

TEXACO
INC.

PETROLEUM PRODUCTS



August 31, 1965

SEP 2 1965

DRAWER 728
HOBBS, NEW MEXICO 88240

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

Re: Revision of Administrative
Order PC-29, TEXACO Inc.,
A. H. Blinebry (NCT-1)
Lease, Section 29, Lea
County, New Mexico

Attention: Mr. A. L. Porter, Jr.

Gentlemen:

TEXACO Inc. respectfully requests revision of Administrative Order PC-29 to authorize the commingling of production between the Blinebry, Drinkard and Tubb (Oil) Pools on that portion of the A. H. Blinebry (NCT-1) Lease comprising the N/2 N/2 of Section 29, Township 22 South, Range 38 East, Lea County, New Mexico, and Blinebry, Drinkard and Tubb (Gas) Pools from that portion of said lease comprising the S/2 NW/4 of Section 29, after separately metering the production from each pool and from each portion of said lease.

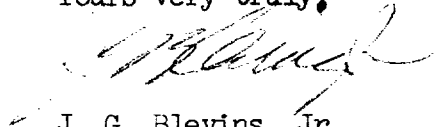
Administrative Order PC-29 was amended August 17, 1965, to authorize the commingling of all aforementioned production with the exception of Tubb (Oil) production on that portion of said lease comprising the N/2 N/2 of Section 29, the reason being due to the difference in royalty interest between the two portions of the lease involved. Subsequently Tubb (Oil) production was obtained from the N/2 N/2 of Section 29 and it is desirous to add this pool to the aforementioned installation in support of which is stated the following:

1. The expected daily liquid hydrocarbon production from the Blinebry is 140 barrels of 40.6° A.P.I. gravity oil at \$2.95 per barrel, that from the Drinkard is 172 barrels of 39.7° A.P.I. gravity oil at \$2.92 per barrel, that from the Tubb (Gas) is 2 barrels of 61.4° A.P.I. gravity oil at \$2.73 per barrel and that from the Tubb (Oil) is 66 barrels of 40.7° A.P.I. gravity oil at \$2.95 per barrel. The combined daily production is expected to be 380 barrels of 43.5° A.P.I. gravity oil at \$2.95 per barrel after commingling for an expected gain of \$5.60 per day.

2. In accordance with Item II, Section 2-A of the current New Mexico Oil Conservation Commission's "Manual for the Installation and Operation of Commingling Facilities" it is proposed to meter all zones prior to commingling. Positive displacement type, temperature compensated, meters with samplers and non-reset counters will be installed on all zones for accurate measurement prior to commingling. Attached is a plat showing the location of all wells on that portion of the lease involved along with a schematic diagram of the proposed commingling which is insubstantial compliance with Figure 2 in the aforementioned manual.

In view of the facts recited in this application, it is respectfully requested that Administrative Order PC-29 be amended to authorize the commingling of production between the Blinebry, Drinkard and Tubb (Oil) Pools on that portion of the A. H. Blinebry (NCT-1) Lease comprising the N/2 N/2 of Section 29, Township 22 South, Range 38 East, and Blinebry, Drinkard and Tubb (Gas) Pools on that portion of said lease comprising the S/2 NW/4 of Section 29, Township 22 South, Range 38 East, Lea County, New Mexico, after separately metering production from each pool and from each portion of said lease.

