTAL						
	RED LAKE QUEEN GRAYBURG SA						

PERMIAN TRANSPORTER - OPERATOR - POOL - LEASE
 JUNE 1989 SOUTH-EAST MONTHLY STATISTICAL SECTION REPORT
 VOLUME V PAGE 234

WELL	COMINGLING AUTHORITY	WELL COUNT	OIL ALLOWABLE	OIL PRODUCTION	CUMUL OIL	BATTERY RISE VOLUME	DISP	ENDING STORAGE	LA CO
MCCOATTERS BATTERY TOTAL		5	5610	689		758 PER		234	F
OIL CENTER GLORIEITA (OIL)		1	3210	661					S
STATE C TR II		1							S
HARDY BLINERY		5	10830	817					S
STATE C TR II		1							S
HARDY TUBB DRINKARD		2	1200	148				409	S
STATE C TR II		1	15240	1626		142 PER			S
BATTERY TOTAL		8							S
ARCO OIL & GAS COMPANY									S
JANMAT TANSILL YI 7 RWRS (PRG GAS)		1	146	146					F
DUMMIE ANDREWS MN		1							F
LANGLIE MATIIX 7 RWRS Q (GRAYBURG)		1	2400						F
DUMMIE ANDREWS FEDERAL		1							F
LANGLIE MATIIX 7 RWRS Q (GRAYBURG)		3	5400	318					F
DUMMIE ANDREWS MN		1	7946	464		542 PER		83	F
BATTERY TOTAL		5							F
BARBER OIL INCORPORATED									F
BARBER YATES		3	4800	368					F
CONSILAZIER		1							F
BARBER YATLS		1	2400	248					F
STATE		1							F
BARBER YATES		2	4800	273					F
STATE A		1							F
BARBER YATES		3	4800	545					F
STOVALL WOOD		1							F
BARBER YATES		1			336				F
L F KAYMOUX A		1							F
PCA YATES		5	9600	85					F
KEYES									F
BASS ENTERPRISES PRODUCTION CO.									F
BUMTON FLAT STAMM (PREAMATED GAS)		1							F
BASS STATE COM		1							F
BUMTON FLAT MOKKON (PREAMATED GAS)		1							F
BASS STATE COM		2							F
BATTERY TOTAL		2							F
BEACH EXPLORATION INC.									F
SAMYER SAN ANDRES (ASSOCIATED)		1	2400	173					F
ARCO A FEDERAL		1							F
SAMYER SAN ANDRES (ASSOCIATED)		1	2400	173					F
ARCO FEDERAL		2	4800	346		446 PER		131	F
BATTERY TOTAL		2							F
RED LAKE QUEEN GRAYBURG, EAST		1	2400	28					F
NEW MEXICO 36		1							F
RED LAKE QUEEN GRAYBURG, EAST		1	2400	28					F
NEW MEXICO 36		1							F
RED LAKE QUEEN GRAYBURG, EAST		1	2400	47					F
NEW MEXICO 36		1							F

PERMIAN TRANSPORTER - OPERATOR - POOL - LEASE
 RED LAKE QUEEN GRAYBURG, EAST
 NEW MEXICO 36
 RED LAKE QUEEN GRAYBURG, EAST
 NEW MEXICO 35 STATE
 RED LAKE QUEEN GRAYBURG, EAST
 NEW MEXICO 36
 RED LAKE QUEEN GRAYBURG, EAST
 NEW MEXICO 36
 BRAVO OPERATING CO.
 NADINE BLINERY, WEST
 EGGBERT
 NADINE DRINKARD, WEST
 EGGBERT
 BATTERY TOTAL
 BLINERY OIL AND GAS
 FEDERAL 7
 DRINKARD
 FEDERAL 7
 BATTERY TOTAL
 NADINE BLINERY, WEST
 HERMAN
 NADINE TUBB, WEST
 HERMAN
 BATTERY TOTAL
 NADINE BLINERY, WEST
 MODY
 SKAGGS DRINKARD
 SHAMU
 NADINE DRINKARD, WEST
 HOBY
 BATTERY TOTAL
 CHEVRON U.S.A. INC
 JANMAT TANSILL YATES SEVEN RIV
 ARNOTT RAMSAY NCT E
 LANGLIE MATIIX 7 RWRS Q GRAYBURG
 ARNOTT RAMSAY NCT E
 BATTERY TOTAL
 DRINKARD
 YATES
 BLINERY OIL AND GAS
 YATES
 ANTZ ABO
 YATES
 ANTZ GRANITE WASH

TRANSPORTER - OPERATOR - POOL - LEASE	COMMINGLED AUTHORITY	WELL COUNT	OIL ALLOWABLE	OIL PRODUCTION	GAL. OIL	BATTERY RUNS	ENDING STORAGE
MAMBOB ENERGY COMP BATTERY TOTAL	*****	10	12000	453		570TNN	412
MALJAMAR GRAYBURG SAN ANDRES MILLER B	CTB 107	2	559959	231			
MALJAMAR GRAYBURG SAN ANDRES MILLER BX BATTERY TOTAL	CTB 107	7	595999	229	1612	722TNN	94
MARK AND GARNER PRODUCTION COMPANY WILSON YATES SEVEN RIVERS STATE E	*****	1					
WILSON YATES SEVEN RIVERS STATE 23 BATTERY TOTAL	R 721	1				TNN	
JACK MAXHAM BLINEBRY OIL AND GAS STATE 36	*****	1	840	252			
DRINKARD STATE 36 BATTERY TOTAL	*****	2	4620	154			
DALLAS HCCASLAND SUNGE SEVEN RIVERS QUEEN, SOUTH BEN CLOSSON	*****	3	5460	406		469TNN	132
JAMAT JANSILL YATES SEVEN RIVERS TOM CLOSSON BATTERY TOTAL	R 663	4	7200	278			
CABIN QUEEN STATE BY	R 663	4	5600	209			
MALJAMAR GRAYBURG SAN ANDRES STATE BY BATTERY TOTAL	R 663	7	16800	487		438TNN	246
MOBL PRODUCING TEXAS AND NEW MEXICO DRINKARD BRUNSON ARCO	PLC 25	2	4800	97			
BRUNSON ARCO	*****	2	9600	218		219TNN	290
BLINEBRY OIL AND GAS BRUNSON ARCO	*****	3	4520	130			
TUBB OIL AND GAS BRUNSON ARCO BATTERY TOTAL	PC 163	3	78	39			
BLINEBRY OIL AND GAS CARSON WATSON COH	PC 163	11	4598	169		184TNN	184
TUBB OIL AND GAS CARSON WATSON COH BATTERY TOTAL	SE RL34	1					
BLINEBRY OIL AND GAS E O CARSON	SE RL34	1				TNN	
TUBB OIL AND GAS	SE RL34	2					
	R 2079	2					

