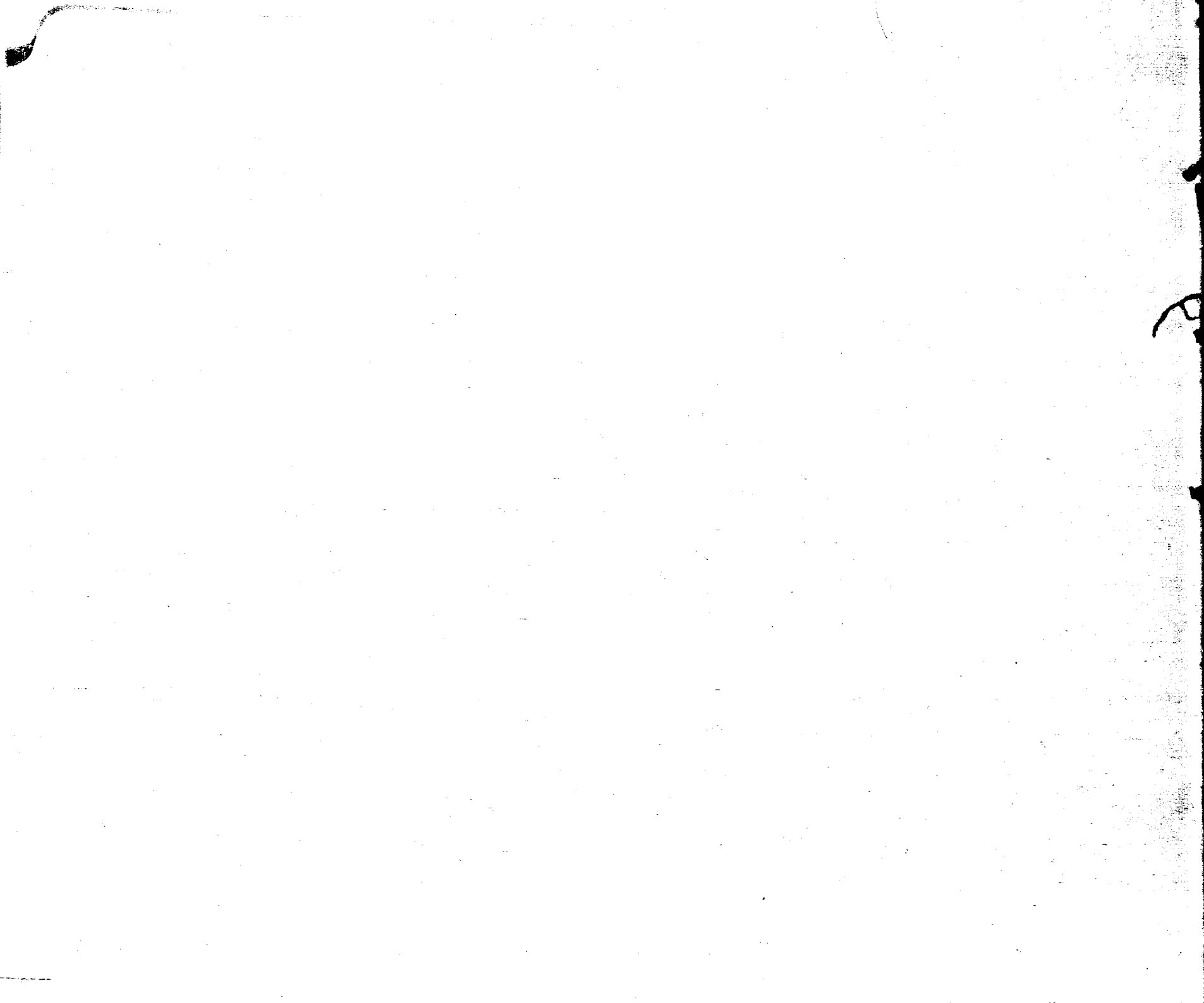


Case No.

~~#33~~ 1535

Application, Transcript,
Small Exhibits, Etc.



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. 1535
Order No. R-1279

APPLICATION OF CARPER DRILLING COMPANY
FOR PERMISSION TO COMINGLE THE PRODUCTION
FROM TWO SEPARATE POOLS IN LEA COUNTY,
NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on October 23, 1958, at Santa Fe, New Mexico, before Elvis A. Uta, 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 5th day of November, 1958, the Commission, a quorum being present, having considered the application, the evidence adduced, and the recommendations of the Examiner, Elvis A. Uta, 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 is the owner and operator of the following-described wells:

Wyatt No. 1 Well, NE/4 SE/4 of Section 33, Township 17-S, Range 33-E
Wyatt No. 2 Well, SW/4 SW/4 of Section 34, Township 17-S, Range 33-E
Wyatt No. 3 Well, NE/4 SW/4 of Section 34, Township 17-S, Range 33-E
Wyatt No. 6 Well, SW/4 NW/4 of Section 5, Township 18-S, Range 33-E

(3) That the said Wyatt Wells Nos. 1, 2, and 6 are producing from the Corbin Pool (Queen) and that the said Wyatt No. 3 Well is producing from the Majanar Pool (Grayburg-San Andres).

