

TEXACO INC.

PETROLEUM PRODUCTS



RECEIVED
OCT 8 1964
DRAWER 728
HOBBS, NEW MEXICO 88240

October 6, 1964

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

Re: Application for Permit to
Commingled Production, TEXACO
Inc. A. H. Blinebry (NCT-1)
Lease, Sections 19 and 20,
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 of liquid hydrocarbon production from the Blinebry (Oil) and Tubb (Gas) Pools on a portion of the A. H. Blinebry (NCT-1) Lease. In support of this request, the following is stated:

1. The portion of the A. H. Blinebry (NCT-1) Lease from which production is to be commingled consists of the NE/4 of Section 19 and the S/2 of Section 20, Township 22 South, Range 38 East, Lea County, New Mexico. A plat of the pertinent portions of the lease showing locations of all wells in the pertinent portions and the zones in which the wells are completed is attached. All production from wells completed in other pools within the pertinent commingling area boundaries and that from other wells completed on the subject lease but outside the pertinent boundaries shall in no way be involved in the proposed commingling system.

2. TEXACO Inc. is the owner and operator of the pertinent portions of the subject lease.

October 6, 1964

3. The expected daily liquid hydrocarbon production from the Tubb (Gas) Pool is 53 barrels of 58° API gravity at \$2.79 per barrel and that from the Blinebry (Oil) Pool is 166 barrels of 42.4° API gravity at \$3.01. The combined daily production after commingling is expected to be 219 barrels of 45.7° API gravity liquid hydrocarbon at \$2.99 per barrel, resulting in a \$7.28 per day gain in revenue. The production from the zones to be commingled is considered as being intermediate sweet.

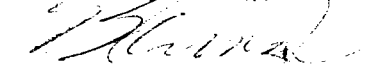
4. All working interests are common in the pertinent lease portions, but the royalty ownership is not. Therefore, the Blinebry (Oil) production from the NE/4 of Section 19, the Tubb (Gas) Production, and the Blinebry (Oil) production from the S/2 of Section 20 each shall be measured separately prior to being commingled, the royalty ownership of the NE/4 of Section 19 being different from that of the S/2 of Section 20. The liquid hydrocarbon production shall be measured with positive displacement meters equipped with non-reset counters, temperature compensators, strainers, air and gas eliminators and fluid samplers, all of approved kind. Adequate test facilities shall be provided to accurately determine the producing capacity of each well at reasonable periodic intervals. A schematic diagram is attached and is in substantial compliance with the current New Mexico Oil Conservation Commission "Manual for the Installation and Operation of Commingling Facilities". The gas from each pool and different royalty ownership shall be separately measured and production shall be reported each month from each well and each pool.

5. All royalty owners in the aforesaid portions of the subject lease are being furnished a copy of this application. A list of the royalty owners is attached.

6. Texas-New Mexico Pipe Line Company is the crude oil purchaser at the existing tank battery into which the commingling is to be performed and a copy of this application is being furnished them at P. O. Box 1510, Midland, Texas.

In view of the aforementioned facts, TEXACO Inc. respectfully requests administrative approval of an exception to Rule 303 (a) to permit the commingling of liquid hydrocarbons from the Blinebry (Oil) Pool in the NE/4 of Section 19 and Blinebry (Oil) and Tubb (Gas) Pools in the S/2 of Section 20, all being portions of the A. H. Blinebry (NCT-1) Lease.

Yours very truly,



J. G. Blevins, Jr.

Assistant District Superintendent

WPY-jr

NMOCC - Hobbs

USGS - Roswell

All Royalty Owners

Attachments

ROYALTY OWNERS OF PERTINENT PORTIONS,
TEXACO Inc.
A. H. BLINEBRY (NCT-1) LEASE
Sec. 19 & 20, T-22-S, R-38-E, Lea County, New Mexico

Albuquerque National Bank
Testamentary Trustee of the
F. A. Andrews Estate
Albuquerque, New Mexico

Selma E. Andrews
c/o Trust Department
Albuquerque National Bank
Albuquerque, New Mexico