TEXAS NEW MEXICO
TRANSPORTER - OPERATOR - POOL - LEASE
MAMBOB ENERGY COMP
MILLER B
MILLER BX
MARK AND GARNER PRODUCTION COMPANY
WILSON YATES SEVEN RIVERS
STATE E
WILSON YATES SEVEN RIVERS
STATE 23
JACK MAXHAM
BLINEBRY OIL AND GAS
STATE 36
DRINKARD
STATE 36
DALLAS HCCASLAND
SUNGE SEVEN RIVERS QUEEN, SOUTH
BEN CLOSSON
JAMAT JANSILL YATES SEVEN RIVERS
TOM CLOSSON
CABIN QUEEN
STATE BY
MALJAMAR GRAYBURG SAN ANDRES
STATE BY
MOBL PRODUCING TEXAS AND NEW MEXICO
DRINKARD
BRUNSON ARCO
BRUNSON ARCO
BLINEBRY OIL AND GAS
BRUNSON ARCO
TUBB OIL AND GAS
BRUNSON ARCO
BLINEBRY OIL AND GAS
CARSON WATSON COH
CARSON WATSON COH BATTERY TOTAL
BLINEBRY OIL AND GAS
E O CARSON
TUBB OIL AND GAS

OIL CONSERVATION COMMISSION
TEXAS PACIFIC OIL COMPANY
SANTA FE, NEW MEXICO 87501
Hobbs, New Mexico 88240

April 11, 1969

Texas Pacific Oil Company
P. O. Box 1069

Hobbs, New Mexico 88240

P. O. Box 1069

Attention: Mr. Sheldon Ward

Attention: Mr. A. L. Porter, Jr., Secretary-Director

Administrative Order PC-373

Gentlemen:

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Very truly yours,

A. L. PORTER, Jr.
Secretary-Director

SL:nb

ALP/DSN/esr

cc: Oil Conservation Commission (with enclosure) - Hobbs
Oil & Gas Engineering Committee - Hobbs
State Land Office - Santa Fe

COPY

TEXAS PACIFIC OIL COMPANY

P. O. Box 1069
Hobbs, New Mexico 88240

March 21, 1969

MAIN OFFICE

'69 MAR 25 AM 8 24

OC-373

New Mexico Oil Conservation Commission
P. O. Box 2088
Santa Fe, New Mexico

Attention: Mr. A. L. Porter, Jr., Secretary-Director

Re: State "A" a/c-2 Lease
Commingling of Arrowhead
and South Eunice Production
Section 11, T-22-S, R-36-E
Lea County, New Mexico

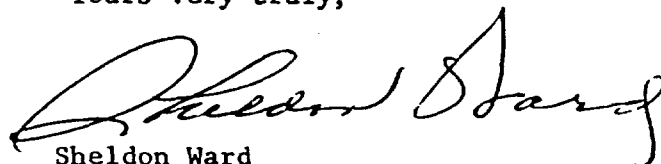
Gentlemen:

Texas Pacific Oil Company respectfully requests administrative approval of exception to Rule 303 (Segregation of Production from Pools) for its State "A" a/c-2, Well No. 14, South Eunice Seven-Rivers Queen and State "A" a/c-2, Wells No. 13, 15 and 16, Arrowhead Grayburg, Lea County, New Mexico to permit the commingling in common facilities the commonly owned production from the two pools. State "A" a/c-2 No. 14 has recently been recompleted from Eumont Gas to South Eunice oil and Jalmat gas dual.

Attached is a tabulation giving the comparative gravity of the liquid hydrocarbons, the volumes presently produced from the above wells, the value of the hydrocarbons and the expected gravity and values of the commingled production.

The wells in each pool are marginal and are physically incapable of producing top allowable from their respective pools; therefore, commingling will be accomplished, as designed on attached schematic. Production will be allocated from each well on the basis of well tests conducted periodically.

Yours very truly,



Sheldon Ward
Area Superintendent

SW:nb

Attachment

cc: N. M. O. C. C. - Hobbs
Commissioner of Public Lands - Santa Fe

TEXAS PACIFIC OIL COMPANY
Hobbs Area
Table I - Production Data

64117 01
1969 MAR 25 AM 8 24

Arrowhead Grayburg - State "A" A/c-2 #13 - 15 - 16

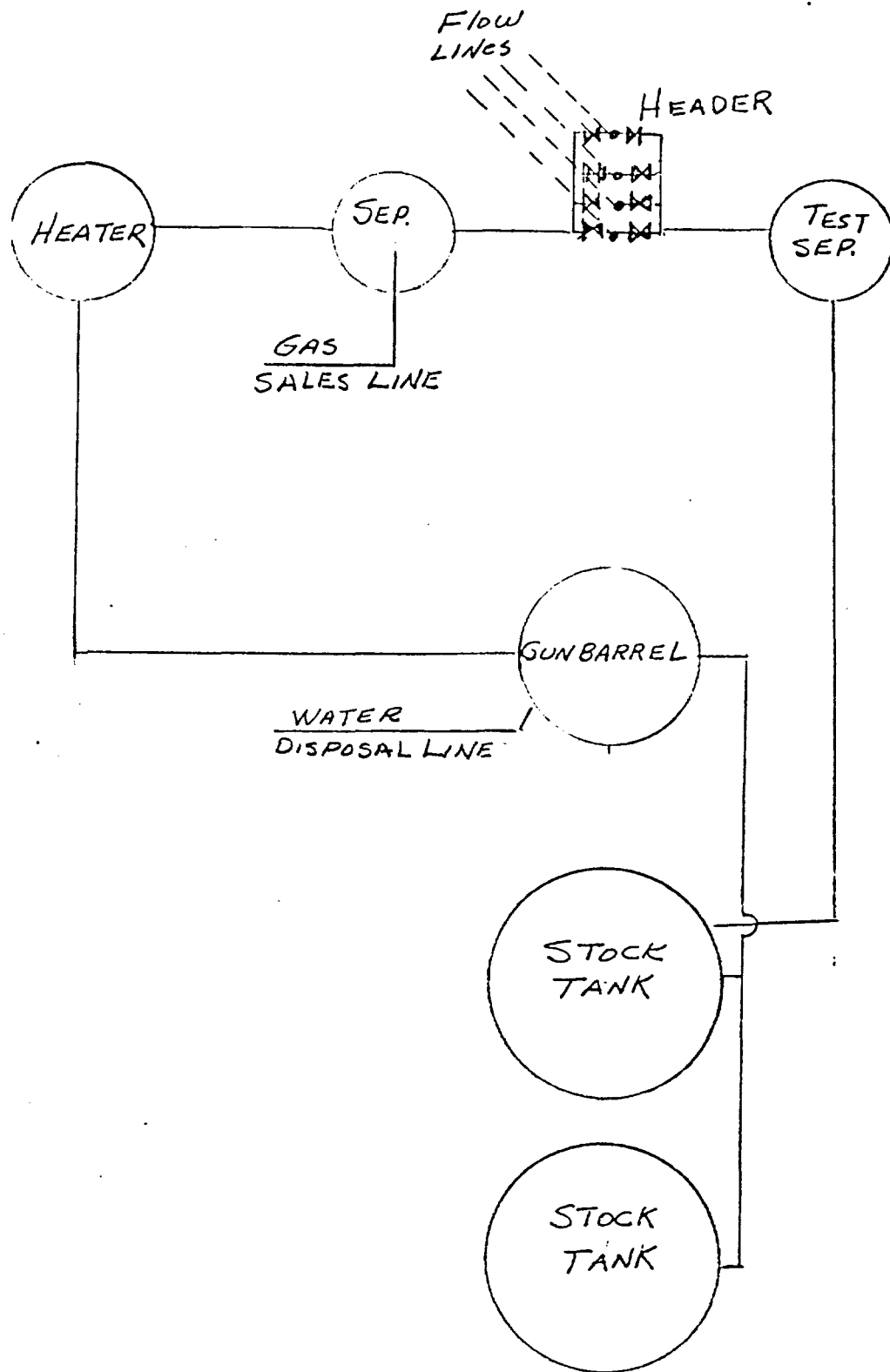
<u>Month</u>	<u>Avg. BOPD</u>	<u>API Grav. (Degrees)</u>
December, 1968	24	31.4
January, 1969	27	31.4
February, 1969	19	31.4

