

TEXACO INC.

PETROLEUM PRODUCTS



P. O. Box 728
Hobbs, New Mexico
July 9, 1962

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

Re: Application for Permit to Commingle
Production, TEXACO Inc., C. C.
Fristoe (b) NCT-2 Lease, North
Justis (Tubb-Drinkard, Devonian,
Fusselman) 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. C. Fristoe (b) NCT-2 Lease North Justis (Tubb-Drinkard, Devonian, Fusselman) Pools, Lea County, New Mexico, in support of which is stated the following:

1. TEXACO Inc. is operator of the C. C. Fristoe (b) NCT-2 Lease, consisting of 400 acres, being the E/2 of NW/4 and NE/4 of Section 35, and the SE/4 of Section 26, T-24-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. C. Fristoe (b) NCT-2 Lease has 6 wells, the status of which are as follows:

Well No.	Type	Langlie-Mattix	N. Justis Tubb Drinkard	N. Justis Devonian	N. Justis Fusselman
1	Single	X			
2	Single	X			
3	Single	X			
4	Single	X			
5	Single	X			
6	Triple		0	0	X

X - Denotes Producing Wells
0 - Denotes Wells Completing

July 9, 1962

3. The expected daily liquid hydrocarbon production from the North Justis Tubb-Drinkard Pool is 46 barrels of 35.8° API gravity oil at \$2.91 per barrel, that from the North Justis-Devonian Pool is 80 barrels of 36.6° API gravity oil at \$2.93 per barrel and that from the North Justis-Fusselman Pool is 80 barrels of 36.5° API gravity oil at \$2.93 per barrel. The combined daily production after commingling is expected to be 206 barrels of 36.4° API gravity liquid hydrocarbon at \$2.93 per barrel, resulting in a 92 cents per day gain in revenue. The production from the zones to be commingled is considered as intermediate sweet.

4. In accordance with Item II, Section 2-E 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 North Justis-Devonian zone which produces the highest gravity crude. Positive displacement type meters with samplers and non-reset counters will be installed on the North Justis Tubb-Drinkard, and North Justis-Fusselman zones for accurate measurement prior to commingling. A schematic diagram of the proposed commingling is attached, and is in substantial compliance with Figure 6 in the aforementioned manual.

5. Royalty interest in the subject lease is common and is held in part by U. S. Federal Government and a copy of this application is being sent this date to U. S. Geological Survey, P. O. Box 1838, Hobbs, New Mexico, requesting their approval in writing of the proposed installation. Immediately upon receipt of this approval, it will be forwarded to the Commission.

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 liquid hydrocarbon production from the North Justis Tubb-Drinkard, North Justis-Devonian, and North Justis-Fusselman Pools, on the C. C. Fristoe (b) NCT-2 Lease and from all wells which may be completed in these reservoirs on this lease in the future.

Yours very truly,



H. N. Wade
Assistant District Superintendent

ODB-MSV

cc: NMOCC, Hobbs
U.S.G.S., Hobbs

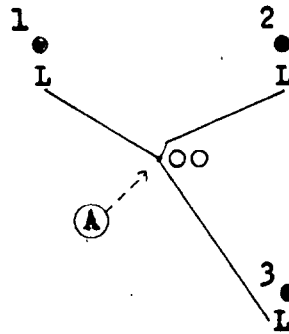
Attachments

LEGEND

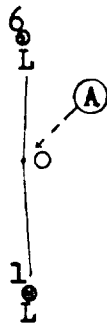
E - North Justis-Ellenburger
 W - North Justis-Waddell
 M - North Justis-McKee
 F - North Justis-Fusselman
 D - North Justis-Devonian
 T - North Justis-Tubb-Drinkard
 B - North Justis-Blaine
 G - North Justis-Glorieta
 L - Langlie-Mattix