Yours very truly,



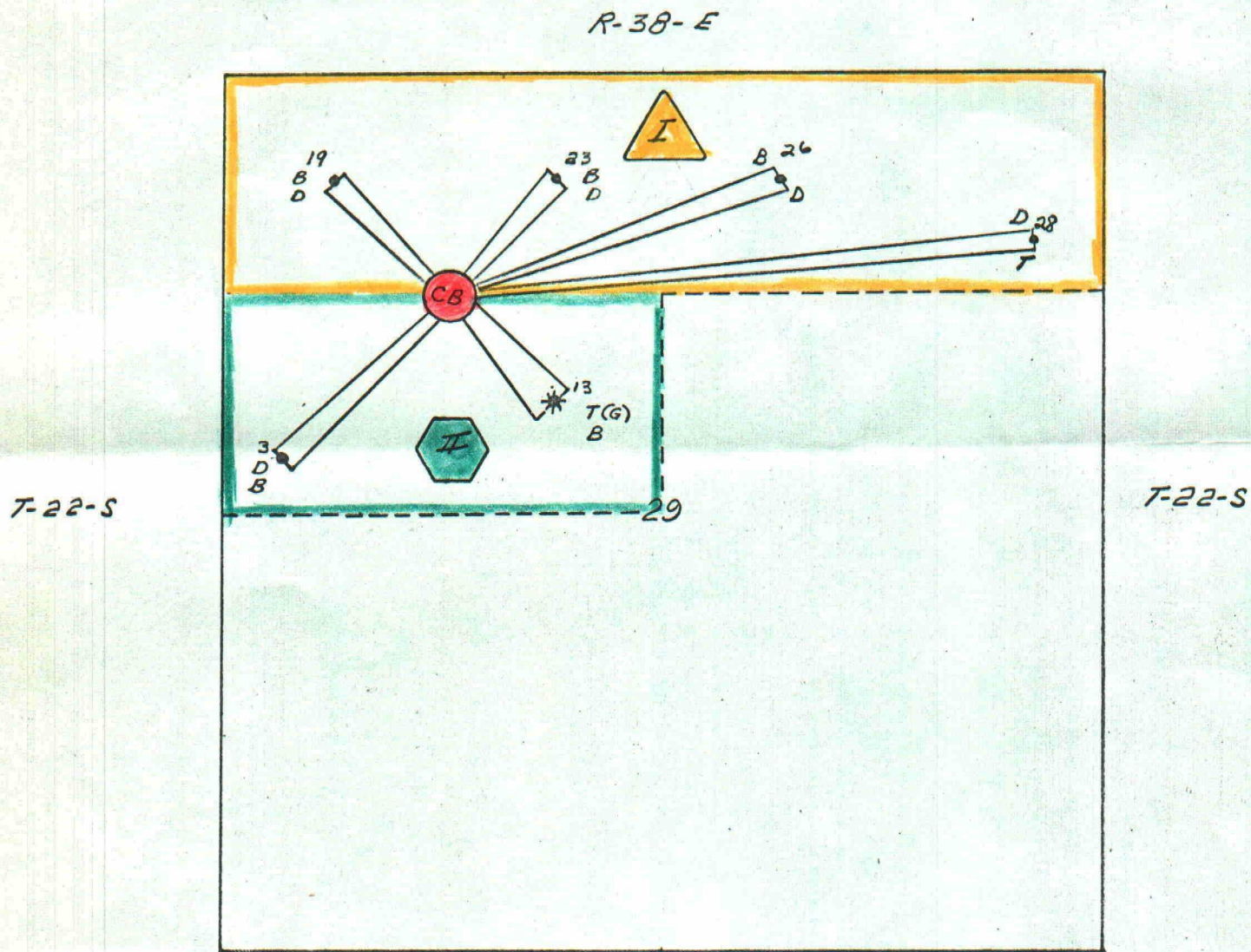
J. G. Blevins, Jr.

Assistant District Superintendent

BLM-bm

NMOCC-Hobbs
USGS-Roswell

Attachments



TEXACO Inc.

Plat

A. H. Blinebry (NCT-1) Sec. 29 Lease Portion

Lea County, New Mexico

Scale: 1" = 1000'