South Eunice Seven-Rivers Queen - State "A" a/c-2 #14

Potential test - 2-10-69 5 BOPD 33.8° API Gravity

Wtd. avg. gravity = 32.6°

Value of hydrocarbons will remain unchanged



COMINGLING INSTALLATION
 STATE "A" a/c-2 Well #14
 TEXAS PACIFIC OIL COMPANY

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
COMMISSION OF THE STATE OF NEW
MEXICO FOR THE PURPOSE OF
CONSIDERING:

CASE NO. 928
Order No. R-679

THE APPLICATION OF CONTINENTAL OIL
COMPANY FOR AN EXCEPTION TO STATE-
WIDE RULE 303 FOR PRODUCTION INTO A
COMMON TANK BATTERY FOR ITS WELLS
LOCATED ON ITS LOCKHART B-31 LEASE
IN SECTION 31, TOWNSHIP 21 SOUTH, RANGE
36 EAST, NMPM, LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on July 14, 1955, at Santa Fe, New Mexico, before the Oil Conservation Commission, hereinafter referred to as the "Commission".

NOW, on this 11th., day of August, 1955, the Commission, a quorum being present, having considered the testimony adduced, and being fully advised in the premises,

FINDS:

- (1) That due notice of the time and place of hearing and the purpose thereof having been given as required by law, the Commission has jurisdiction of this case and the subject matter thereof.
- (2) That applicant is the co-owner and is the operator of the Lockhart B-31 lease consisting of the NW/4, E/2 SW/4 and the SE/4 of Section 31, Township 21 South, Range 36 East, NMPM, Lea County, New Mexico, containing 400 acres, more or less.
- (3) That applicant has five oil wells now producing on said lease; Wells No. 1 and No. 5 having been classified by Commission Order No. R-520 as producing from the Jalmat Gas Pool, whereas Wells No. 2, 3 and 4 are classified as South Eunice Oil Wells.
- (4) That under the provisions of Statewide Rule No. 303, Wells No. 1 and 5 should be produced into a separate battery from that into which the South Eunice Oil Wells are producing.
- (5) That the Commission has the authority to grant an exception to said Rule 303 after notice and hearing.
- (6) That said wells heretofore have produced into common tankage for several years in compliance with the Commission's Rules and Regulations.

(7) That the erection of a separate battery to receive oil production from the recently created Jalmat Gas Pool would result in unnecessary expense to the applicant.

IT IS THEREFORE ORDERED:

That the application of the Continental Oil Company for approval of an exception to Rule No. 303 of the Statewide Rules and Regulations, to permit the production of oil from the Jalmat Gas Pool from applicant's Lockhart B-31 Wells Nos. 1 and 5 to be commingled with the oil produced from applicant's Lockhart B-31 Wells No. 2, 3, and 4 in the South Eunice Oil Pool into a common tank battery, be and the same is hereby approved.

DONE at Santa Fe, New Mexico on the day and year hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

JOHN F. SIMMS, Chairman

E. S. WALKER, Member

W. B. MACEY, Member and Secretary

S E A L

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

COMMINGLING ORDER PC- 572

Company Cities Service Company
Address P. O. Box 1919
City, State, Zip Midland, Texas 79702

Attention: Mr. E. Y. Wilder

Lease Name: State H
Description: NE/4 Sec. 17, T-22-S, R-36-E, Lea County

The above-named company is hereby authorized to commingle production from the following pools

Jalmat and South Eunice Seven Rivers-Queen

in a common tank battery, and to determine the production from each pool by

 separately metering the production from each pool prior to commingling

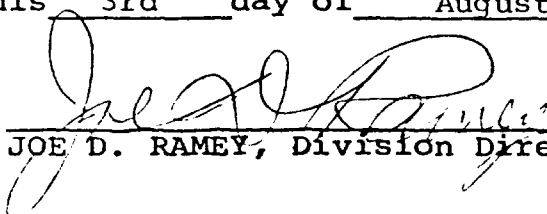
 separately metering the production from
and determining the
production by the subtraction method

 x well tests (if this method is to be authorized, all commingled production must be of marginal nature; further, the operator shall notify the Santa Fe Office of the Division in the event any well producing into the commingled battery becomes capable of top allowable production, at which time the Division will amend this order or take such other action as may be appropriate)

Note: This installation shall be installed and operated in accordance with the applicable provisions of Rule 303 of the Division Rules and Regulations and the Division "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 3rd day of August , 19 7



JOE D. RAMEY, Division Director

JDR/DSN/dr

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
COMMISSION OF NEW MEXICO FOR
THE PURPOSE OF CONSIDERING:

CASE No. 2056
Order No. R-1767

APPLICATION OF GULF OIL CORPORATION
FOR PERMISSION TO COMMINGLE THE PRO-
DUCTION FROM SEVERAL SEPARATE LEASES
AND FOR AUTHORIZATION TO INSTALL TWO
AUTOMATIC CUSTODY TRANSFER SYSTEMS,
LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on August 24, 1960, at Santa Fe, New Mexico, before Daniel S. Nutter, Examiner duly appointed by the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission," in accordance with Rule 1214 of the Commission Rules and Regulations.

NOW, on this 9th day of September, 1960, the Commission, a quorum being present, having considered the application, the evidence adduced, and the recommendations of the Examiner, Daniel S. Nutter, and being fully advised in the premises,

FINDS:

(1) That due public notice having been given as required by law, the Commission has jurisdiction of this cause and the subject matter thereof.