(A) - Sour Crude Batteries

(B) - Inter. Sweet Crude Batteries

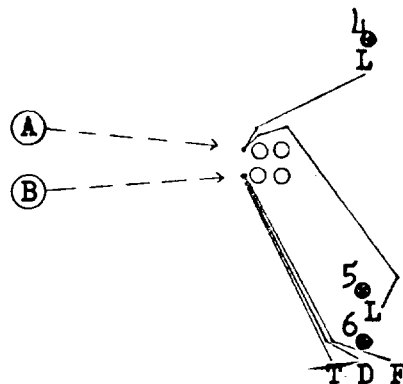


Texaco



C. C. Fristoe
 (a) NCT-1

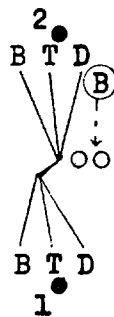
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C. C. Fristoe (b) NCT-2

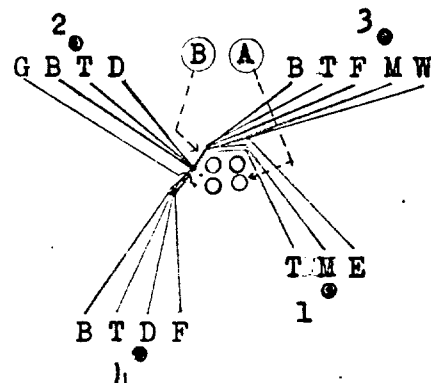
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Texaco



G. L. Erwin (a)

Texaco



G. L. Erwin (b) NCT-2

PLAT OF TEXACO Inc. LEASES, NORTH JUSTIS POOLS

G. L. Erwin (a), Federal Lease No. LC-032874-A

G. L. Erwin (b) NCT-2, Federal Lease No. LC-057509

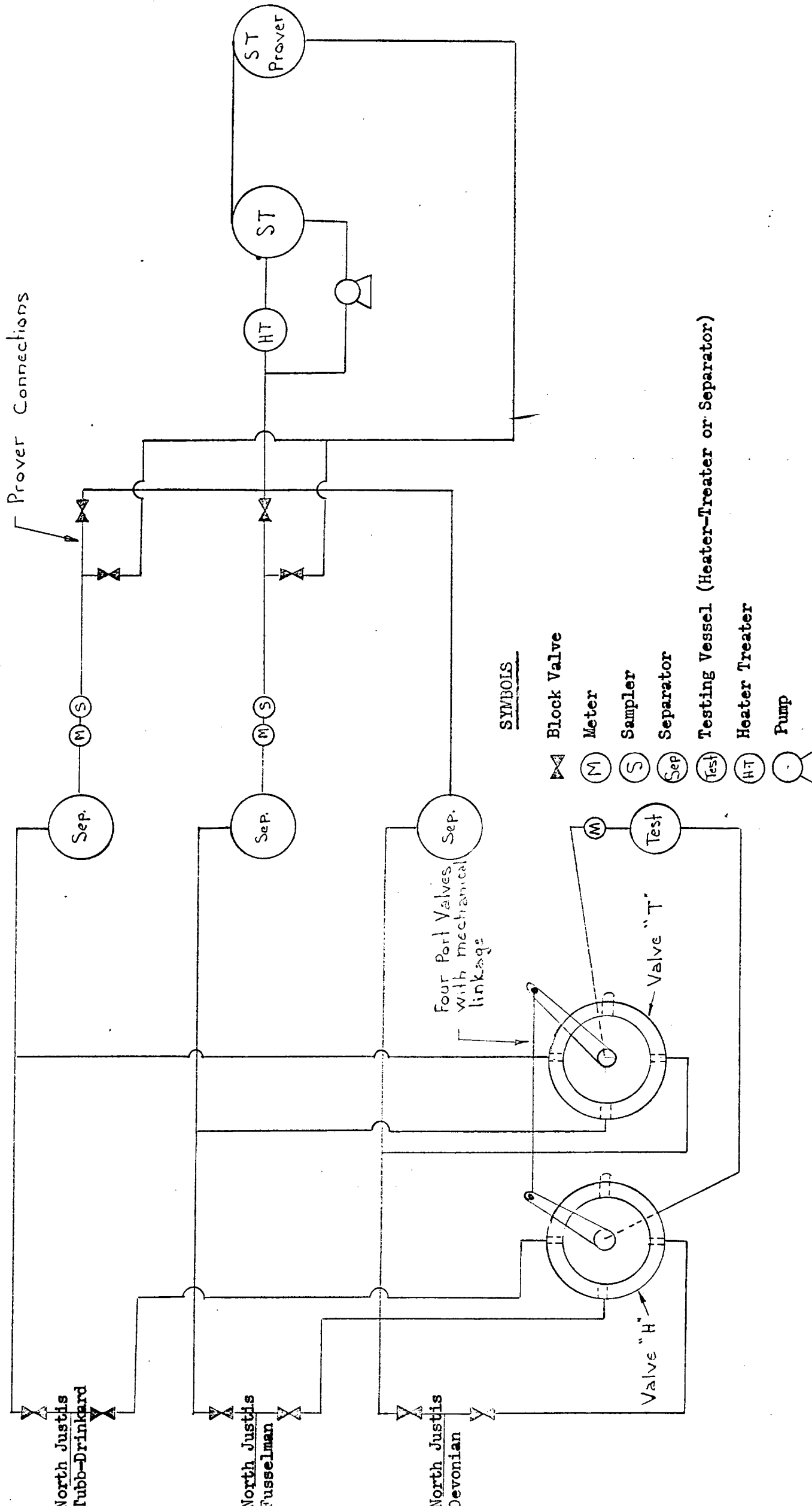
C. C. Fristoe (a) NCT-1, Federal Lease No. LC-032592

