

TEXACO
INC.

PETROLEUM PRODUCTS



DRAWER 728

HOBBS, NEW MEXICO 88240

January 24, 1964

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

Re: Application for Permit to Commingle
Production, TEXACO Inc.,
L. R. Kershaw Lease, Skaggs and
Undesignated Tubb 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 L. R. Kershaw Lease Skaggs and Undesignated Tubb Pools, Lea County, New Mexico, in support of which is stated the following:

1. TEXACO is the operator of the L. R. Kershaw Lease, consisting of 280 acres, being the NW/4, N/2 of the NE/4, and NE/4 of the SW/4 of Section 13, 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 L. R. Kershaw Lease has nine wells, the status of which are as follows:

<u>Well No.</u>	<u>Type</u>	<u>Eumont(gas)</u>	<u>Skagg</u>	<u>East Weir Blinebry (Pools)</u>	<u>Undesig. Tubb</u>	<u>Glorieta</u>
1	Single		X			
2	"		X			
3	"		X			
4	"		X			
5	"		X			
6	"		X			
7				X		Abandoned
8	Triple	SI	X	X		
9	Dual			0	X	

X - Denotes Producing Wells
 0 - Denotes Wells Completing
 SI - Denotes Zones Shut-In

3. The expected daily liquid hydrocarbon production from the Skaggs Pool is 30 barrels of 34.6° API gravity oil at \$2.89 per barrel, that from the Undesignated Tubb Pool is 71 barrels of 37.7° API gravity oil at \$2.95 per barrel. The combined daily production after commingling is expected to be 101 barrels of 36.8° API gravity liquid hydrocarbon at \$2.93 per barrel, resulting in a \$0.22 per day loss in revenue. The production from the zones to be commingled is considered as intermediate Sweet.

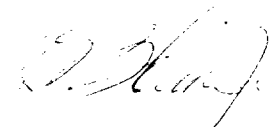
(Common Ownership - All zones metered) In accordance with Item II, Section 2-A of the current "Manual for the Installation and Operation of Commingling Facilities", it is proposed to meter prior to commingling all zones. Positive displacement type meters with samplers and non-reset counters will be installed on the Skaggs and Undesignated Tubb zones for accurate measurement prior to commingling. A schematic diagram of the proposed commingling is attached, and is in substantial compliance with Figure 2 in the aforementioned manual.

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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 Skaggs and the Undesignated Tubb Pools on the L. R. Kershaw Lease and from all wells which may be completed in these reservoirs on this lease in the future.

