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STANDARD OIL COMPANY OF TEXAS

A DIVISION OF CHEVRON OIL COMPANY
P. O. BOX 1249 HOUSTON TEXAS 77001

August 26, 1966

*Hold for
Land O/c
Recd 1-4-67*

New Mexico Oil Conservation Commission
P. O. Box 2088
Santa Fe, New Mexico 87501

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

Gentlemen:

Standard Oil Company of Texas, a Division of Chevron Oil Company, respectfully requests administrative approval to commingle the Glorieta production from the Vac Edge Unit Wells Nos. 1-G and 2-G with the Glorieta production on the State 3-32 lease. Vac Edge Unit Well Nos. 1-G and 2-G are located in Units B and A, Section 5, Township 18 South, Range 35 East, Lea County, New Mexico. The State 3-32 lease is located in Section 32, Township 17 South, Range 35 East, Lea County, New Mexico.

Presently, Glorieta production from Vac Edge Unit Wells Nos. 1-G and 2-G is being commingled with Abo production on the Vac Edge Unit lease located in Sections 3, 4, 5, 9, and 10, Township 18 South, Range 35 East, Vacuum Field, Lea County, New Mexico, under Administrative Order PC-251. In the near future, formation of the Vacuum (Abo) Unit with Phillips Petroleum Company as operator will necessitate certain battery changes in the Vacuum Area. Standard feels that this request, if granted, will allow an orderly transfer of Abo wells to Phillips Petroleum at the time the unit is formed.

Glorieta production from Vac Edge Unit Wells Nos. 1-G and 2-G will utilize on-lease metering facilities prior to transfer to the State 3-32 lease. Glorieta production on the State 3-32 lease will be determined by subtraction with production prorated to individual wells by periodic well tests utilizing metering separators.

Attached are a copy of the letter sent to the purchaser, a copy of the letter sent to all interest owners requesting waivers, a lease plat showing well locations, and a schematic diagram showing the

New Mexico Oil Conservation Commission
August 26, 1966
Page 2

proposed commingling facilities. We anticipate early approval of our request for waivers and will transmit them as soon as they are received.

Please advise if you desire additional information in regard to this proposal.

Yours very truly,

C. N. Segnar/gor

C. N. Segnar
Chief Engineer

JDR:ja

Attachments

cc: All Interest Owners

STANDARD OIL COMPANY OF TEXAS

P. O. BOX 1249 • HOUSTON, TEXAS 77001

CRUDE OIL PURCHASES AND SALES DIVISION

E. L. DILDINE
MANAGER

R. L. MAYS
REPRESENTATIVE
CRUDE OIL AND
CONDENSATE

R. G. JENSEN
REPRESENTATIVE
NATURAL GAS AND
GAS LIQUIDS

August 12, 1966

Sinclair Refining Company
Sinclair Oil Building
Tulsa, Oklahoma

Attention: Crude Oil Purchasing Department

Gentlemen:

Sinclair purchases crude oil from Standard from several leases in the Vacuum Field Area, Lea County, New Mexico. In the very near future some of Standard's interests in this area will become unitized with that of offset operators. In order to prepare for this unitization it is desirable for Standard to consolidate lease batteries of several of our properties. Sinclair purchases from the bulk of these leases. We would appreciate your concurrence to our making the consolidations indicated below assuming of course, we receive necessary commingling permits from the New Mexico Commission. This would anticipate your making certain additional purchases from Standard, also as indicated:

1. Commingle production from the Vac Edge Unit wells Nos. 18 and 23 with that from the State 3-32 lease. Delivery to be made at the State 3-32 battery. All production is from the Glorieta formation. Cities Service currently purchases the Vac Edge Unit production and Sinclair purchases at the State 3-32 lease. Production involved is:

Vac Edge Unit
State 3-32 Lease

71 B/D
237 B/D

2. Commingle production from the State 6-34 (Glorietta) Lease, State 6-34 (San Andres), State 4-27 (San Andres) and the State 5-27 (San Andres) leases. Delivery to be made at the State 4-27 battery. Production involved is:

State 6-34 (Glorietta)
State 6-34 (San Andres)
State 4-27 (San Andres)
State 5-27 (San Andres)

5 B/D
215 B/D
172 B/D
99 B/D

Sinclair Refining Company

-2-

August 12, 1966

Sinclair currently purchases all the oil above except the State 6-34 (Glorietta), which is purchased by Cities Service. Although the Glorietta production is sweet (40° API), we assume that Sinclair would purchase it on their sour posting. The average gravity of San Andres production is 30° API.

It is our understanding, from brief conversation with Mr. J. A. Talbert, that Sinclair is willing to consider taking on the additional purchases involved in the above, as well as agreeing to the consolidations. We would appreciate your confirming this after your appropriate review.

