

TEXAS-NEW MEXICO PIPE LINE COMPANY

F. B. WHITAKER, JR.
DIVISION MANAGER

November 16, 1959

P. O. BOX 1510
MIDLAND, TEXAS

Cities Service Oil Company
P. O. Box 97
Hobbs, New Mexico

Attention: Mr. E. F. Motter
Assistant Division Engineer

Gentlemen:

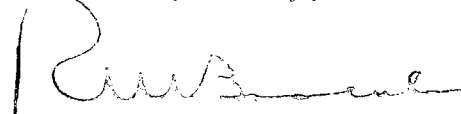
This is in reply to your letter dated November 6, 1959, concerning your two proposed LACT installations in the Drickey Queen Sand Unit, Caprock Queen Pool, Chaves County, New Mexico, namely, LACT No. 2 in the SW/NW, Section 2, and LACT No. 3 in the SW/NW, Section 15, all in T-14-S, R-31-E.

After examining your proposal in some detail, we think that it will serve your purpose and ours very nicely. We would be pleased to accept oil from these two LACT installations with only the minimum testing period after the installations are made. Experience has shown us that a few operational bugs always exist in any installation that need to be corrected. However, please be assured that after these corrections are made, the test period will be a very nominal one.

If you find that you need any further information, please let us know.

Texas-New Mexico Pipe Line Company will accept these two LACT installations.

Yours very truly,



RWB-btk

BEFORE EXAMINER UTZ	
OIL CONSERVATION COMMISSION	
<i>Wm</i>	EXHIBIT NO. <i>2</i>
CASE NO.	<i>1822</i>

TEXAS-NEW MEXICO PIPE LINE COMPANY

F. E. WHITAKER, JR.
DIVISION MANAGER

November 16, 1959

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Assistant Division Engineer

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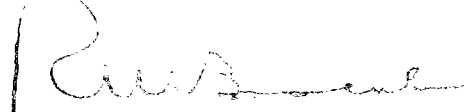
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DOCKET: EXAMINER HEARING NOVEMBER 24, 1959

Oil Conservation Commission - 9 a.m., Mabry Hall, State Capitol, Santa Fe, New Mexico

The following cases will be heard before Elvis A. Utz, Examiner, or A. L. Porter, Jr., Secretary.

- CASE 1811: Application of The Atlantic Refining Company for permission to commingle the production from three separate pools from three separate leases. Applicant, in the above-styled cause, seeks an order authorizing it to commingle the Tubb, Blinbry, and Drinkard production from three Federal leases in Section 14, Township 25 South, Range 37 East, Lea County, New Mexico.
- CASE 1812: Application of Gulf Oil Corporation for permission to commingle the production from two separate leases. Applicant, in the above-styled cause, seeks permission to commingle the production from the Eumont Pool from its Ramsay (NCT-D) Lease consisting of the NE/4 of Section 35 and from its Ramsay (NCT-J) Lease consisting of the SW/4 SW/4 of Section 25, both in Township 20 South, Range 37 East, Lea County, New Mexico.
- CASE 1813: Application of Gulf Oil Corporation for a gas-oil dual completion and for permission to commingle the production from two separate pools. Applicant, in the above-styled cause, seeks an order authorizing the dual completion of its Travis Well No. 1, located 1980 feet from the South line and 660 feet from the East line of Section 21, Township 23 South, Range 37 East, Lea County, New Mexico, in such a manner as to permit the production of gas from an undesignated Abo gas pool and the production of oil from the Teague Pool. Applicant further seeks permission to commingle the oil produced from the Teague Pool from said well with the distillate produced from an undesignated Abo gas pool from said well.
- CASE 1814: Application of Leonard Latch for two water flood projects. Applicant, in the above-styled cause, seeks an order authorizing it to institute two water flood projects in the Empire Pool in Eddy County, New Mexico. In one project, applicant proposes to inject water into the Seven Rivers formation through ten wells located in the N/2 of Section 19, Township 17 South, Range 28 East. In the other project, applicant proposes to inject water into the Seven Rivers formation through seven wells located in the S/2 SE/4 of Section 12 and the NE/4 of Section 13, Township 17 South, Range 27 East.
- CASE 1815: Application of Leonard Oil Company for an unorthodox gas well location. Applicant, in the above-styled cause, seeks an order authorizing an unorthodox gas well location in the Jalmat Gas Pool at a point 2310 feet from the North and East lines of Section 21, Township 25 South, Range 37 East, Lea County, New Mexico. Applicant proposes that said well serve as the unit well for a non-standard gas proration unit in the Jalmat Gas Pool consisting of the E/2 NW/4 and W/2 NE/4 of said Section 21.
- CASE 1816: Application of Shell Oil Company for permission to commingle the production from several separate pools from several separate leases. Applicant, in the above-styled cause, seeks permission to commingle the production from an undesignated Atoka pool and an undesignated San Andres pool from two separate leases in Sections 23, 26, and 35, Township 19 South, Range 35 East, Lea County, New Mexico, and to transport said production from said leases

prior to measurement and to commingle such production with the commingled Pearl-Queen production authorized by Order No. R-1101. Applicant further seeks authorization to expand the automatic custody transfer system authorized by said Order No. R-1101.