Legend


B - Blinebry Oil


D - Drinkard Oil

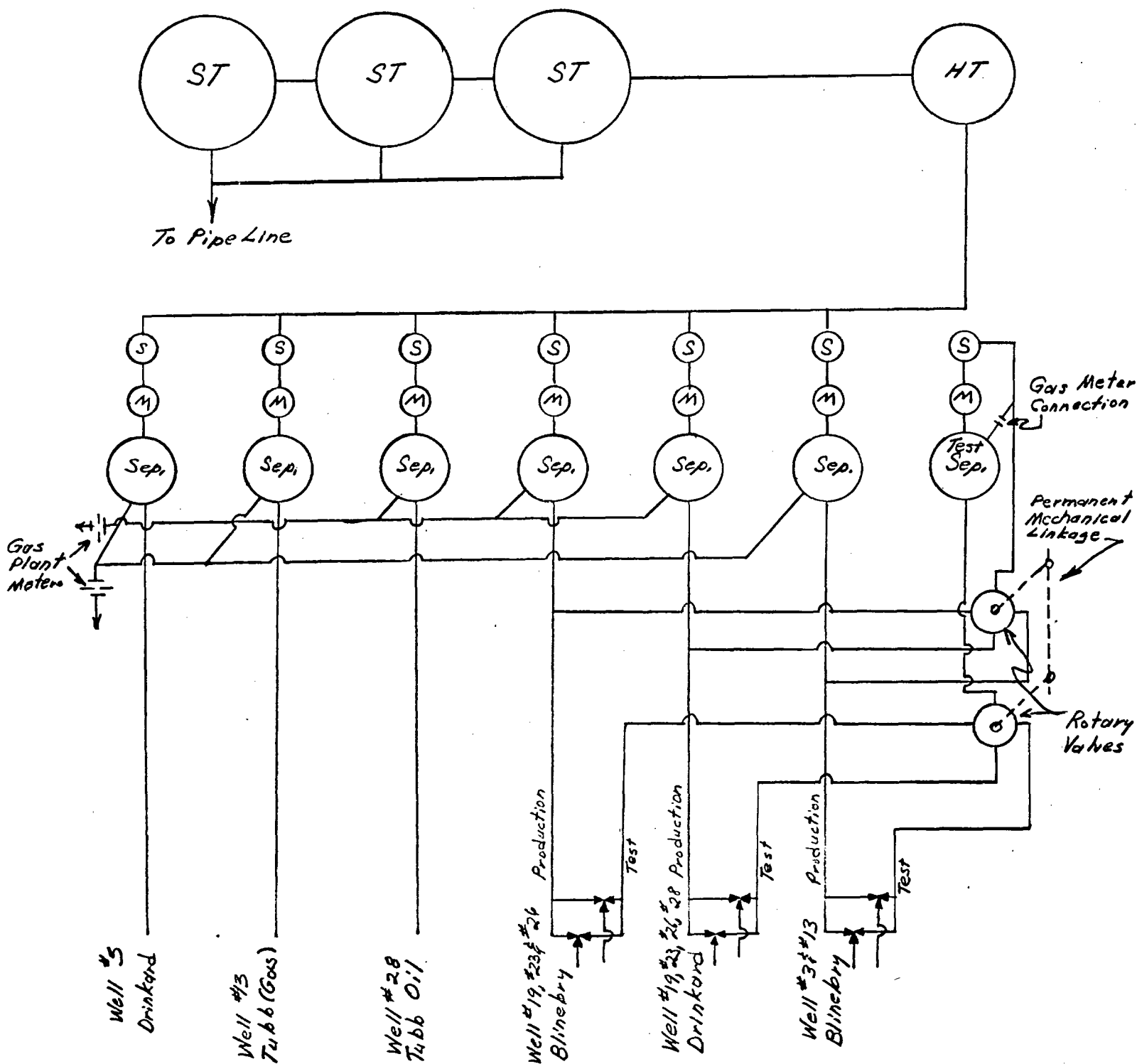
T(G) - Tubb Gas

T- Tubb Oil

 - Federal Royalty Interest - Sliding Scale Rate

 - Federal Royalty Interest - 1/8 Flat Rate

 - Commingling Battery



Legend

- M- Positive Displacement Meter
- S- Fluid Sampler
- HT- Heater Treater
- ST- Stock Tank
- Sep.- Separator
- 3 - 3-Way Manual Valve

TEXACO Inc.

Proposed Commingling Battery
A.H. Blinebry (NCT-1) Sec. 29 Lease Portion

Lea County, New Mexico