(2) That the applicant, Gulf Oil Corporation, is the owner and operator of the following-described leases in Lea County, New Mexico:

William A. Ramsay "A" Lease, consisting of all of Sections 27, 34 and 35,

Arnott Ramsay "C" Lease, consisting of the S/2, NW/4, N/2 NE/4, and SW/4 NE/4 of Section 21,

Arnott Ramsay "D" Lease, consisting of all of Section 33,

J. F. Janda "A" Lease, consisting of the E/2 SE/4 of Section 20,

J. F. Janda "B" Lease, consisting of the SE/4 of Section 32,

Harry Leonard "A" Lease, consisting of the S/2
and the NE/4 of Section 22,

all in Township 21 South, Range 36 East, NMPM, and the

J. F. Janda "F" Lease, consisting of all of
Section 4,

Harry Leonard "D" Lease, consisting of all of
Section 3,

both in Township 22 South, Range 36 East, NMPM.

(3) That the applicant has previously been authorized to commingle the production from the Arrowhead, Eumont, Eunice-Monument, South Eunice, and Jalmat Pools, Lea County, New Mexico, from all wells on each of the above-described leases.

(4) That the applicant now seeks an order authorizing it to produce this commingled production from all wells on the said Ramsay Leases into one battery and to produce the commingled production from the said Janda and Leonard Leases into another battery. Further, the applicant seeks permission to install two automatic custody transfer systems, one to handle the commingled production from the Ramsay Leases, the other to handle the commingled production from the Janda and Leonard Leases.

(5) That the ownership of the said Ramsay Leases is common throughout and the ownership of the said Janda and Leonard Leases is common throughout. Accordingly, approval of the request to commingle the production from the separate leases will neither cause waste nor impair correlative rights.

(6) That the previous use of automatic custody transfer equipment, similar to that proposed by the applicant, has shown that such equipment is a reliable and economic means of transferring the custody of oil, and that the use of such equipment should be permitted, provided adequate safety features are incorporated therein.

IT IS THEREFORE ORDERED:

(1) That the applicant be and the same is hereby authorized to produce the Arrowhead, Eumont, South Eunice, and Eunice Pool production from the following-described leases into a common tank battery:

William A. Ramsay "A" Lease, consisting of all of
Sections 27, 34 and 35,

Arnott Ramsay "C" Lease, consisting of the S/2,
NW/4, N/2 NE/4, and SW/4 NE/4 of Section 21,

-3-
CASE No. 2056
Order No. R-1767

Arnott Ramsay "D" Lease, consisting of all of
Section 33,

Township 21 South, Range 36 East, NMPM.

(2) That the applicant be and the same is hereby authorized to install an automatic custody transfer system to handle the above-mentioned commingled production.

(3) That the applicant be and the same is hereby authorized to produce the Eumont, South Eunice, Eunice-Monument, and Jalmat Pool production from the following-described leases into a common tank battery:

J. F. Janda "A" Lease, consisting of the E/2 SE/4
of Section 20,

J. F. Janda "B" Lease, consisting of the SE/4 of
Section 32,

Harry Leonard "A" Lease, consisting of the S/2
and the NE/4 of Section 22,

all in Township 21 South, Range 36 East, NMPM, and the

J. F. Janda "F" Lease, consisting of all of
Section 4,

Harry Leonard "D" Lease, consisting of all of
Section 3,

both in Township 22 South, Range 36 East, NMPM.

(4) That the applicant be and the same is hereby authorized to install an automatic custody transfer system to handle the above-mentioned commingled production.

PROVIDED HOWEVER, That there shall be no commingling of the production from either of the above-described common tank batteries or automatic custody transfer systems prior to the marketing of said production.

PROVIDED FURTHER, That the applicant shall install adequate facilities to permit the testing of all wells located on the above-described leases at least once each month to determine the individual production from each zone of each well.

PROVIDED FURTHER, That the applicant shall install storage facilities capable of handling the total production from said leases during the maximum unattended hours of operation.

-4-

CASE No. 2056
Order No. R-1767

IT IS FURTHER ORDERED:

That all meters used in the above-described automatic custody transfer systems shall be operated and maintained in such a manner as to ensure an accurate measurement of the liquid hydrocarbon production at all times.

That meters shall be checked for accuracy at least once each month until further direction by the Secretary-Director.

That meters shall be calibrated against a master meter or against a test tank of measured volume and the results of such calibration filed with the Commission on the Commission form entitled "Meter Test Report."

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION
JOHN BURROUGHS, Chairman

MURRAY E. MORGAN, Member

A. L. PORTER, Jr., Member & Secretary

S E A L

esr/

TRANSPORTER - OPERATOR - POOL - LEASE	COMMINGLING AUTHORITY	WELL COUNT	OIL ALLOWABLE	OIL PRODUCTION	PERCENT OF PRODUCTION	BATTERY NAME	ENDING STOCK
EMPIRE ABO STATE S 19		2	4260	350			
EMPIRE ABO STATE 19 BATTERY TOTAL			4260	350			
=====							
JOHN H HENDRIX CORP	*****						
BLINBERRY OIL AND GAS BELCHER		1	840	339			
BRUNSON DRINKARD ABO, SOUTH BELCHER		1	1020	274			
BLINBERRY OIL AND GAS BELCHER A		1	60	16			
BRUNSON DRINKARD ABO, SOUTH BELCHER		1	240	97			
TUBB OIL AND GAS BELCHER		1	120	48			
TUBB OIL AND GAS BELCHER A		1	120	33			
PRESIDIO EXPLORATION INC.	*****						
D-K ABO LAND 31 FEDERAL		1	660	138			
TERRY BLINBERRY EAST LAND 31 FEDERAL BATTERY TOTAL		2	840 1500	175 313			
=====							
EL PASO NATURAL GAS COMPANY							
AMERICAN EXPLORATION CO.	*****						
JALMAT TANSILL YATES SEVEN RIVERS NEW MEXICO M STATE		1	2400	55			
ELMONI YATES SEVEN RIVERS QUEEN NEW MEXICO M STATE BATTERY TOTAL		1	2400	55			
LANGLIE HATTIX 7 RVR S Q GRAYBURG NEW MEXICO M STATE BATTERY TOTAL		60	999999	2799			
J-M PETROLEUM CORP.	*****						
MOBIL PRODUCING TEXAS AND NEW MEXICO STATE L		2	10650	372			
VACUUM ABO, NORTH STATE PP BATTERY TOTAL		1	10650 24300	372 572			
=====							
M. A. MONQUIE, JR.	*****						

J.M. PETROLEUM COMP.	TRANSPORTER - OPERATOR - POOL - LEASE
	LYNCHINGTON PADDOCK YATES STATE
	LOYANGTON PENN, NORTHEAST YATES STATE BATTERY TOTAL
	PETRUS OIL CO., L.P.
	MALJAMAR GRAYBURG SAN ANDRES STATE D
	SANMAY QUEEN BATTERY TOTAL BATTERY TOTAL
	KOCH OIL CO
	ARCDO OIL C GAS COMPANY DRINKARD A M YORK
	BLINBERRY OIL AND GAS A M YORK BATTERY TOTAL
	CONOCO, INC.
	SHOE BAR WOLFECAMP, NORTH CHAMBERS
	SHOE BAR WOLFECAMP, NORTH GILMOKE
	SHOE BAR WOLFECAMP, NORTH CUSTON BATTERY TOTAL
	GRAHAM ROYALTY LTD
	LEA WOLFECAMP, SOUTHEAST (GAS) SOUTHEAST LEA UNIT
	OSIUD MORROW, WEST (GAS) SOUTHEAST LEA UNIT BATTERY TOTAL
	HONDO OIL AND GAS COMPANY
	TEAS PENN. (GAS) MAHAFFEY ARC FEDERAL
	TEAS BONE SPRING MAHAFFEY ARC FEDERAL BATTERY TOTAL
	PEARL QUEEN MESCALERO RIDGE UNIT 35
	PEARL SEVEN RIVERS MESCALERO RIDGE UNIT 35 BATTERY TOTAL
	RED LAKE QUEEN GRAYBURG SA