CASE 1817:

Application of Sunray Mid-Continent Oil Company for an automatic custody transfer system and for permission to produce more than sixteen wells into a common tank battery. Applicant, in the above-styled cause, seeks an order authorizing it to install an automatic custody transfer system to handle the production from all Bisti-Lower Gallup Oil Pool wells on its Central Bisti Unit comprising certain acreage in Townships 25 and 26 North, Range 12 West, San Juan County, New Mexico.

CASE 1818:

Application of Texaco Inc., for a gas-oil dual completion. Applicant, in the above-styled cause, seeks an order authorizing the dual completion of its State "BN" Well No. 1, located in the NW/4 SW/4 of Section 25, Township 11 South, Range 32 East, Lea County, New Mexico, in such a manner as to produce gas from the Moore-Wolfcamp Gas Pool and to produce oil from the Moore-Pennsylvanian Pool through the casing-tubing annulus and tubing respectively.

CASE 1819:

Application of Hamilton Dome Oil Company, Ltd., for an order authorizing the commingling of production from two separate pools. Applicant, in the above-styled cause, seeks permission to commingle the Blinbry and Tubb production from a lease consisting of the S/2 SE/4 of Section 25, Township 25 South, Range 37 East, Lea County, New Mexico.

CASE 1820:

Application of Carper Drilling Company, Inc., and T. J. Sivley for permission to commingle the production from two separate leases. Applicant, in the above-styled cause, seeks permission to commingle the Empire-Abo Pool production from that portion of State Lease B-1483 consisting of lot 2 of Section 2 and that portion of State lease 2029 consisting of lot 3 of said Section 2, Township 18 South, Range 27 East, Eddy County, New Mexico.

CASE 1821:

Application of Cities Service Oil Company for establishment of a water flood project allowable. Applicant, in the above-styled cause, seeks an order establishing a project allowable for its Drickey Queen Sand Unit in Chaves County, New Mexico, and providing for the conversion of wells to water injection at the operator's election.

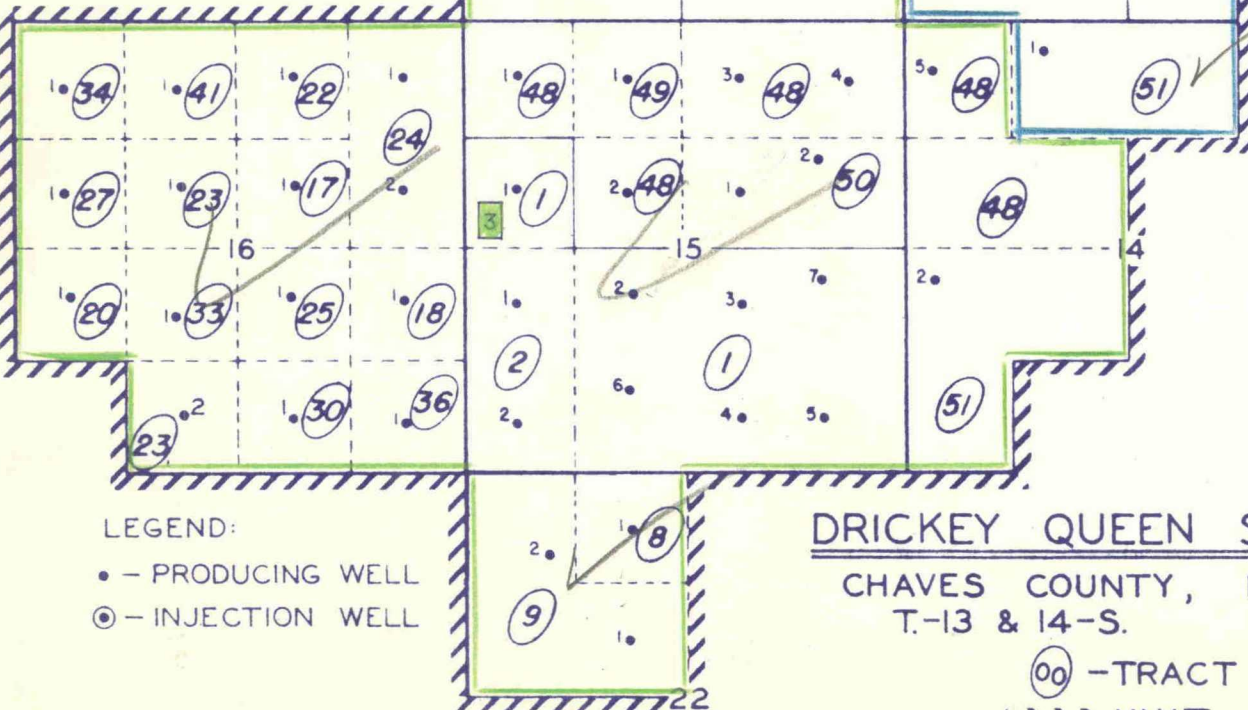
CASE 1822:

Application of Cities Service Oil Company for approval of automatic custody transfer facilities. Applicant, in the above-styled cause, seeks an order authorizing the installation of automatic custody transfer facilities to handle the Caprock-Queen Pool production from the Drickey Queen Sand Unit in Chaves County, New Mexico.