Yours very truly,

ORIGINAL SIGNED
BY E. L. DILDINE

cc: Mr. J. A. Lucas
Sinclair Refining Company
P. O. Box 1470
Midland, Texas

bcc: Mr. J. R. Graham
Mr. P. W. Hull ✓

MAILED OFFICE OF SEP 1 AM 7 4

STANDARD OIL COMPANY OF TEXAS

A DIVISION OF CHEVRON OIL COMPANY

P. O. BOX 1249 HOUSTON TEXAS 77001

August 23, 1966

VIA CERTIFIED MAIL.

Aztec Oil & Gas Company
2000 First National Bank Bldg.
Dallas, Texas 75202

New Mexico State Land Office
State Land Office Building
Santa Fe, New Mexico 87501

Cities Service Oil Company
P. O. Box 3238
Dallas, Texas 75201

Phillips Petroleum Company
Frank Phillips Building
Bartlesville, Oklahoma 74003

Mr. James D. Erwin
3907 Caruth
Dallas, Texas 75225

Shell Oil Company
P. O. Box 1509
Midland, Texas 79704

Marathon Oil Company
P. O. Box 1398
Roswell, New Mexico 88201

Tidewater Oil Company
P. O. Box 1404
Houston, Texas 77001

Mercantile National Bank of
Dallas
A/C Pacific Sabine No. 3
Dallas, Texas 75222

Gentlemen:

Standard Oil Company of Texas, a Division of Chevron Oil Company, is applying for administrative approval from the New Mexico Oil Conservation Commission to commingle Glorieta production from Vacuum Edge Unit Well No. 1G and 2G with Glorieta production on the State 3-32 Lease. Standard feels that this is a necessary step to allow orderly formation of the Vacuum (Abo) Unit.

The commingling gathering system will utilize on-lease metering of production from the Vacuum Edge Unit Well Nos. 1G and 2G prior to transfer to the State 3-32 Lease. Presently, production from the Vacuum Edge Unit Well Nos. 1G and 2G is being commingled with the Abo production on the same lease. Installation and operation of the proposed system will be in accordance with the New Mexico Oil Conservation Commission's "Manual for the Installation and Operation of Commingling Facilities".

If you have no objections to this proposal, please execute the attached waiver and return three copies to this office. Also attached are a

August 23, 1966
Page 2

copy of the application and a plat of the area. If you have any questions, please contact us for any additional information.

Yours very truly,

C. N. Segnar / JDR

C. N. Segnar
Chief Engineer

JDR:ja

Attachments

cc: New Mexico Oil Conservation Commission ✓
Santa Fe, New Mexico

STANDARD OIL COMPANY OF TEXAS

A DIVISION OF CHEVRON OIL COMPANY

P. O. BOX 1249 HOUSTON TEXAS 77001

December 23, 1966

Consolidating Application
Filed January 11, 1967

New Mexico State Land Office
State Land Office Building
Santa Fe, New Mexico 87501

Attention: Mr. Ed Beck

Gentlemen:

Attached is a revised schematic diagram of Standard Oil Company of Texas' proposed on-lease gathering, oil lease storage arrangement, The High Hill (Shawnee) well, which reflects the changes you requested during our telephone conversation of December 22, 1966.

If we can be of further assistance, please do not hesitate to call.

Yours very truly,

J. D. Ronguilla
J. D. Ronguilla
Production Engineer

JDR:mr
Attachment

cc: New Mexico Oil Conservation Commission

✓ P. O. Box 2668

Santa Fe, New Mexico 87501

Attn: Mr. Ed Beck

STANDARD OIL COMPANY OF TEXAS

A DIVISION OF CHEVRON OIL COMPANY
P. O. BOX 1248 HOUSTON TEXAS 77001

December 23, 1966

Consenting Application
Dated August 20, 1966

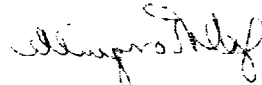
New Mexico State Land Office
State Land Office Building
Santa Fe, New Mexico 87501

Attention: Mr. Ed Bush

Gentlemen:

Attached is a revised schematic diagram of Standard Oil Company of Texas' proposed on-lease watering, off-lease storage arrangement, Van Hise Unit (Gardiner) wells, which reflects the changes you requested during our telephone conversation of December 22, 1966. If we can be of further assistance, please do not hesitate to call.