PERMIAN MONTHLY STATISTICAL REPORT JUNE 1989 SOUTHEAST COMINGLED SECTION

OPERATOR - POOL - LEASE	DOMINATING AUTHORITY	WELL COUNT	OIL ALLOWABLE	OIL PRODUCTION	PERCENT OF OIL	BATTERY RUNS VOLUME	DISP	ENDING STORAGE	PAGE
MCCOY BATTERY TOTAL		5	5610	689		758 PER		234	
OIL CENTER GLORIFETA (OIL) STATE C TR II		1	3210	661					
HARDY BLINERY STATE C TR II		5	10830	817					
HARDY TUBB DRINKARD STATE C TR II BATTERY TOTAL		2	1200	148		142 PER		409	
ARCO OIL & GAS COMPANY									
JALMAT TANSILL YI 7 RWRS (PRO GAS) OILMIE ANDREWS MN		1	146	146					
LANGLIE MATTIX 7 RWRS G GRAYBURG OILMIE ANDREWS FEDERAL		1	2400						
LANGLIE MATTIX 7 RWRS G GRAYBURG OILMIE ANDREWS MN BATTERY TOTAL		3	5400	318		542 PER		83	
BARBER OIL INCORPORATED									
BARBER YATES		3	4800	368					
COMLAZIER									
BARBER YATES STATE		1	2400	248					
BARBER YATES STAFF A		2	4800	272					
BARBER YATES STONALL WOOD		3	4800	545					
CAK SBAO DELAMARE L F RAYROUX A		1			336				
PCA YATES KEYES		5	9600	85					
BASS ENTERPRISES PRODUCTION CO.									
BUMTON FLAT SHAWN (PRELEASED GAS) BASS STATE COM		1							
BUMTON FLAT MOKKOW (PRELEASED GAS) BASS STATE BATTERY TOTAL		2							
BEACH EXPLORATION INC.									
SAMYER SAN ANDRES (ASSOCIATED) ARCO A FEDERAL		1	2400	173					
SAMYER SAN ANDRES (ASSOCIATED) ARCO FEDERAL BATTERY TOTAL		2	2400	173		446 PER			
RED LAKE QUEEN GRAYBURG, EAST NEW MEXICO 36		1	2400	28					
RED LAKE QUEEN GRAYBURG, EAST NEW MEXICO 36		1	2400	47					

OPERATOR - POOL - LEASE	ENDING STORAGE	PAGE
RED LAKE QUEEN GRAYBURG, EAST NEW MEXICO 36	137	
RED LAKE QUEEN GRAYBURG, EAST NEW MEXICO 35 STATE		
RED LAKE QUEEN GRAYBURG, EAST NEW MEXICO 36		
RED LAKE QUEEN GRAYBURG, EAST NEW MEXICO 36		
RED LAKE QUEEN GRAYBURG, EAST NEW MEXICO 36		
BRavo OPERATING CO.		
NADINE BLINERY, WEST		
EGGERT		
NADINE DRINKARD, WEST BATTERY TOTAL		
BLINERY OIL AND GAS FEDERAL 7		
DRINKARD FEDERAL 7 BATTERY TOTAL		
NADINE BLINERY, WEST HERMAN		
NADINE TUBB, WEST		
NADINE BLINERY, WEST MOBY		
SKAGGS DRINKARD SHAMU		
NADINE DRINKARD, WEST MOBY BATTERY TOTAL		
CHEVRON U.S.A. INC		
JALMAT TANSILL YATES SEVEN RIVER ARCO RAMSAY NCT E		
LANGLIE MATTIX 7 RWRS G GRAYBURG RAMSAY NCT E BATTERY TOTAL		
DRINKARD		
BLINERY OIL AND GAS		
ANTZ ABO		
ANTZ GRANITE WASH		

TRANSPORTER - OPERATOR - POOL - LEASE	COMMINGLING AUTHORITY	WELL COUNT	OIL ALLOWABLE	OIL PRODUCTION	CUMUL. OIL	BATTERY RUNS	ENDING STORAGE
BATTERY TOTAL							
WAGBOD ENERGY COOP	*****	10	12000	453		470TIN	471
MALJAMAR GRAYBURG SAN ANDRES MILLER B	CTB 107	2	555999	231			
MALJAMAR GRAYBURG SAN ANDRES MILLER BX	CTB 107	7	595999	229	1612	722TIN	94
BATTERY TOTAL				460			
MARK AND GARNER PRODUCTION COMPANY	*****						
WILSON YATES SEVEN RIVERS STATE E	R 721	1					
WILSON YATES SEVEN RIVERS STATE 23	R 721	4					
BATTERY TOTAL						TIN	
JACK MARKHAM	*****						
BLINEBRY OIL AND GAS STATE 36		1	840	252			
DRINKARD STATE 36		3	4620	154			
BATTERY TOTAL			5460	406		469TIN	134
DALLAS #CCASLAND	*****						
FRNICE SEVEN RIVERS QUEEN, SOUTH	R 663	3	7200	278			
FRN CLOSSON							
JAMAI JANSILL YATES SEVEN RIVERS	R 663	4	9600	209			
FRN CLOSSON BATTERY TOTAL			16800	487		438TIN	246
CCOBIN QUEEN STATE BY	PLC 25	2	4800	121			
MALJAMAR GRAYBURG SAN ANDRES STATE BY	PLC 25	2	4800	97			
BATTERY TOTAL			9600	218		219TIN	290
MOBIL PRODUCING TEXAS AND NEW MEXICO	*****						
DRINKARD BRUNSON ARGO	PC 163	7	4520	130			
BLINEBRY OIL AND GAS BRUNSON ARGO	PC 163	3	78	39			
TUBB OIL AND GAS BRUNSON ARGO	PC 163	1	4598	169			
BATTERY TOTAL						184TIN	184
BLINEBRY OIL AND GAS CARSON WATSON CDH	SE RL34	1					
TUBB OIL AND GAS CARSON WATSON CDH	SE RL34	1					
BATTERY TOTAL						TIN	
BLINEBRY OIL AND GAS ED CARSON	R 2079	2					
TUBB OIL AND GAS							

