

THE ATLANTIC REFINING COMPANY

INCORPORATED - 1870

PETROLEUM PRODUCTS

DOMESTIC PRODUCING DEPARTMENT NEW MEXICO DISTRICT

BOONE MACAULAY, DISTRICT MANAGER
R. F. CHAMPION, DISTRICT LANDMAN
W. T. EASTES, DISTRICT GEOPHYSICIST
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W. P. TOMLINSON, DISTRICT ENGINEER
B. R. WARE, ADMINISTRATIVE SUPERVISOR

February 10, 1964

Mr. A. L. Porter New Mexico Oil Conservation Commission Post Office Box 2088 Santa Fe, New Mexico

> The Atlantic Refining Company Seeks an Exception to Rule 303 to Commingle Marginal Production from the Wolfcamp and Devonian Pools on the Dickinson A-34 Lease in Denton Field, Lea County New Mexico, Without Separately Metering Production

Dear Mr. Porter:

The Atlantic Refining Company seeks an exception to Rule 303. We propose to commingle the marginal production from the Wolfcamp and Devenian pools on our Dickinson A-34 lease in Denton Field. We also propose to allocate production based on a six months production test. Our Dickinson A-34 lease in Denton Field has three (3) wells. Two (2) of the wells are in Wolfcamp pool and the other well is in the Devonian pool. All the wells are on artificial lift. None of the wells have produced top allowable for the past sixty days or are capable of producing top allowable. A summary of the average daily oil production from each well on this lease is as follows:

	Aug.	Sept.	Oct.	Nov.	Dec.
Dickinson A-34 #1 (W)	14	5	10	9	7
Dickinson A-34 #3 (W)	26	10	20	15	14
Dickinson A-34 #2 (D)	l	10	8	7	12

The gravity on the Wolfcamp production is 42.50 API, and the gravity on the Devonian production is 42.9° API. The price is the same for all oil with a gravity range from 40.0° API. Since the gravity of the commingled production will still fall within this range, there will not be any difference in the amount of money received for the production.

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Attached is a schematic diagram of the proposed installation and also a plat showing the location of all the wells on the lease. On this lease, we propose to test the No. 1 and No. 3 well and measure the production directly in a stock tank. The No. 2 well will be produced through a heater treater and the production measured in a separate stock tank. On normal production, the three (3) wells will be commingled and the production routed through the heater treater prior to entering a stock tank. Since each well will be tested through a segregated power oil tank during the test period, the use of a power oil meter is not necessary to account for the amount of power oil used. The primary purpose of the power oil meter is for determining the efficiency of the down hole equipment.

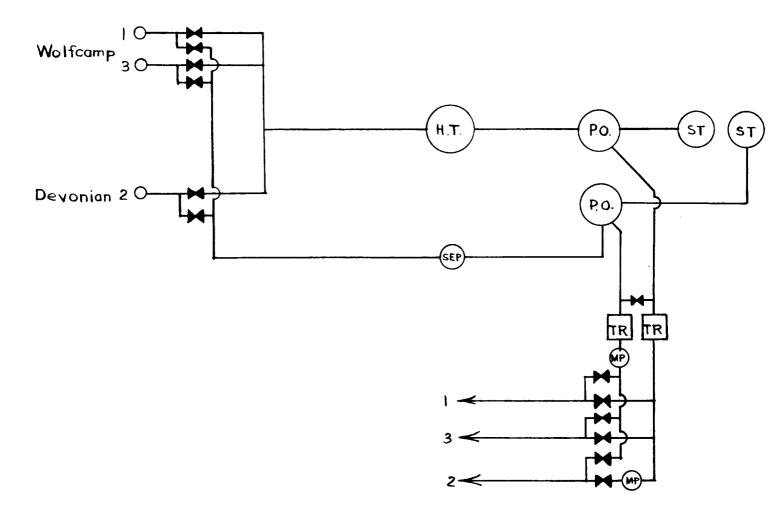
Very truly yours,

W. P. Tomlinson Me.

WPT:ly
Attachment

cc: Mr. J. Ramey, N.N.O.C.C., Hobbs

Mr. A. B. Macaulay, Roswell Mr. A. D. Kloxin, Roswell Mr. D. L. Langston, Hobbs



SYMBOLS

- Check Valve Z
- Block Valve
- 2 Way Valve (Pneumatic or Electrically Controlled)
 - 3 Way Valve (Manual, Pneumatic or Electrically Controlled)
 - Control Panel (Pneumatic or Electrical)
- Gas Meter
- Meter
- Meter for Power Oil
- Testing Vessel (Heater-Treater or Separator)
- **(17)** Heater Treater
- **⊚ ⑤** Power Oil Tank
- Stock Tank
- Pump
- Separator
- Sampler