C. C. Fristoe (b) NCT-2, Federal Lease No. LC-032592(b)

Scale 1" = 1000'

7-9-62 Lea County, New Mexico

SCHEMATIC DIAGRAM OF PROPOSED COMMINGLING INSTALLATION
 TEXACO Inc. C. C. Fristoe (b) NCT-2 Lease
 Lea County, New Mexico



TEXACO
INC.

PETROLEUM PRODUCTS



P. O. Box 728
Hobbs, New Mexico
August 12, 1962

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

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

Re: Application for Permit
to Commingle Production,
TEXACO Inc., C. C. Fristoe
(b) NCT-2 Lease, North
Justis (Tubb-Drinkard,
Devonian, and Fusselman)
Pools, Lea County, New
Mexico.

Gentlemen:

Attached herewith are three (3) copies of USGS
approval for the proposed commingling on the subject
lease.

Your earliest consideration of our application
to commingle dated July 9, 1962, would be greatly
appreciated.

Yours very truly,

A handwritten signature in dark ink, appearing to read "H. N. Wade".

H. N. Wade
Assistant District
Superintendent

WHS/vjw
NMOC, Hobbs

Attachments



IN REPLY REFER TO:

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
Drawer 1857
Roswell, New Mexico

July 24, 1962

Texaco Inc.
P. O. Box 728
Hobbs, New Mexico

Attention: Mr. H. N. Wade

Gentlemen:

Your letter of July 9 requests approval to commingle oil production from the Tubb-Drinkard, Devonian, and Fusselman pools on Federal lease Las Cruces 032592(b), Lea County, New Mexico.

The method of commingling described by the diagrams attached to your letter is hereby approved. The E $\frac{1}{2}$ NW $\frac{1}{4}$ and the SW $\frac{1}{4}$ NE $\frac{1}{4}$ sec. 35, T. 24 S., R. 37 E., are subject to a sliding scale royalty rate and the remaining portion of the lease, on which all of the producing wells are located at this time, is subject to a 12 $\frac{1}{2}$ percent royalty rate. Separate metering facilities may be required if the portion of the leasehold subject to the sliding scale royalty rate becomes productive in the future.

You are requested to notify our Hobbs office when the installation is completed so that a field inspection of the system can be made.

Very truly yours,

Carl C. Trajcek
for JOHN A. ANDERSON
Regional Oil and Gas Supervisor