TEXAS NEW MEXICO PIPELINE COMPANY
 TRANSPORTER - OPERATOR - POOL - LEASE
 BATTERY TOTAL
 WAGBOD ENERGY COOP
 MALJAMAR GRAYBURG SAN ANDRES MILLER B
 MALJAMAR GRAYBURG SAN ANDRES MILLER BX
 MARK AND GARNER PRODUCTION COMPANY
 WILSON YATES SEVEN RIVERS STATE E
 WILSON YATES SEVEN RIVERS STATE 23
 JACK MARKHAM
 BLINEBRY OIL AND GAS STATE 36
 DRINKARD STATE 36
 DALLAS #CCASLAND
 FRNICE SEVEN RIVERS QUEEN, SOUTH
 FRN CLOSSON
 JAMAI JANSILL YATES SEVEN RIVERS
 FRN CLOSSON
 CCOBIN QUEEN STATE BY
 MALJAMAR GRAYBURG SAN ANDRES STATE BY
 MOBIL PRODUCING TEXAS AND NEW MEXICO
 DRINKARD BRUNSON ARGO
 BLINEBRY OIL AND GAS BRUNSON ARGO
 TUBB OIL AND GAS BRUNSON ARGO
 BLINEBRY OIL AND GAS CARSON WATSON CDH
 TUBB OIL AND GAS CARSON WATSON CDH
 BLINEBRY OIL AND GAS ED CARSON
 TUBB OIL AND GAS

STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
DIVISION FOR THE PURPOSE OF
CONSIDERING:

CASE NO. 9422
ORDER NO. R-8802

APPLICATION OF MERIDIAN OIL, INC.
FOR CENTRAL-POINT GAS MEASUREMENT,
RIO ARRIBA COUNTY, NEW MEXICO

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 8:15 a.m. on August 3, 1988, at Santa Fe, New Mexico, before Examiner Michael E. Stogner.

NOW, on this 8th day of December, 1988, the Division Director, having considered the testimony, the record and the recommendations of the Examiner, and being fully advised in the premises,

FINDS THAT:

(1) Due public notice having been given as required by law, the Division has jurisdiction of this cause and the subject matter thereof.

(2) At the time of the hearing this case was consolidated with Case 9423 for purposes of testimony.

(3) The applicant, Meridian Oil, Inc., seeks approval to install a central meter run at the end of El Paso Natural Gas Company's pipeline lateral 2C-90, thereby allowing 16 Ballard-Pictured Cliffs producing wells in the Canyon Largo Unit to be commingled on the surface and their combined volumes to be metered at one central point located in the NE/4 SE/4 of Section 4, Township 25 North, Range 7 West (Unit I), NMPM, Rio Arriba County, New Mexico.

(4) Applicant provided the evidence at the hearing which established that:

- (a) Of the 18 wells currently connected to lateral 2C-90 and individually metered, two wells, Canyon Largo Unit Well No. 256 which is a Dakota gas well and Canyon Largo Unit Well No. 172 which is not in the participating area, will continue to be metered separately; and the remaining 16 wells set forth on Exhibit "A" to this order area are all in the same participating area of the Canyon Largo Unit, are all Ballard-Pictured Cliffs gas wells and will be metered at a central point;
 - (b) The meters currently installed on each of the 18 wells will remain in place.
- (5) For the 16 wells on lateral 2C-90 for which the applicant proposes central point metering, the applicant has provided evidence which established that:
- (a) The pipeline purchaser for the production is in support of the application;
 - (b) Because of unit production, the working interest and royalty ownership share proceeds on a unit participation basis rather than on an individual well basis and therefore will not be adversely affected by granting of this application.
 - (c) The applicant should allocate the production to each well on the basis of well tests conducted annually or at any time the Division deems it necessary;
 - (d) The use of central point metering with the installation of compression will afford the operator and the unit owners a better opportunity to prolong the economic producing life of the subject wells, thereby recovering additional volumes of gas that might not otherwise be recovered;

(e) Use of central point metering will allow the operator to more efficiently measure and produce these wells and the installation of lateral compression should increase the gas production from the subject wells.

(5) The Division should be empowered to administratively rescind any portion of this order or require that a particular well or wells be metered individually if it should appear necessary to prevent waste or protect correlative rights.

IT IS THEREFORE ORDERED THAT:

(1) The applicant, Meridian Oil, Inc., is hereby authorized to install a central point metering run at a point in the NE/4 SE/4 (Unit I), Section 4, Township 25 North, Range 7 West, NMPM, Rio Arriba County, New Mexico at which lateral 2C-90 meets pipeline 2C-89 to measure and meter the surface-commingled Ballard-Pictured Cliffs production from sixteen wells located on lateral 2C-90 as further described in Exhibit "A" attached hereto and made a part hereof.

(2) The unit operator shall allocate the production from each of the aforementioned sixteen wells on the basis of annual well tests conducted annually and at any additional times the Division deems it necessary.

(3) Canyon Largo Unit Well Nos. 172 and 256 shall continue to be measured at the wellhead and the production therefrom reported separately for each well.

(4) Applicant shall file with the Division OCD Form C-111 and comply with Rule 1111 in addition to any other report or form required to be filed as operator of the unit and as transporter for the wells involved herein.

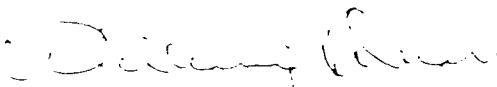
(5) The Division may administratively rescind any portion of this order or require that a particular well or wells be metered individually if it should appear necessary to prevent waste and protect correlative rights.

Case No. 9422
Order No. R-8802
Page No. 4

(6) Jurisdiction of this cause is retained for the entry of such further orders as the Division may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION


WILLIAM J. LEMAY
Director

S E A L

EXHIBIT "A"
CASE NO. 9422
ORDER NO. R-8802

<u>Well Name and Number</u>	<u>Location (U-S-T-R)</u>
Canyon Largo Unit No. 9	A- 4-24N-7W
Canyon Largo Unit No. 221	E- 3-24N-7W
Canyon Largo Unit No. 81	K-34-25N-7W
Canyon Largo Unit No. 197	G-34-25N-7W
Canyon Largo Unit No. 173	P-28-25N-7W
Canyon Largo Unit No. 277	A-28-25N-7W
Canyon Largo Unit No. 248	E-36-25N-7W
Canyon Largo Unit No. 196	P-33-25N-7W
Canyon Largo Unit No. 198	F-34-25N-7W
Canyon Largo Unit No. 114	A-33-25N-7W
Canyon Largo Unit No. 276	F-27-25N-7W
Canyon Largo Unit No. 181	M-26-25N-7W
Canyon Largo Unit No. 200	E-35-25N-7W
Canyon Largo Unit No. 246	O-26-25N-7W
Canyon Largo Unit No. 157	O-27-25N-7W
Canyon Largo Unit No. 199	G-35-25N-7W

STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
DIVISION FOR THE PURPOSE OF
CONSIDERING:

CASE NO. 9423
ORDER NO. R-8803

APPLICATION OF MERIDIAN OIL, INC.
FOR CENTRAL-POINT GAS MEASUREMENT,
RIO ARRIBA COUNTY, NEW MEXICO

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 8:15 a.m. on August 3, 1988, and on August 31, 1988 at Santa Fe, New Mexico, before Examiner Michael E. Stogner.