The Atlantic Refining Company
P. O. Box 354
Dallas 21, Texas

The Chase Manhattan Bank, Assignee
1 Chase Manhattan Plaza
New York 15, New York

The First National Bank of Denver
Successor Trustee Under the Will
of Josephine M. Smith, Deceased
c/o Trust Department
Denver 17, Colorado

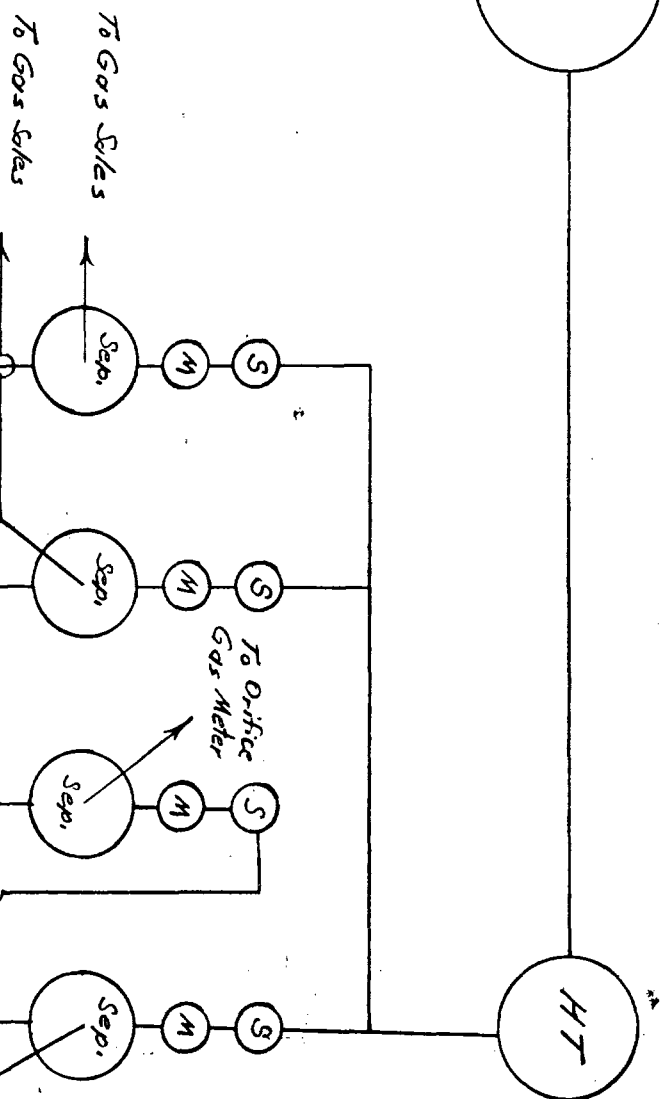
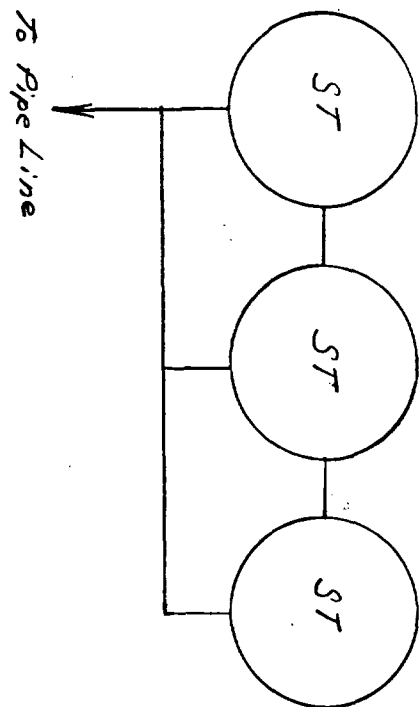
T. A. Pedley, Jr.
4025 East 22nd Avenue
Denver 7, Colorado

Gracean M. Pedley
115 McGoodwin Avenue
Princeton, Kentucky

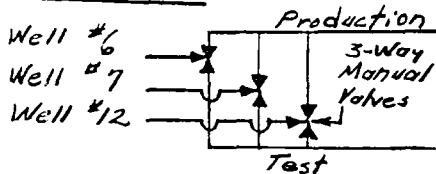
United States Geological Survey
P. O. Drawer 1857
Roswell, New Mexico