(4) That the applicant proposes to commingle the production from said wells in a common tank battery.

(5) That the applicant proposes to take periodic tests in order to determine the production from each of said wells.

-2-

Case No. 1535
Order No. R-1279

(6) That the approximate daily production from said wells is as follows:

Wyatt No. 1 Well	3 BOPD	(Corbin Pool)
Wyatt No. 2 Well	6 BOPD	(Corbin Pool)
Wyatt No. 3 Well	6 BOPD	(Maljamar Pool)
Wyatt No. 6 Well	12 BOPD	(Corbin Pool)

(7) That the ownership of the production from both of said pools is common throughout.

(8) That the cost of installing a separate tank battery or a metering separator for said Wyatt No. 3 Well would be so greatly disproportionate to the revenue produced by said well as to work an undue financial hardship on the applicant.

(9) That approval of the subject application will not cause waste nor impair correlative rights.

IT IS THEREFORE ORDERED:

That the applicant, Carper Drilling Company, be and the same is hereby authorized to commingle the production from the Corbin Pool and the Maljamar Pool from the following-described wells:

Wyatt No. 1 Well, SE/4 SE/4 of Section 33, Township 17-S, Range 33-E
Wyatt No. 2 Well, SW/4 SW/4 of Section 34, Township 17-S, Range 33-E
Wyatt No. 3 Well, SE/4 SW/4 of Section 34, Township 17-S, Range 33-E
Wyatt No. 6 Well, SW/4 NW/4 of Section 5, Township 18-S, Range 33-E

PROVIDED HOWEVER, That the applicant shall take monthly tests in order to determine the production from each of said wells, and the results of such tests shall be made available to the Commission upon request.

PROVIDED FURTHER, That jurisdiction of this cause is hereby retained by the Commission for such further order or orders as may seem necessary or appropriate in the light of any subsequent change in conditions.

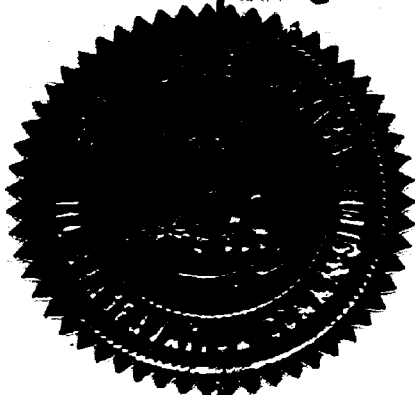
DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

E. J. [Signature]
Edwin L. Meehan, Chairman

[Signature]
Murray E. Morgan, Member

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



OFFICE 000

1950 SEP 14 AM 6:32

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE APPLICATION OF CARPER DRILLING COMPANY, INC. FOR AN ORDER GRANTING PERMISSION TO COMINGLE OIL, IN EXCEPTION TO RULE 303 OF THE NEW MEXICO OIL CONSERVATION COMMISSION RULES AND REGULATIONS, FROM THE CORBIN POOL AND THE MALJAMAR POOL; SAID OIL TO BE PRODUCED INTO COMMON TANKAGE FROM APPLICANT'S WYATT NO. 1 WELL (CORBIN POOL) IN THE SE/4 SE/4 OF SECTION 33, ITS WYATT NO. 2 WELL (CORBIN POOL) IN THE SW/4 SW/4 OF SECTION 34, ITS WYATT NO. 3 WELL (MALJAMAR POOL) IN THE SE/4 SW/4 OF SECTION 34, ALL IN TOWNSHIP 17 SOUTH, RANGE 33 EAST, AND ITS WYATT NO. 6 WELL (CORBIN POOL) IN THE SW/4 NW/4 OF SECTION 5, TOWNSHIP 18 SOUTH, RANGE 33 EAST, N.M.P.M., LEA COUNTY, NEW MEXICO.

No. 1535

APPLICATION

COMES Carper Drilling Company, Inc. and in support of this Application, respectfully states:

1. That applicant is the owner of Federal Oil and Gas Lease Las Cruces Serial No. 062391 upon which have been drilled the Wyatt No. 1 Well (Corbin Pool) located in the SE/4 SE/4 of Section 33, the Wyatt No. 2 Well (Corbin Pool) located in the SW/4 SW/4 of Section 34, the Wyatt No. 3 Well (Maljamar Pool) located in the SE/4 SW/4 of Section 34, All in Township 17 South, Range 33 East and the Wyatt No. 6 Well (Corbin Pool) located in the SW/4 NW/4 of Section 5, Township 18 South, Range 33 East, N.M.P.M. in Lea County, New Mexico.

