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TEXACO
INC.

PETROLEUM PRODUCTS



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P. O. Box 728
Hobbs, New Mexico
March 13, 1952

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

Re: Application for Permit to Commingle
Production, TEXACO Inc., C. H. Weir
"B" Lease, Skaggs-Drinkard, Skaggs-
Glorieta and Undesignated Blinebry
(Oil) Pools, Lea County, New Mexico

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

Gentlemen:

In accordance with New Mexico Oil Conservation Commission Rule 303 (b) TEXACO Inc. hereby makes application for administrative approval of an exception to Rule 303 (a) to permit commingling operations to be conducted on the C. H. Weir "B" Lease, Skaggs-Drinkard, Skaggs-Glorieta and Undesignated Blinebry (Oil) Pools, Lea County, in support of which is stated the following:

1. TEXACO Inc. is the operator of the C. H. Weir "B" Lease, consisting of 320 acres, being the E/2 of Section 11, T-20-S, R-37-E, Lea County, New Mexico. Attached is a plat showing the location of all wells on this lease and the pools from which they are producing.

2. The C. H. Weir "B" Lease has five producing wells, consisting of two triple completions, two dual completions and one single completion. A tabulation of the producing zones are as follows:

WELL NO.	TYPE	SKAGGS- DRINKARD	SKAGGS- GLORIETA	UNDES. BLINEBRY (OIL)	EUMONT GAS
1	Dual	X	X		
2	Dual	X	X		
3	Single				X-SI
4	Triple	X	X		X-SI
5	Triple	X	X	X	

X - Denotes producing zone. Eumont Gas wells are shut-in as no gas connection is available at present.

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Presently there are three tank batteries on the lease; two-500 barrel tanks for the Skaggs-Drinkard Pool, two-500 barrel tanks for the Skaggs-Glorieta Pool and one-300 barrel tank for the Eumont Gas Pool. C. H. Weir "B" Well No. 5 is a recent completion in the Undesignated Blinebry (Oil) zone, therefore it is desirous to commingle this Blinebry (Oil) production along with the Skaggs-Drinkard and Skaggs-Glorieta production rather than incur the expense of installing additional storage facilities.

3. The expected daily liquid hydrocarbon production from the Skaggs-Drinkard Pool is 106 barrels of 33.6° API gravity oil at \$2.74 per barrel, that from the Skaggs-Glorieta is 130 barrels of 32.5° API gravity oil at \$2.92 per barrel and that from the Undesignated Blinebry (Oil) Pool is 13 barrels of 42.9° API gravity oil at \$2.95 per barrel. Although the Skaggs-Drinkard and Undesignated Blinebry (Oil) hydrocarbon production is considered intermediate-sweet, sour crude prices were used as there are no sweet crude gathering facilities in the area and there is no foreseeable relief from this condition in the area. The combined daily production after commingling is expected to be 249 barrels of 37.2° API gravity liquid hydrocarbon at \$2.86 per barrel, resulting in a \$3.75 per day gain in revenue.

4. In accordance with Item II, Section 2-B of the current "Manual for the Installation and Operation of Commingling Facilities", it is proposed to meter prior to commingling all but one zone (Subtraction Method). The proposed zone not to be metered is the Undesignated Blinebry (Oil) zone which produces the highest gravity crude. Positive displacement type meters with samplers and non-reset counters will be installed on the Skaggs-Drinkard zone and Skaggs-Glorieta zone for accurate measurement prior to commingling. A schematic diagram of the proposed commingling installation is attached, and is in substantial compliance with Figure 6 in the aforementioned manual.

5. Royalty and working interest in the subject lease is common and does not include either State or Federal interests.

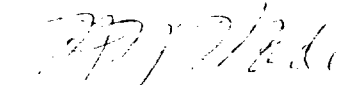
In view of the facts recited in this application, it is respectfully requested that administrative approval of an exception to Rule 303 (a) be granted TEXACO Inc., to permit commingling into a common tank battery the liquid hydrocarbon production from the Skaggs-Drinkard, Skaggs-Glorieta and Undesignated Blinebry (Oil) Pools on the C. H. Weir "B" Lease from wells presently completed

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and from additional wells which may be completed on this lease in these reservoirs in the future.