Yours very truly,

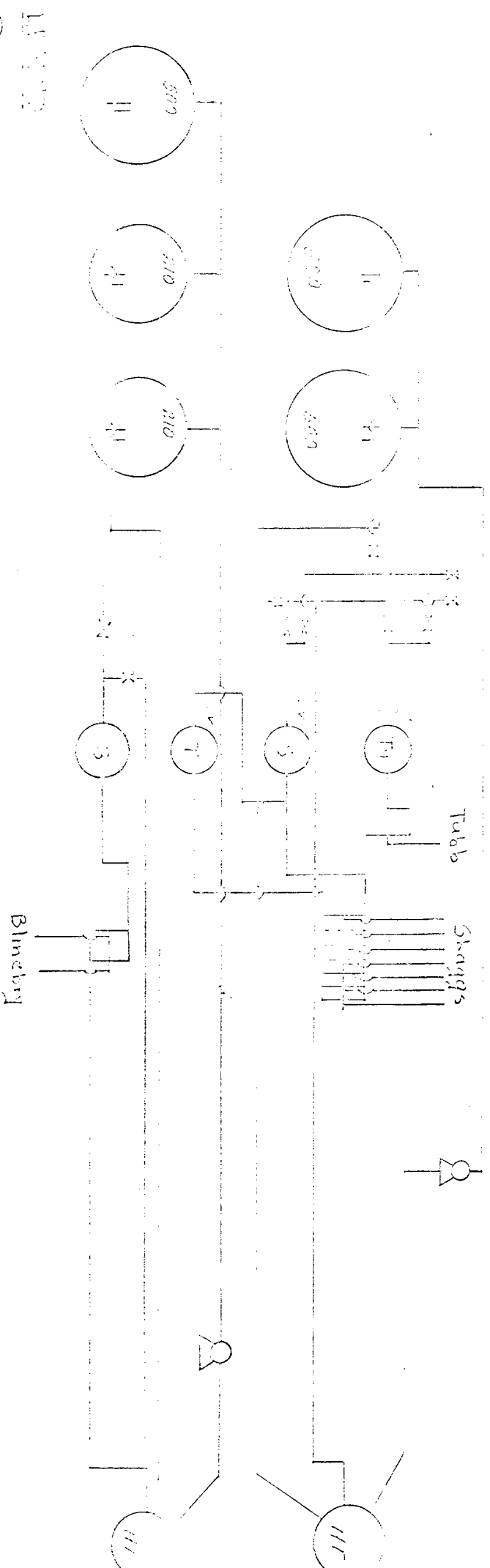


J. G. Blevins, Jr.
Assistant District Superintendent

JWM/om

cc: NMOCC, Hobbs

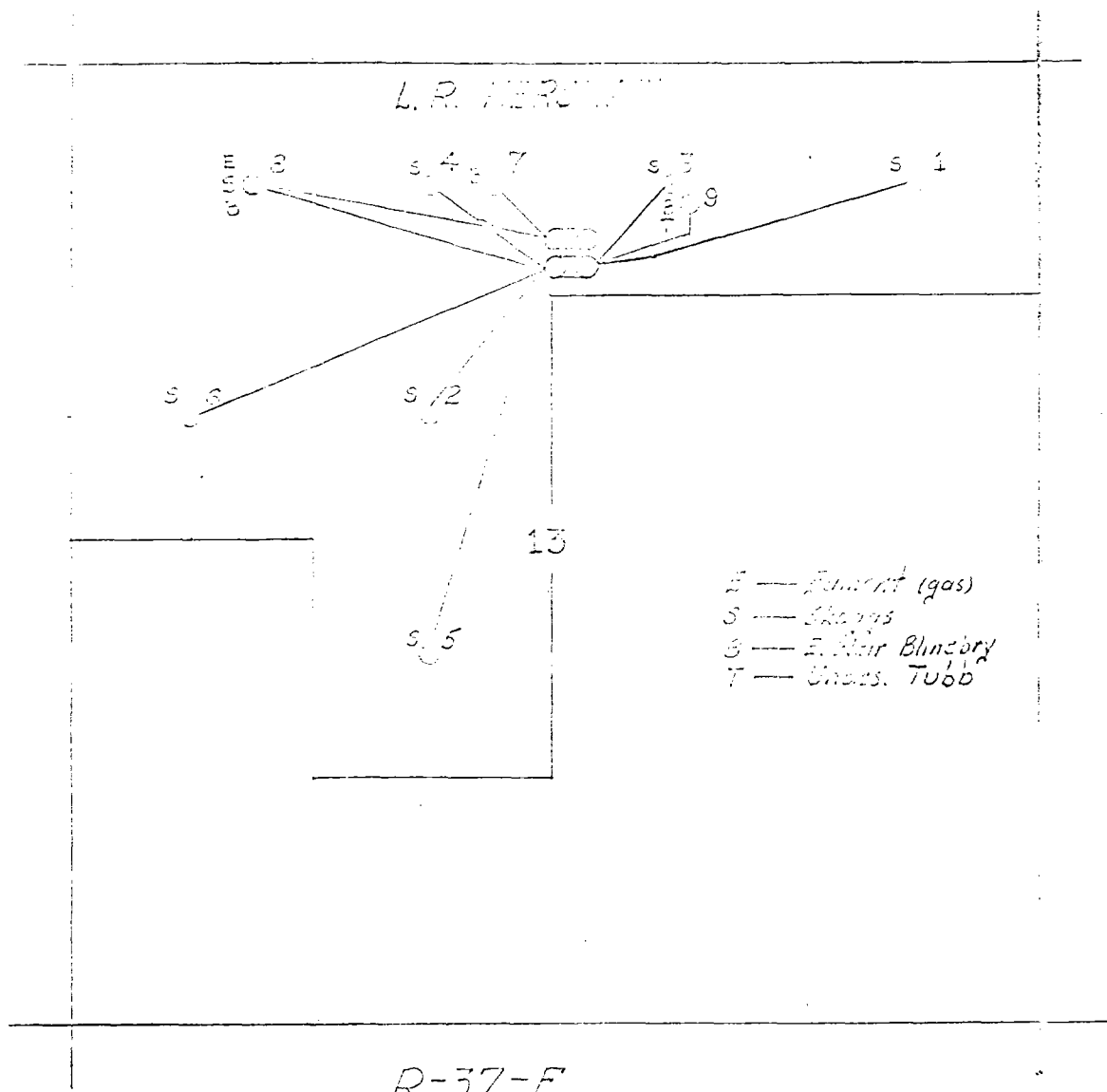
Attachments



- Notes
- (a) 1000
 - (b) 1000
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 - (d) 1000
 - (e) 1000
 - (f) 1000

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TEXAS
 Prepared by
 L.R. Kershner
 Lee County New M



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TEXACO Inc.
L.R. Kersham Lease
Skaggs, E. War Blinberry
And Uncles. Tobbs
Lea County, New Mexico