2. That the royalty, overriding royalty and production payment interests are identical under said four wells.

3. That applicant proposes to comingle the oil from said four wells into common tankage and to make periodic tests in order to ascertain the production from each well on the lease.

4. That the present average production per day for each of said four wells, is as follows:

Wyatt No. 1 Well	3 barrels
Wyatt No. 2 Well	8 barrels
Wyatt No. 3 Well	10 barrels
Wyatt No. 6 Well	14 barrels.

5. That the erection and use of a separate tank battery to receive oil produced from the Wyatt No. 3 Well would be an unnecessary expense to applicant.

6. That the comingling of oil from said four wells into common tankage would prevent waste and protect correlative rights.

7. The owners of oil and gas leases adjoining applicant's Federal Oil and Gas Lease Las Cruces Serial No. 062391, are as follows:

Mr. H. R. Denius, et al
Attn: Mr. Grady Wright
P. O. Box 565
Artesia, New Mexico

Ralph Nix
P. O. Box 605
Artesia, New Mexico

Frances Nix
P. O. Box 605
Artesia, New Mexico

Neville G. Penrose, Inc.
1813 Fair Building
Fort Worth, Texas

Continental Oil Company
P. O. Box 67
Artesia, New Mexico

Elliott, Inc.
P. O. Box 703
Roswell, New Mexico

V. B. Van Hook
c/o John H. Trigg
P. O. Box 5629
Roswell, New Mexico

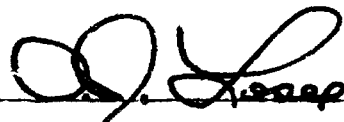
John S. Williams
803 Clayton Avenue
Artesia, New Mexico.

WHEREFORE, applicant prays that this Application be set for hearing after due notice as required by law; that

such hearing be heard before an examiner; and that an order be entered granting applicant permission, in exception to Rule 303 of the New Mexico Oil Conservation Commission Rules and Regulations, to comingle the production of oil from their Wyatt No. 1, 2, 3 and 6 Wells into a common tank battery.

LOSEE AND STEWART

By

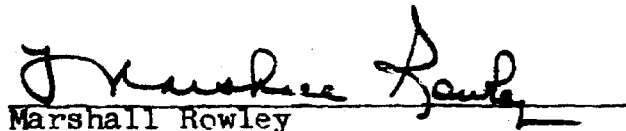


Carper Building
Artesia, New Mexico
Attorneys for Applicant

STATE OF NEW MEXICO)
 : ss.
COUNTY OF EDDY)

MARSHALL ROWLEY being first duly sworn upon his oath, states:


That he is the Vice President of Carper Drilling Company, Inc., the applicant in the within and foregoing application; that he has read the same and understands the contents thereof and that the matters therein stated are true and correct according to his best information and belief.



Marshall Rowley

SUBSCRIBED AND SWORN to before me this 20th day of September, 1958.

My Commission Expires:



Notary Public

October 1, 1960

MAIN OFFICE OCC
A. J. LOSEE
EDWARD B. STEWART
1958 SEP 22 AM 8:32

LAW OFFICES
LOSEE AND STEWART
CARPER BUILDING - P. O. BOX 1117
ARTESIA, NEW MEXICO
18 September 1958

Case 1535
Hear. Hearing

Mr. A. L. Porter, Jr., Secretary
New Mexico Oil Conservation Commission
Santa Fe, New Mexico

Dear Mr. Porter:

Enclosed please find triplicate copies of Application of Carper Drilling Company, Inc. for permission, in exception to Rule 303 of the New Mexico Oil Conservation Commission Rules and Regulations, to comingle oil from the Corbin and Maljamar Pools into common tankage from the Wyatt No. 1, No. 2, No. 3 and No. 6 Wells in Lea County, New Mexico.

This Application requests that the matter be set for hearing before an examiner and if possible, we would prefer the hearing to be held in Hobbs, New Mexico. However, if the first possible date for such a hearing is before the examiner in Santa Fe, New Mexico we would like the matter set in Santa Fe.

Very truly yours,


A. J. Losee

AJL:lis

Enclosures

cc: Carper Drilling Company
Carper Building
Artesia, New Mexico

Docket Mailed
10-8-58
BP

LAW OFFICES

LOSEE AND STEWART

CARPER BUILDING - P. O. BOX 1117

ARTESIA, NEW MEXICO

A. J. LOSEE
EDWARD B. STEWART

SEP 23 1958

Mr. A. L. Porter, Jr., Secretary
New Mexico Oil Conservation Commission
Santa Fe, New Mexico

Re: CARPER DRILLING COMPANY, INC. - LC-062391
APPLICATION FOR EXCEPTION TO RULE 303
NEW MEXICO OIL CONSERVATION COMMISSION

Dear Mr. Porter:

Reference is made to my letter of September 18, 1958 enclosing triplicate copies of the captioned Application for permission to comingle oil into common tankage from the Wyatt No. 1, No. 2, No. 3 and No. 6 Wells in Lea County, New Mexico.