C.S.O. - OPERATED

Location of Proposed
A C T Units

BEFORE EXAMINER UTZ
L. CONSERVATION COMMISSION
APP EXHIBIT NO. 1
CASE NO. 1822



LEGEND:

- - PRODUCING WELL
- ⊙ - INJECTION WELL

DRICKEY QUEEN SAND UNIT

CHAVES COUNTY, NEW MEXICO
T-13 & 14-S. R-31-E.

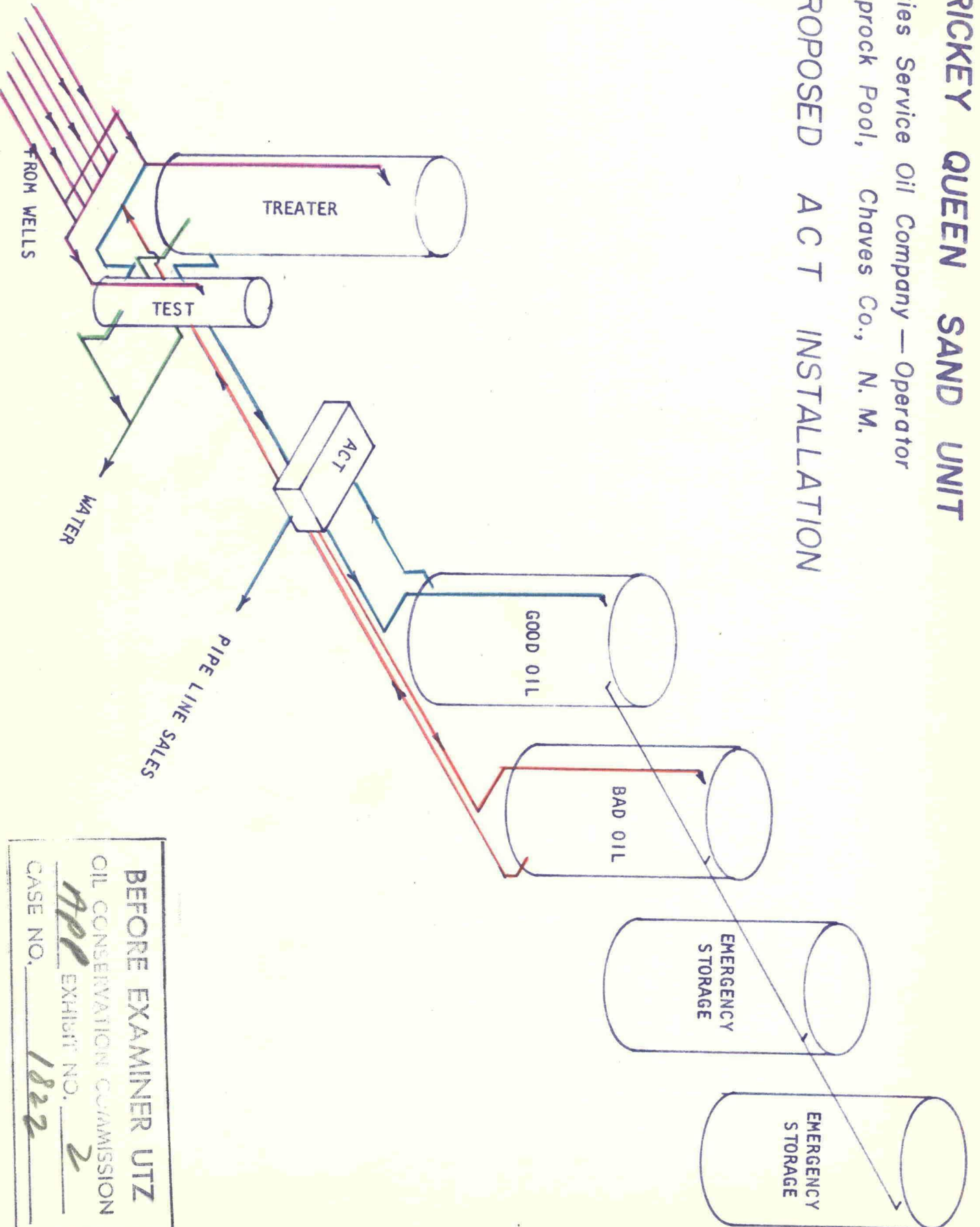
00 - TRACT NO.

UNIT AREA

DRICKEY QUEEN SAND UNIT

Cities Service Oil Company — Operator
Caprock Pool, Chaves Co., N. M.

PROPOSED ACT INSTALLATION



BEFORE EXAMINER UTZ

OIL CONSERVATION COMMISSION

MP1

EXHIBIT NO.

2

CASE NO.

1822