M- Meter
 S- Fluid Sampler
 HT- Emulsion Heater Treater
 ST- Stock Tank
 Sep.- Separator

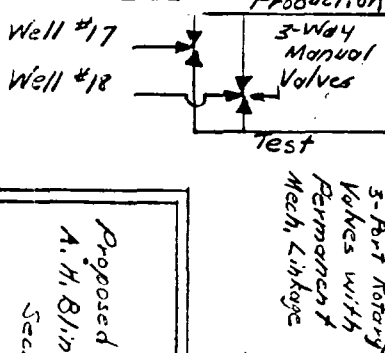
Legend



Blinabry (Oil)



Blinebry (Oil)



Tubb (Gas) - Low Pressure Distillate
Well #17

To Gas Sales

TEXACO Inc.

Proposed Central Tank Batts.
 A.H. Blinabry (No. 1) Lease
 Sections 19 & 20
 Lea County, New Mexico

TEXACO

INC.

PETROLEUM PRODUCTS



November 2, 1964

RECEIVED
NOV 3 1964
AM 7 50

DRAWER 728

HOBBS, NEW MEXICO 88240

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

Re: Application for Permit to Commingle
Production, Dated October 6, 1964,
TEXACO Inc. A.H. Blinebry (NCT-1)
Lease, Sections 19 and 20, Lea
County, New Mexico.

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

Gentlemen:

Attached is a letter from the United States Geological
Survey approving the subject application for permit to commingle
liquid hydrocarbon production from the Blinebry (Oil) and Tubb
(Gas) Pools in the NE/4 of Section 19 and S/2 of Section 20,
Township 22 South, Range 38 East, Lea County, New Mexico.

Yours very truly,

J. G. Blevins, Jr.
Assistant District Superintendent

WPY-bh

Attachment



UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
Drawer 1857
Roswell, New Mexico 88201

IN REPLY REFER TO:

October 28, 1964
MAILED
NOV 3 AM

Texaco Inc.
Drawer 728
Hobbs, New Mexico

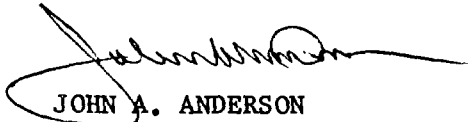
Attention: Mr. J. G. Blevins, Jr.

Gentlemen:

Your letter of October 6, requests approval to commingle liquid hydrocarbon production from the Blinbry (oil) and Tubb (gas) Pools in the NE $\frac{1}{4}$ sec. 19 and the S $\frac{1}{2}$ sec. 20, T. 22 S., R. 38 E., Lea County, New Mexico, lease Las Cruces 032104.

The method of commingling as described by diagram attached to your letter is hereby approved. You are requested to notify our Hobbs office when the installation is completed so that a field inspection of the system can be made.

Sincerely yours,


JOHN A. ANDERSON

Regional Oil and Gas Supervisor

TEXAS-NEW MEXICO PIPE LINE COMPANY

P. A. LYONS
DIVISION MANAGER

P. O. BOX 1510
MIDLAND, TEXAS 79701

MAILED
OCT 20 1964
October 16, 1964

New Mexico Oil Conservation Commission
Box 371
Santa Fe, New Mexico

Gentlemen:

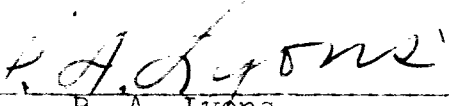
Texaco, Inc. advises us that they intend to make application to the New Mexico Oil Conservation Commission to commingle Blinebry (Oil) Pool and Tubb (Gas) Pool liquid production on portions of the A. H. Blinebry (NCT-1) Lease in Sections 19 and 20, T-22-S, R-30-E, Lea County, New Mexico.

Texas-New Mexico Pipe Line Company will gather the production from this lease and concurs with the operator's application to commingle these two crudes.

Yours very truly,

TEXAS-NEW MEXICO PIPE LINE COMPANY

By


P. A. Lyons
Division Manager

LPS-NLB

JDS