NOW, on this 8th day of December, 1988, the Division Director, having considered the testimony, the record and the recommendations of the Examiner, and being fully advised in the premises,

FINDS THAT:

(1) Due public notice having been given as required by law, the Division has jurisdiction of this cause and the subject matter thereof.

(2) At the time of the hearing, this case was consolidated with Case 9422 for purposes of testimony.

(3) The applicant, Meridian Oil, Inc., seeks approval to install a central point meter run at the end of El Paso Natural Gas Company's pipeline laterals 2C-18 and 2C-151, which are looped together, thereby allowing 23 South Blanco-Pictured Cliffs producing wells in the Lindrith Unit to be commingled on the surface and their combined volumes to be metered at one point in the SW/4 of Section 13, Township 24 North, Range 3 West, NMPM, Rio Arriba County, New Mexico.

(4) Applicant provided the evidence at the hearing which established that:

- (a) Of the 26 wells currently connected to laterals 2C-18 and 2C-151 and individually metered, three wells, the Lindrith Unit "NP" Well No. 38, which is not in the unit's participating area, and the Lindrith Unit Well Nos. 88 and 91, which are only partially participating wells; and the remaining 23 wells set forth in Exhibit "A" attached hereto and made a part hereof are all in the same participating area of the Lindrith Unit and are all South Blanco-Pictured Cliffs (prorated) gas wells.
 - (b) The aforementioned Lindrith Unit "NP" Well No. 38 and Lindrith Unit Well Nos. 88 and 91 will continue to have their production metered and measured separately at the wellhead for each well;
 - (c) The meters currently installed on each of the remaining 23 wells will remain in place.
- (5) For the 23 wells on lateral 2C-18 and 2C-151 for which the applicant proposes central point metering, the applicant has provided evidence which established that:
- (a) The pipeline purchaser for the production is in support of the application;
 - (b) Because of unit production, the working interest and royalty ownership share proceeds on a unit participation basis rather than on an individual well basis and therefore will not be adversely affected by granting of this application;
 - (c) The applicant shall allocate the production to each well on the basis of well tests conducted annually and at any additional time the Division deems it necessary;

- (d) Should any of the above-described wells' production be classified as non-marginal at any time subsequent to the date of this order for any reason, such well will be required to resume independent metering of its production until such time as the Gas Proration Section of the Division in Santa Fe issues a directive to resume commingling.
- (e) The use of central point metering with the installation of compression will afford the operator and the unit owners a better opportunity to prolong the economic producing life of the subject wells, thereby recovering additional volumes of gas that might not otherwise be recovered;
- (f) Use of central point metering will allow the operator to more efficiently measure and produce these wells and the installation of lateral compression should increase the gas production from the subject wells.

(6) The Division should be empowered to administratively rescind any portion of this order or require that a particular well or wells be metered individually if it should appear necessary to prevent waste or protect correlative rights.

IT IS THEREFORE ORDERED THAT:

(1) The applicant, Meridian Oil, Inc., is hereby authorized to install a central point meter run at the end of El Paso Natural Gas Company's pipeline laterals 2C-18 and 2C-151, which are looped together, to measure and meter the surface-commingled South Blanco-Pictured Cliffs production from 23 wells located on laterals 2C-18 and 2C-151, as further described in Exhibit "A" attached hereto and made a part hereof.

(2) The unit operator shall allocate the production from each of the aforementioned 23 wells on the basis of well tests conducted annually and at any additional time the Division deems necessary.

(3) The Lindrith Unit "NP" Well No. 38 and Lindrith Unit Well Nos. 88 and 91 shall continue to be measured at the wellhead and the production therefrom reported separately for each well.

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Order No. R-8803
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(4) Applicant shall file with the Division OCD Form C-111 and comply with Rule 1111 in addition to any other report or form required to be filed by applicant as operator of the unit and as transporter from the wells involved herein.

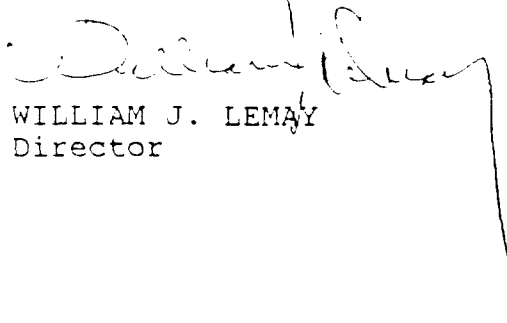
(5) Should any of the subject wells' production be classified as non-marginal at any time subsequent to the date of this order for any reason, such well shall be metered separately until such time as the Gas Proration Section of the Division in Santa Fe issues a directive to resume commingling.

(6) The Division may administratively rescind any portion of this order or require that a particular well or wells be metered individually if it should appear necessary to prevent waste and protect correlative rights.

(7) Jurisdiction of this cause is retained for the entry of such further orders as the Division may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION


WILLIAM J. LEMAY
Director

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Order No. R-8803
Page No. 5

EXHIBIT "A"
CASE NO. 9422
ORDER NO. R-8803

Well Name and Number

Location (U-S-T-R)

Lindrith Unit No. 64	P-30-24N-2W
Lindrith Unit No. 66	F-30-24N-2W
Lindrith Unit No. 47	N-30-24N-2W
Lindrith Unit No. 57	G-31-24N-2W
Lindrith Unit No. 59	E-32-24N-2W
Lindrith Unit No. 43	E-31-24N-2W
Lindrith Unit No. 56	I-31-24N-2W
Lindrith Unit No. 54	K-31-24N-2W
Lindrith Unit No. 84	I-36-24N-3W
Lindrith Unit No. 26	A-36-24N-3W
Lindrith Unit No. 60	P-25-24N-3W
Lindrith Unit No. 34	B-25-24N-3W
Lindrith Unit No. 72	C-25-24N-3W
Lindrith Unit No. 71	O-24-24N-3W
Lindrith Unit No. 25	K-24-24N-3W
Lindrith Unit No. 36	I-23-24N-3W
Lindrith Unit No. 70	G-23-24N-3W
Lindrith Unit No. 31	E-24-24N-3W
Lindrith Unit No. 2	N-13-24N-3W
Lindrith Unit No. 45	O-14-24N-3W
Lindrith Unit No. 76	K-25-24N-3W
Lindrith Unit No. 112	P-26-24N-3W
Lindrith Unit No. 113	K-36-24N-3W

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
DIVISION FOR THE PURPOSE OF
CONSIDERING:

CASE NO. 7022
Order No. R-6483

APPLICATION OF TEXAS PACIFIC OIL
COMPANY, INC. FOR A NON-STANDARD
PRORATION UNIT AND SIMULTANEOUS
DEDICATION, LEA COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on September 17, 1980, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 20th day of October, 1980, the Division Director, having considered the testimony, the record, and the recommendations of the Examiner, and being fully advised in the premises,

FINDS:

(1) That due public notice having been given as required by law, the Division has jurisdiction of this cause and the subject matter thereof.

