Form C-102

NEW MEXICO OIL CONSERVATION COMMISSION

DUPLICATE

Santa, Fe, New Mexico

MISCELLANEOUS NOTICES

Submit this notice in triplicate to the Oil Conservation Commission or its proper agent before the work specified is to begin. A copy will be returned to the sender on which will be given the approval, with any modifications considered advisable, or the rejection by the Commission or agent, of the plan submitted. The plan as approved should be followed, and work should not begin until approval is obtained. See additional instructions in the Rules and Regulations of the Commission.

Indicate nature of notice by checking below:

NOTICE OF INTENTION TO TEST CASING SHUT-OFF		NOTICE OF INTENTION TO SHOOT OR CHEMICALLY TREAT WELL	
NOTICE OF INTENTION TO CHANGE PLANS		NOTICE OF INTENTION TO PULL OR OTHERWISE ALTER CASING	
NOTICE OF INTENTION TO REPAIR WELL		NOTICE OF INTENTION TO PLUG WELL	
NOTICE OF INTENTION TO DEEPEN WELL		Notice of Intention to Meter Oil	X

Carlsbad, New Mexico (Place) May 29, 1939 (Date)

OIL CONSERVATION COMMISSION,
Santa Fe, New Mexico.

Gentlemen:

Following is a notice of intention to do certain work as described below at the Neil H. Wills etal (Company or Operator) all state & privately owned lands (Lease) Well No. 1 up in of Sec. 17 & 20, T. 20S, R. 30, N. M. P. M., Barber Field, Eddy County.

FULL DETAILS OF PROPOSED PLAN OF WORK

FOLLOW INSTRUCTIONS IN THE RULES AND REGULATIONS OF THE COMMISSION

In order to lower operating expenses and to avoid use of oil as fuel to treat water-cut oil, it is planned to meter oil and water into a common gun-barrel, on the following leases and wells in the Barber Pool, Eddy County:

Federal Land:
Schlasier 1
Schlasier 2
State Land:
State 1
Privately owned land:
Ferris & Hoover #1
Lovell & Wood #2

If approval by the various royalty owners is received, and the metering method proves successful, it is intended to add additional wells to the system as the other wells in the pool start making water.

The meters used will be either line meters or dump meters. In the case of line meters the fluid will be moved directly from the well, through a line meter, to a common boiler for heating, thence through a common 400 barrel hay tank and then to tank batteries. With this system, the water and oil level in the hay tank will be kept at a constant level at the beginning and end of a period and by tank measurements, the net oil from all of the wells may be adjusted against the meter reading and an accurate figure may be calculated for each well.

In the case of dump meters the fluid will be moved directly from the wells, through a dump meter into a common open-top settling tank, where oil will be pumped off of the top through a heating boiler and then will travel through the hay tank into batteries as above. Under this method, adjustments may also be made at the end of a period between meter readings and tank measurements.

With dump meters, a separation of probably 90% can be made in the settling tank and less fluid will pass through the boiler and hay tank. From an operating stand point, this is a distinct advantage. On the other hand, line meters are more accurate and eliminate the use of an oil pump to remove oil from the settling tank. The elimination of anything mechanical around a lease is of course an advantage. A decision as to which meter will be used can not be made at this time until further study has been made.

Under either meter system, fluid samples from the various wells will be taken at regular intervals. At the beginning, fluid samples will be taken 4 times a day. If it is found that there is little variation in the percentage during the day the interval between samples will be increased but a minimum of one sample will be taken each day from each well at a regular time. In the case of water-oil percentage of 30% or more, the method used will be gravity separation in an accurate graduate. Where water percentage is less than 30%, the percentage will be obtained by centrifuge. It is our experience that centrifuge is not accurate on oil cut with 30% or more of water.