The caption of this Application and paragraph number 1 of this Application mistakenly reflected that the Wyatt No. 6 Well (Corbin Pool) was located in the SW/4 NW/4 of Section 5, Township 18 South, Range 32 East. The Wyatt No. 6 Well is actually located in the SW/4 NW/4 of Section 5, Township 18 South, Range 33 East. Please consider this letter as an amendment to the captioned application to correct these typographical errors.

Very truly yours,


A. J. Losee

AJL:lis

cc: United States Geological Survey
P. O. Box 6721
Roswell, New Mexico

Mr. Ralph Nix
P. O. Box 605
Artesia, New Mexico

9/25
Corrections made on
original application.
wjs

OIL CONSERVATION COMMISSION
P. O. BOX 871
SANTA FE, NEW MEXICO

November 7, 1958

C
O
P
Y

Mr. A. J. Losee
Losee and Stewart
Carper Building
Artesia, New Mexico

Dear Mr. Losee:

On behalf of your client, Carper Drilling Company, we enclose two copies of Order R-1279 issued November 5, 1958, by the Oil Conservation Commission in Case 1535, which was heard on October 22nd at Santa Fe before an examiner.

Very truly yours,

A. L. Porter, Jr.
Secretary - Director

bp
Encls.



IN REPLY REFER TO.

MINN. OFFICE OCC
OCT 27 AM 8 28
UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
P. O. Box 6721
Roswell, New Mexico

October 15 1958

Case file 1535

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

Gentlemen:

By letter of September 18, 1958, Lessee and Stewart requested that we advise you if we had no objection to the application of Carper Drilling Company, Inc., for an exception to rule 303 of the New Mexico Oil Conservation Commission pertaining to Federal oil and gas lease Las Cruces 062391.

This office offers no objection to Carper's application to produce oil from the Queen and Grayburg-San Andres zones into a common tank battery.

Very truly yours,

Edwin M. Thomasson

EDWIN M. THOMASSON
Acting Oil and Gas Supervisor

MAIN OFFICE OCC



1958 OCT 16 AM 8:35

CONTINENTAL OIL COMPANY

FAIR BUILDING
FORT WORTH 2, TEXAS

H. L. JOHNSTON
REGIONAL MANAGER OF PRODUCTION
SOUTHWESTERN REGION

October 7, 1958

*Case
1535*

*Case file
1535*

New Mexico Oil Conservation Commission
107 Mabry Hall
Capitol Building
Santa Fe, New Mexico

Attention of Mr. A. L. Porter, Jr.,
Secretary and Director

Gentlemen:

Continental Oil Company has been notified of Carper Drilling Company's application for an exception to Rule 303 of the New Mexico Oil Conservation Commission Rules and Regulations pertaining to said company's Wyatt No. 1, No. 2, No. 3 and No. 6 wells, Corbin and Maljamar Pools, Lea County, New Mexico. It is understood that the applicant proposes to commingle the oil production from said four wells into common tankage and to make periodic tests in order to ascertain the production from each well on the lease.

You are respectfully advised that Continental Oil Company hereby waives notice and hearing on the application

New Mexico Oil Conservation Commission
Page 2

described above.

Yours very truly,

A handwritten signature in cursive script, appearing to read "H. J. Johnson".

HLJ-CW

Carbon copy to:
Losee and Stewart
Carper Building
P. O. Box 1117
Artesia, New Mexico

Oliver

OTB

MAIN OFFICE OCC NEVILLE G. PENROSE, INC.
FAIR BUILDING
FORT WORTH 2, TEXAS

1958 OCT 5 11 30 AM 30 October 2, 1958

*Walter
Case file 1535*

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

Gentlemen:

We have been advised that the Carper Drilling Company has applied for permission to comingle oil, in exception to Rule 303 of the New Mexico Oil Conservation Commission Rules and Regulations, from the Corbin and Maljamar Pools from the Wyatt No. 1, No. 2, No. 3 and No. 6 wells in Lea County, New Mexico into a common tankage. Neville G. Penrose, Inc. has no objection to the application as stated.