Yours very truly,

A handwritten signature in dark ink, appearing to read "H. N. Wade", is written over the typed name.

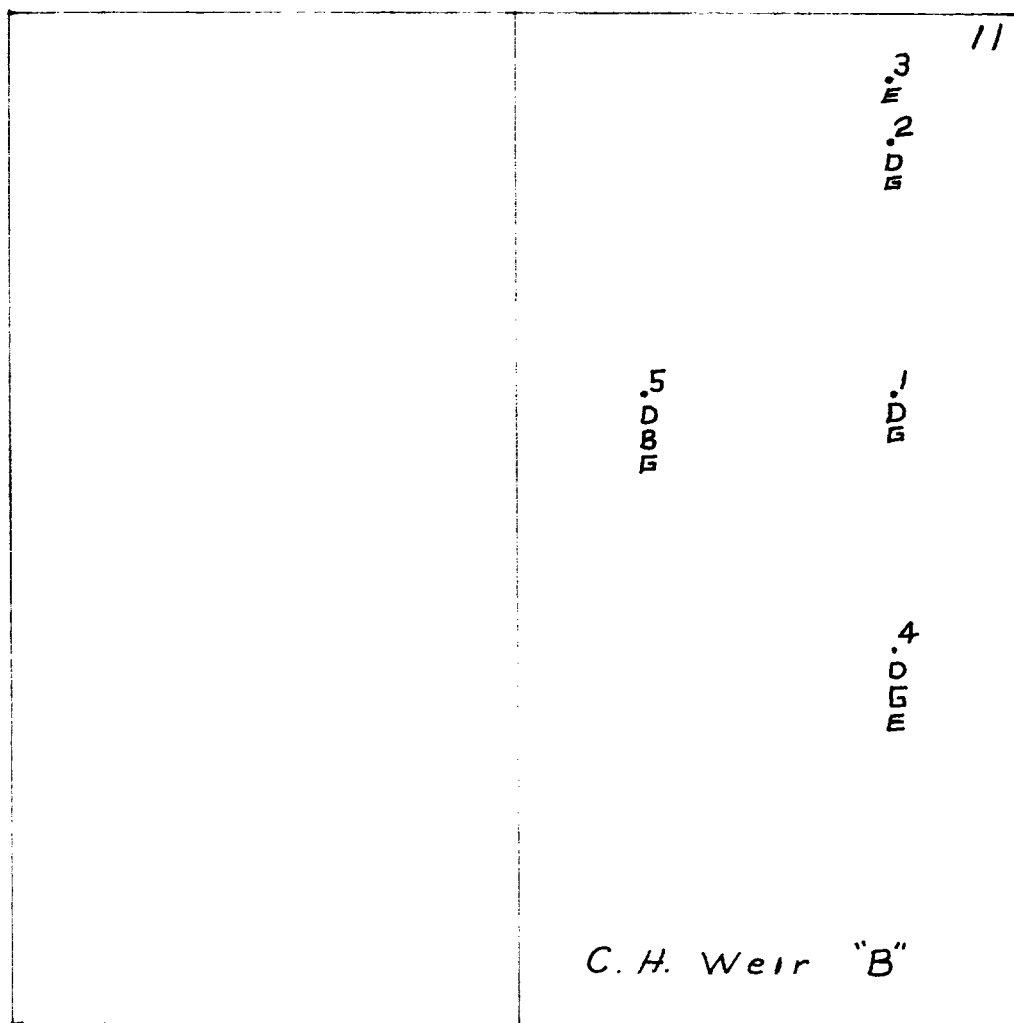
H. N. Wade
Assistant District Superintendent

ODB-MSV

cc: NMOCC, Hobbs

Attachments

T-20-S



Plat of TEXACO Inc., C. H. Weir "B" Lease
Lea County, New Mexico

— Legend —

D - Skaggs - Drinkard

B - Undesignated Blinebry (oil)

G - Skaggs - Glorieta

E - Eumont Gas

Scale 1 inch = 1000'

ODB 3-9-62

SCHEMATIC DIAGRAM OF PROPOSED COMMINGLING INSTALLATION

TEXACO Inc. C. H. Weir "B" Lease
Lea County, New Mexico