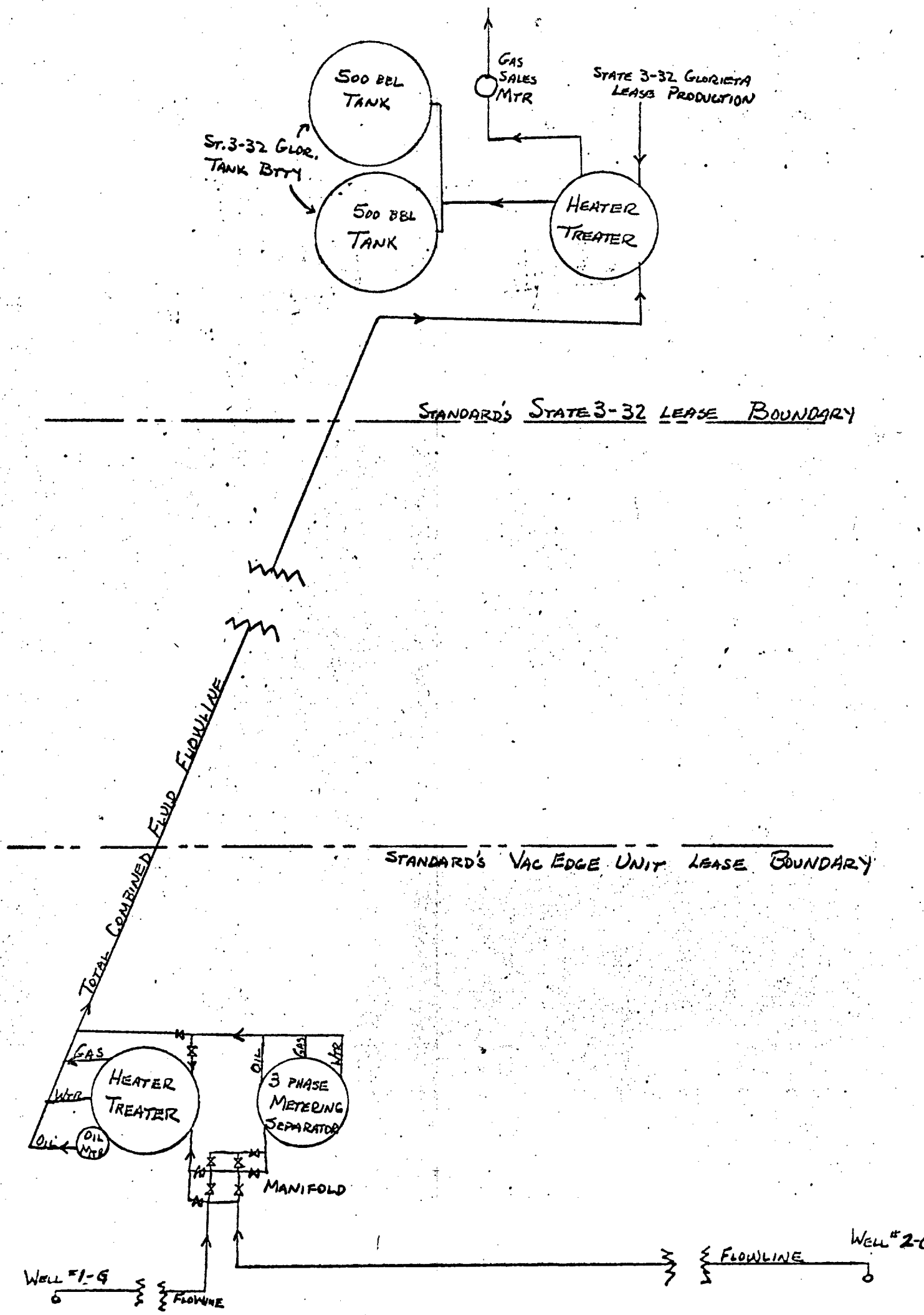
Yours very truly,


J. D. Renshaw
Production Engineer

Very truly,
Attachment

New Mexico Oil Conservation Commission
P. O. Box 2088
Santa Fe, New Mexico 87501
Attn: Mr. Ed Bush

PROPOSED ON-LEASE METERING, OFF-LEASE STORAGE
ARRANGEMENT, VAC EDGE UNIT (GLORIETA) WELLS



State of New Mexico



Commissioner of Public Lands



January 4, 1967

GUYTON B. HAYS
COMMISSIONER

P. O. BOX 1148
SANTA FE, NEW MEXICO

Standard Oil Company of Texas
Post Office Box 1249
Houston, Texas 77001

MAIN OFFICE

67 JAN 4 AM 10 35

RE: Commingling Application

Attention: Mr. J. D. Ronquille

Gentlemen:

In reference to your application to commingle Glorieta production from Vac Edge Unit Wells Numbers 1G and 2G which are located in Units A and B of Section 5, Township 18 South, Range 35 East with Glorieta production from your wells designated as Numbers 5, 6, 7 and 8 on the State 3-32 Lease which is located in Section 32, Township 17 South, Range 35 East, Lea County, New Mexico, please be advised that the Commissioner of Public Lands has no objection to the commingling facility as proposed by your letter and revised schematic diagram of December 23, 1966.

We would like to request that you notify our office after the installation is completed but before it is put into operation in order that we might make an inspection at the site. We also wish to thank you for your cooperative indulgence in the manner by which you presented your application.

Very truly yours,

GUYTON B. HAYS
COMMISSIONER OF PUBLIC LANDS

BY:

TED BILBERRY, DIRECTOR
Oil and Gas Department

GBH:TB:EB:yds

LARGE FORMAT
EXHIBIT HAS
BEEN REMOVED
AND IS LOCATED
IN THE NEXT FILE