Very truly yours,
John P. McNaughton
John P. McNaughton

JPM/ip

cc: Losee and Stewart
P. O. Box 1117
Artesia, New Mexico

Carper Drilling Company
Suite 200, Carper Building
Artesia, New Mexico

JOHN H. TRIGG COMPANY

P. O. BOX 5629
MAIN OFFICE, OCC
ROSWELL, NEW MEXICO

1958 OCT 3 10 31 AM '58
October 1, 1958

Case file 1535

Mr. A. L. Porter, Jr., Secretary-Director
New Mexico Oil Conservation Commission
P. O. Box 871
Santa Fe, New Mexico

Re: Application of Carper Drilling
Company, Inc. for an exception
to Rule 303 of the New Mexico
Oil Conservation Commission
pertaining to Las Cruces 062391

Dear Mr. Porter:

We have received a copy of the Application of Carper Drilling Company, Inc. of Artesia, wherein they ask for permission for an exception to Rule 303 pertaining to comingling of oil from different zones under Federal Oil and Gas Lease, Las Cruces Serial No. 062391.

We have no objection to the request they have made being approved.

Yours very truly,

John H. Trigg
John H. Trigg

JHT:bjs

cc: Mr. A. J. Losee
P. O. Box 1117
Artesia, New Mexico

LAW OFFICES
WILLIAM M. SIEGENTHALER
P. O. BOX 538 CARPER BUILDING SHERWOOD 6-3181
ARTESIA, NEW MEXICO
SEP 26 1958
SEP 26 1958

waiver
Case file 1535

OIL CONSERVATION COMMISSION
State Capitol
Santa Fe, New Mexico

ATTENTION: Pete Porter, Supervisor

RE: Application of Carper Drilling-Rule 303

Dear Mr. Porter:

The writer is attorney for H. R. Denius, et al, P. O. Box 565, Artesia, New Mexico, which is the owner and holder of oil and gas leases, bordering the property of Carper Drilling Co., included in the subject application. H. R. Denius, et al, has no objection to this application and in truth and fact, want to go on record as supporting this application.

Yours very truly,

William M. Siegenthaler
William M. Siegenthaler

WMS/gm:

cc: Jerry Losee

Case 1535

Elliott, Inc.

5669
New Mexico - Phone Area 2-5040

Roswell, New Mexico

September 24, 1958

Waiver

H. E. Elliott
President

Edna M. Elliott
Sec'y - Gen.

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

Re: Application of Carper Drilling
Company, Inc., for an Exception
to Rule 303 of the New Mexico Oil
Conservation Commission pertain-
ing to Las Cruces 062391, Twp. 17 &
18S., Rge. 33E., N.M.P.M., Lea
County, New Mexico

Gentlemen:

With reference to the above Application, please be advised
that Elliott, Inc., has no objections to the granting of
this request.

Very truly yours,

ELLIOTT, INC.

