

HUMBLE OIL & REFINING COMPANY

MIDLAND, TEXAS

April 22, 1959

Case 16116

Inre: Application for Exception to Statewide
Rule No. 309(a).
Chimney Rock (Gallup) Field
San Juan County, Texas.

New Mexico Oil Conservation Commission
Box 871
Santa Fe, New Mexico

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

Gentlemen:

Humble respectfully requests that you set an early date for an Examiner Hearing to consider an Exception to Statewide Rule 309(a) on our Navajo Tribe of Indians "F" Lease in the subject field, granting us permission to receive, measure, and store the oil from more than sixteen wells on the lease.

The Navajo Tribe of Indians "F" Lease consists of 2560 acres being all of Sections 3, 4, 9 and 10, T-31-N, R-17-W. Please refer to the attached plat showing the location of the existing tank battery, and the location of Wells 1 through 19. The tank battery consists of 2-1000 barrel tanks and we feel that this is adequate storage to accommodate all of the wells that will be drilled on this lease.

At the same Hearing we would like to consider the possibility of commingling the production from the Navajo Tribe of Indians "F" Lease with production from the Navajo Tribe of Indians "G" Lease. The Navajo "G" Lease consists of 2560 acres being Sections 1, 2, 11 and 12, T-31-N, R-17-W. At the present time we have a proposed location in the SW/4 of Section 11 and present plans call for the drilling of three additional wells on this lease.

In support of this request for Hearing, we submit the following information:

1. The leases to be commingled are contiguous.
2. Both leases will be produced from a common reservoir.
3. Both of the leases to be commingled are Federal Leases and the royalty ownership is common throughout.
4. The USGS has no objection to the proposed commingling.
5. The existing tankage is sufficient to adequately receive, measure, and store the production from both leases, and adequate facilities will be installed to efficiently test each individual well.

HUMBLE OIL & REFINING COMPANY

April 22, 1959
MIDLAND, TEXAS

Texas Pacific Coal & Oil Company, Box 4067, Midland, Texas
Honolulu Oil Corporation, Drawer 1391, Midland, Texas
Magnolia Petroleum Company, Box 633, Midland, Texas
Skelly Oil Company, Drawer "H", Monahans, Texas
Cities Service Oil Company, Midland Tower, Midland, Texas
Atlantic Refining Company, Box 1610, Midland, Texas
The Texas Company, Box 1270, Midland, Texas
Byrd-Frost (Address Unknown)

Gentlemen:

Please find attached a copy of Humble's Application for Examiner Hearing to consider an exception to Statewide Rule 309(a) granting permission to store more than sixteen wells in a single tank battery, and to commingle the production from two Federal leases in the Chimney Rock (Gallup) Field, San Juan County, New Mexico.

This request for Hearing is being furnished you as an off-set operator in accordance with the Oil Conservation Commission rules.

Very truly yours,



R. R. MCCARTY

JEP:bw

Enc.

CLASS OF SERVICE

This is a fast message unless its deferred character is indicated by the proper symbol.

WESTERN UNION

TELEGRAM

W. P. MARSHALL, PRESIDENT

1201

SYMBOLS

DL=Day Letter

NL=Night Letter

LT=International Letter Telegram

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K TUA094 NL PD=TULSA OKLA 2C=

O C PAYNE=

NEW MEXICO OIL CONSERVATION COMMISSION SANTA FE NMEX=

HAVE NO OBJECTION TO MORE THAN SIXTEEN WELLS IN BATTERY
NOR TO COMINGLING OF HUMBLE F&G LEASES IN 4-31N-17W
SAN JUAN COUNTY=

R L BAYLESS==

Case 1676
UNDERScore COMINGLING

F&G 4-31N-17W=.

OIL CONSERVATION COMMISSION

P. O. BOX 871
SANTA FE, NEW MEXICO

Case File

April 29, 1959

**Humble Oil & Refining Company
P.O. Box 1600
Midland, Texas**

ATTENTION: Mr. R. R. McCarty

Gentlemen:

Reference is made to your application dated April 22, 1959, for an exception to Rule 309 (a) for your Navajo Tribe of Indians "F" Lease, Chimney Rock-Gallup Pool, San Juan County, New Mexico. This application will be docketed for the May 20th examiner hearing in Santa Fe, New Mexico.

After due consideration, the Commission must decline your request for permission to commingle the production from more than sixteen wells into a common tank battery prior to a hearing on the matter. This could be done only by way of an emergency order and we do not feel that the requisite emergency exists in this case.

Very truly yours,

A. L. Porter, Jr.
Secretary - Director

ALP/OEP:bp

CC-Emery Arnold
OCC, Aztec

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P
Y

R. R. MCCARTY
DIV. SUPERINTENDENT
L. H. BYRD
ASST. DIV. SUPERINTENDENT
H. L. HENSLEY
ASST. DIV. SUPERINTENDENT
H. E. MEADOWS
ASST. DIV. SUPERINTENDENT
J. W. GRAYBEAL
DIV. PETROLEUM ENGINEER
R. A. ESTES
DIV. CIVIL ENGINEER

HUMBLE OIL & REFINING COMPANY

WESTERN DIVISION

P. O. BOX 1600

MIDLAND, TEXAS

April 15, 1959

*Fast hearing
in May
cases 67k*

New Mexico Oil Conservation Commission
Box 871
Santa Fe, New Mexico

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

Gentlemen:

Humble is the owner and operator of a lease styled the Navajo Tribe of Indians "F" in the Chimney Rock (Gallup) Field, San Juan County, New Mexico.

By referring to the enclosed plat you will note that we have thirteen completed oil wells and have made location for several additional wells. We have constructed a central tank battery located in the NW/4 of Section 10 to serve this four section lease. This battery consists of 2-1000 barrel tanks, two oil and gas separators, and all of the equipment necessary to test each individual well.

Since we will have more completed wells on this lease than the sixteen allowed in a single tank battery as prescribed in Rule 309(a), it would be appreciated if the Oil Conservation Commission would grant us an Administrative exception to this rule so that we can produce all of the wells drilled on this lease into the central tank battery.

Since these wells are completed at approximately 950 feet and require approximately four days drilling time, it would be appreciated if this request could be handled at your earliest convenience. Well No. 14 is presently drilling at 100 feet.

Very truly yours,

R. R. McCarty
R. R. MCCARTY

JEP:bw

Enc.