(2) That the applicant, Texas Pacific Oil Company, Inc., seeks approval for the simultaneous dedication of a 320-acre non-standard gas proration unit comprising the N/2 of Section 9, Township 22 South, Range 36 East, NMPM, Jalmat Gas Pool, to be dedicated to its Wells Nos. 40 and 63, located in Units A and C, respectively, of said Section 9.

(3) That the entire non-standard proration unit may reasonably be presumed productive of gas from the Jalmat Gas Pool and that the entire non-standard gas proration unit can be efficiently and economically drained and developed by the aforesaid wells.

(4) That the applicant further seeks approval to simultaneously dedicate its Wells Nos. 14, 36, 42, and 62 located in Units B, M, E, and K, respectively, of Section 11, Township

Case No. 7022
Order No. R-6483

22 South, Range 36 East, to a standard proration unit to be comprised of all of said Section 11.

(5) That approval of the subject application will afford the applicant the opportunity to produce its just and equitable share of the gas in the Jalmat Gas Pool, will prevent the economic loss caused by the drilling of unnecessary wells, avoid the augmentation of risk arising from the drilling of an excessive number of wells, and will otherwise prevent waste and protect correlative rights.

(6) That Division Order No. R-5493 which created the four proration units which are being abolished to create the two subject new units should be superseded.

IT IS THEREFORE ORDERED:

(1) That the applicant, Texas Pacific Oil Company, Inc., is hereby granted a 320-acre non-standard gas proration unit in the Jalmat Gas Pool comprising the N/2 of Section 9, Township 22 South, Range 36 East, NMPM, Lea County, New Mexico, to be simultaneously dedicated to its Wells Nos. 40 and 63, located in Units A and C, respectively, of said Section 9.

(2) That the applicant is further authorized to simultaneously dedicate its Wells Nos. 14, 36, 42, and 62 located in Units B, M, E, and K, respectively, of Section 11, Township 22 South, Range 36 East, NMPM, to a standard proration unit in said Jalmat Gas Pool to be comprised of all of said Section 11.

(3) That Division Order No. R-5493 is hereby superseded.

(4) That the proration balancing status of each of the aforesaid newly created proration units shall be the current combined status of the proration units which are hereby abolished in order to create the new units.

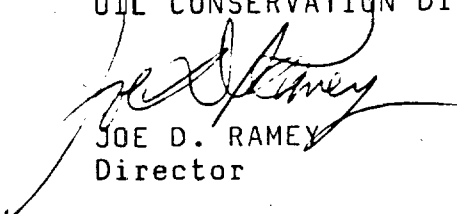
(5) That jurisdiction of this cause is retained for the entry of such further orders as the Division may deem necessary.

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Case No. 7022
Order No. R-6483

DONE at Santa Fe, New Mexico, on the day and year herein-
above designated.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION



JOE D. RAMEY
Director

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STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
DIVISION FOR THE PURPOSE OF
CONSIDERING:

CASE NO. 9275
Order No. R-8575

THE APPLICATION OF SUN EXPLORATION
AND PRODUCTION COMPANY FOR AMENDMENT
OF DIVISION ORDER NO. R-6483, LEA
COUNTY, NEW MEXICO.

R-6483
R-5493
R-3892
R-3892-A
R-609
R-520

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 8:15 a.m. on December 16, 1987, at Santa Fe, New Mexico, before Examiner David R. Catanach.

NOW, on this 4th day of January, 1988, the Division Director, having considered the testimony, the record, and the recommendations of the Examiner, and being fully advised in the premises,

FINDS THAT:

(1) Due public notice having been given as required by law, the Division has jurisdiction on this cause and the subject matter thereof.

(2) By Order No. R-6483 dated October 20, 1980, the Division authorized the Sun Exploration and Production Company to simultaneously dedicate its State "A" A/C-2 Wells Nos. 14, 36, 42, and 62 located respectively in Units B, M, E, and K of Section 11, Township 22 South, Range 36 East, NMPM, Lea County, New Mexico, to a standard 640-acre Jalmat Gas Pool proration unit consisting of said Section 11.

(3) The applicant in the present case, Sun Exploration and Production Company, seeks the amendment of said Division Order No. R-6483, for approval of an unorthodox Jalmat Gas Pool well location for its State "A" A/C-2 Well No. 73 located 990 feet from the South line and 660 feet from the East line (Unit P) of

said Section 11, and to further authorize the simultaneous dedication of the above described gas proration unit to its State "A" A/C-2 Well No. 73 and to the existing wells described in Finding No. (2) above.

(4) The applicant testified that the State "A" A/C-2 Well No. 73 was originally drilled at a standard oil well location within the Arrowhead-Grayburg Pool, was subsequently tested within the Grayburg formation, and proved to be non-commercial.

(5) The applicant further testified that said State "A" A/C-2 Well No. 73 was subsequently recompleted in the Penrose formation of the Jalmat Gas Pool and is currently capable of commercial production in said pool.

(6) The applicant presented drainage calculations which indicate that said State "A" A/C-2 Well No. 73 will drain a portion of the proration unit not currently being drained by the existing wells.

(7) The applicant further testified that approval of the subject application will enable the production of remaining gas reserves within the Jalmat Gas Pool underlying the proration unit which would otherwise not be recovered by the existing wells, thereby preventing waste.

(8) No offset operator objected to the proposed unorthodox location and simultaneous dedication.

(9) Approval of the subject application will afford the applicant the opportunity to produce its just and equitable share of the gas in the subject pool, will prevent the economic loss caused by the drilling of unnecessary wells, avoid the augmentation of risk arising from the drilling of an excessive number of wells, and should otherwise prevent waste and protect correlative rights.

IT IS THEREFORE ORDERED THAT:

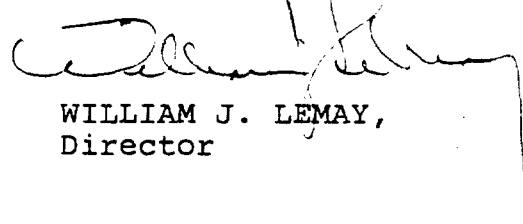
(1) Ordering Paragraph No. (2) of Division Order No. R-6483 is hereby amended to read in its entirety as follows:

"The applicant is further authorized to simultaneously dedicate its State "A" A/C-2 Wells Nos. 14, 36, 42, and 62 located respectively in Units B, M, E, and K of Section 11, Township 22 South, Range 36 East, NMPM, Lea County, New Mexico, and its State "A" A/C-2 Well No. 73 located at an unorthodox location 990 feet from the South line and 660 feet from the East line (Unit P) of said Section 11, also hereby approved, to a standard 640-acre Jalmat Gas Pool proration unit consisting of all of said Section 11."

(2) Jurisdiction of this cause is retained for the entry of such further orders as the Division may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION



WILLIAM J. LEMAY,
Director

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