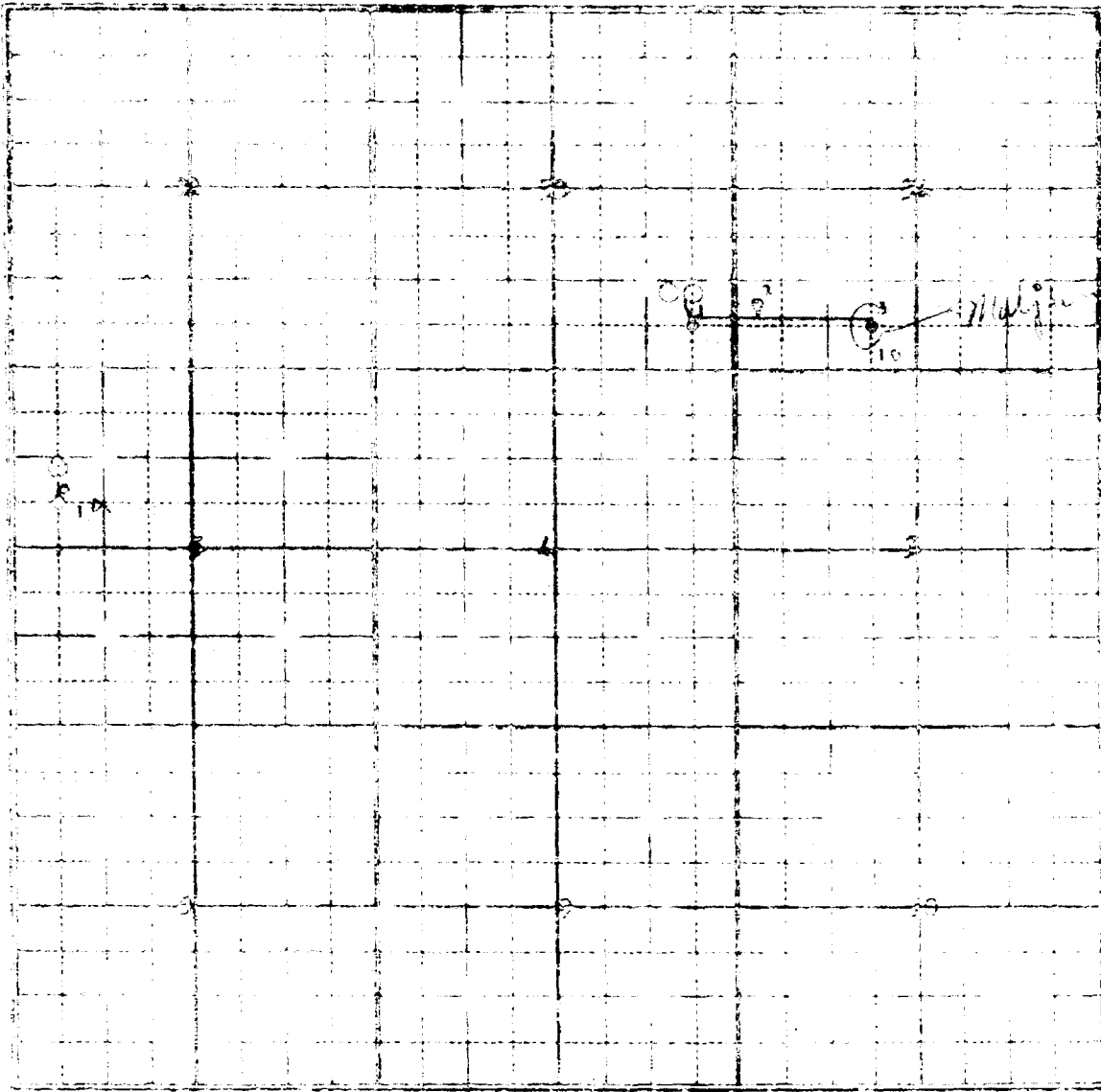
By 
Vice President

FOE:nc

CC: Losee & Stewart

Section 27 & 28 Range 33E Lee County, New Mexico

Range 33E (between the 28th & 29th) - to stock and for sale by the range line point of equity Co. Texas City



BEFORE EXAMINER UTZ
OIL CONSERVATION COMMISSION
Case NO. 1535 EXHIBIT NO. 4

2015-10-14

CASE NO. 1535,
APPLICATION OF CARPER DRILLING COMPANY, INC. FOR PER-
 MISSION TO COMINGLE OIL FROM TWO SEPARATE OIL POOLS

Production Record of Carper Drilling
 Company, Inc. Wyatt Lease Wells Nos.
 1, 2, 3 and 6:

	CORBIN POOL			MALJAMAR POOL
	Wyatt No. 1	Wyatt No. 2	Wyatt No. 6	Wyatt No. 3
1951	8460	14361		
1952	5125	13112		
1953	4218	12042		
1954	4771	5952		
1955	2556	7925		
1956 Jan.	219	753		
Feb.	191	656		
Mar.	228	785		
Apr.	169	586		
May	172	594		
June	216	744		
July	192	663		
Aug.	159	550		
Sept.	4	499		
Oct.	148	378		
Nov.	101	349		
Dec.	72	248		
TOTAL	1871	6805		
1957 Jan.	83	287		
Feb.	127	443		
Mar.	427	1103	187	
Apr.	52	144	631	
May	116	448	1182	
June	160	435	620	
July	118	323	645	
Aug.	168	452	905	
Sept.	95	258	490	989
Oct.	46	127	245	244
Nov.	105	286	558	202
Dec.	86	235	455	249
TOTAL	1583	4541	5918	1684
1958 Jan.	71	191	374	202
Feb.	118	320	178	338
Mar.	81	106	442	412
Apr.	65	129	234	308
May	94	190	418	379
June	97	193	427	59
July	81	161	354	162
Aug.	82	163	360	164
Sept.	99	197	433	197
	788	1650	3220	2221

BEFORE EXAMINER UTZ
 OIL CONSERVATION COMMISSION
Carper EXHIBIT NO. *B*
 CASE NO. *1535*

CASE NO. 1535,
APPLICATION OF CARPER DRILLING COMPANY, INC. FOR PER-
 MISSION TO COMINGLE OIL FROM TWO SEPARATE OIL POOLS

Record of Periodic Production Tests
 of Carper Drilling Company, Inc.
 Wyatt Wells Nos. 1, 2, 3 and 6:

	<u>CORBIN POOL</u>			<u>MALJAMAR POOL</u>
	Wyatt No. 1	Wyatt No. 2	Wyatt No. 6	Wyatt No. 3
	BCPD	BCPD	BCPD	BCPD
January 1956	11	34		
January 1957	7	19	43	
January 1958	5	10	22	10

BEFORE EXAMINER UTZ
OIL CONSERVATION COMMISSION
Carper EXHIBIT NO. C
 CASE NO. 1535

CASE NO. 1535,
APPLICATION OF CARPER DRILLING COMPANY, INC. FOR PER-
MISSION TO COMINGLE OIL FROM TWO SEPARATE OIL POOLS

Estimated Costs of Constructing a Separate
Tank Battery for Carper Drilling Company,
Inc. Wyatt No. 3 Well (Maljamar Pool), lo-
cated in the SE/4 SW/4 of Section 34, Town-
ship 17 South, Range 33 East:

1000' - 2" pipe at \$.5333	\$ 533.30
Hauling and laying pipe	80.00
1- 210 barrel tank	1,150.00
1 - Walkway 12' at \$7.50	90.00
Labor for installing walkway, moving ladder, etc.	70.00
1 - Separator	750.00
Necessary valves, connections, etc.	125.00
Labor for installing separator and tank connections	80.00
Dozer work for deck	60.00
TOTAL	\$ 2,938.30

BEFORE EXAMINER UTZ	
OIL CONSERVATION COMMISSION	
<i>Carper</i>	EXHIBIT NO. <i>hl</i>
CASE NO. <i>1535</i>	

EXHIBIT "D"

BEFORE THE
OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO

IN THE MATTER OF:

Case No. 1535

TRANSCRIPT OF HEARING

October 22, 1958

DEARNLEY - MEIER & ASSOCIATES
GENERAL LAW REPORTERS
ALBUQUERQUE NEW MEXICO
Phone CHapel 2-6871

BEFORE THE
OIL CONSERVATION COMMISSION
October 22, 1958

IN THE MATTER OF:

Application of Carper Drilling Company for
permission to commingle the oil produced from
two separate oil pools. Applicant, in the
above-styled cause, seeks an order author-
izing it to commingle the production from
three wells completed in the Corbin Pool and : Case 1535
one well completed in the Maljamar Pool, all
on its Wyatt lease in Sections 33 and 34,
Township 17 South, Range 33 East, and Section
5, Township 18 South, Range 33 East, Lea
County, New Mexico, and to ascertain the
production from each well by means of
periodic tests.

Mabry Hall
Santa Fe, New Mexico

BEFORE:

Elvis A. Utz, Examiner.

TRANSCRIPT OF HEARING

MR. UTZ: The next case will be 1535.

MR. PAYNE: Case 1535, "Application of Carper Drilling
Company for permission to commingle the oil produced from two
separate oil pools."

MR. LOSEE: A. J. Losee, Losee and Stewart, Artesia, New
Mexico, representing Carper Drilling Company, the applicant herein.

We have one witness, Mr. Rowley.

(Witness sworn in).

MR. LOSKE: Before we commence the examination of the witness, I would like for the record to show that as attorneys for the applicant, we mailed copies of this application at the time of its filing, to all of the offset operators and to the USGS and at the date of this hearing, I believe the Commission's files will reflect that with two exceptions, all of these offset operators and the USGS have made no objection to the application as proposed.

MAURICE ROWLEY

called as a witness, having first been duly sworn, testified as follows:

DIRECT EXAMINATION

BY MR. LOSKE:

Q Would you state your name, please, sir?

A Maurice Rowley.

Q Where do you live, Mr. Rowley?

A Artesia, New Mexico.

Q What is your business?

A I am Vice-President in charge of production for Carper Drilling Company.

Q Have you previously testified before the Commission as an expert witness?

A I have.

Q Are you familiar with this pending application?

A I am.

MR. LOSKE: Are Mr. Rowley's qualifications acceptable?

MR. UZ: They are.

Q (By Mr. Losee) Is Carper Drilling Company the owner of what they call the Wyatt Federal Lease, LC-062391 embracing the south half of the south half of Section 33, the south half of the south half of Section 34, Township 17 South, Range 33 East, all of Section 5 and the east half of the northwest quarter of Section 6, Township 18 South, Range 33 East?

A They are.

Q Mr. Rowley, are the royalties and overriding royalty interests on this land embraced in this lease identical?

A They are.

Q Would you please refer to what has been marked Exhibit A and state what it is?

A Exhibit A is a plat showing the location of the four wells we are discussing and the location of the tank battery.

Q Now, I believe it shows two tanks, or two batteries, at any rate. What size are the tanks located in Section 33?

A They are 250 barrel tanks, two of them.

Q Two hundred and fifty?

A Yes, sir.

Q Now, this tank located in Section 5, what size is it?

A A 210 barrel tank.

Q Do you have a separator in connection with the main battery?

A In connection with this one up here.

Q In Section 55?

A Yes, sir.

Q There is no separator down in Section 6?

A No.

Q Section 5--excuse me, how do you get the oil from Section 5 up to the main battery?

A Hauled by truck, licensed trucker.

Q Now, would you state what formations wells one, two and six are producing out of?

A Wyatt Number 2 and 6 are producing from the Corbin Pool.

Q And the Wyatt Number 3, what formation?

A The Wyatt Number 3 is producing from the Maljamar Pool.

Q By this application, does Carper Drilling Company request permission to commingle the oil from this Well Number 3 with their Wells Number 1, 2 and 6 into this main tank battery?

A We do.

Q Can you state the present average daily production of each of these wells?

A Yes sir, the Wyatt Number 1 averaged daily production is three barrels; Number 2, eight barrels; Number 3, ten barrels; Number 6, fourteen barrels.

Q Are these flowing or pumping wells?

A They are pumping wells.

Q All pumping. Do you know the gravity of the oil from the wells producing out of the Corbin Pool?

[REDACTED]

A Exhibit 2 shows an estimated cost of installing the separate tank battery for the major filtration units at Well 3 Well.

Q What is the amount you estimate it would cost to install this separate tank battery?

A \$2,938.50.

Q Mr. Rowley, would you please estimate the periodic costs of the battery of water treatment units at Well 3?

wells as requested by the Commission?

A They would.

Q If this application is approved by the Commission, would it prevent waste and protect the correlative rights of the persons involved?

A Yes, sir.

Q Mr. Rowley, were these exhibits prepared under your direction or supervision?

A They were.

MR. LOSEE: At this time, we offer Exhibits A through D.

MR. UTZ: Without objection, they will be received.

MR. LOSEE: We have no further questions.

MR. UTZ: Any questions of the witness?

MR. PAYNE: Yes, sir.

CROSS EXAMINATION

BY MR. PAYNE:

Q Mr. Rowley, as I understand it, you don't intend to separately meter the production from each pool prior to commingling, is that right?

A No sir, we didn't plan to.

Q Now, an additional tank battery for the well producing from the Maljamar Pool would cost you in the neighborhood of three thousand dollars. Do you have any figures on how much a separate metering device would cost you?

A Well, it would run somewhere in the neighborhood of a

thousand dollars. Nine hundred and fifty, and by the time you hooked it up, it would probably be a thousand dollars or a little more.

MR. PAYNE: Thank you.

A In that neighborhood.

REDIRECT EXAMINATION

BY MR. LOSEE:

Q Mr. Rowley, are any of these wells top allowable wells?

A No sir, they are not.

Q Have any of them been top allowable wells in the last three years?

A No sir, they haven't.

MR. UTZ: Any other questions?

RECROSS EXAMINATION

BY MR. FISCHER:

Q Do you have any trouble with these tank batteries?

A No, not too much. Occasionally we do a little, but not very often.

Q That would be adequate storage with your present production, is that right?

A Yes sir, we think it's adequate for that, sure.

Q More than thirty days?

A Yes, sir.

MR. FISCHER: Thank you.

MR. UTZ: Any other questions of the witness?

(No response).

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RECROSS EXAMINATION

BY MR. UTZ:

Q Mr. Rowley, is the royalty ownership common under these two leases --

A Yes, it is.

Q Or four leases?

A It's all one lease.

Q It is all one common lease with the same royalty?

A Yes sir, it is a Federal lease.

Q Were you applying for a commingling of all wells drilled or to be drilled on these leases or just for these four wells?

A Right, at the present, just for these four wells. We don't anticipate any more drilling in there for quite some time from the production history on the wells.

MR. UTZ: Any other questions of the witness?

(No response).

Q (By Mr. Utz) Mr. Rowley, would you be willing to install a meter for this one ten-barrel well so that the oil would be metered from two different pools?

A Yes sir, I would if the Commission insisted on it. It is a pretty small well for that expenditure, but we certainly would.

Q Would you care to estimate the pay-out time on a meter for the ten-barrel well?

A Oh, I expect in the neighborhood of eighteen months.

MR. UTZ: Any other questions of the witness?
(No response).

MR. UTZ: If not, the witness may be excused.

(Witness excused).

MR. UTZ: Did you enter these exhibits?

MR. LOSEE: Yes, sir.

MR. UTZ: Any other statements to be made in this case?
(No response).

MR. UTZ: If not, the case will be taken under advisement.

STATE OF NEW MEXICO)
: SS
COUNTY OF BERNALILLO)

I, JERRY MARTINEZ, Notary Public in and for the County of Bernalillo, State of New Mexico, do hereby certify that the foregoing and attached Transcript of Hearing before the New Mexico Oil Conservation Commission was reported by me in stenotype and reduced to typewritten transcript by me, and that the same is a true and correct record, to the best of my knowledge, skill and ability.

WITNESS my Hand and Seal this 25th day of October, 1958, in the City of Albuquerque, County of Bernalillo, State of New Mexico.

Jerry Martinez
Notary Public

My Commission Expires:
January 24, 1962

I do hereby certify that the foregoing is a complete record of the proceedings in the Enbridge lawsuit of Case No. 1535, heard by me on Oct 27, 1958.
[Signature], Examiner
New Mexico Oil Conservation Commission