



CONTINENTAL OIL COMPANY

825 PETROLEUM BUILDING
ROSWELL, NEW MEXICO

WM. A. MEAD
DIVISION SUPERINTENDENT
OF PRODUCTION
NEW MEXICO DIVISION

November 3, 1959

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

Attention: Mr. A. L. Porter, Jr., Secretary-Director

Re: Continental Oil Company's
Application to Amend Order
No. R-1445 to Commingle
Production, Install Auto-
matic Custody Transfer, and
for an Exception to Rule 309
for the Wilder, Payne and
Bradley 35 Leases, El Mar
Pool, Lea County, New Mexico

Gentlemen:

Forwarded herewith are three copies of an application to amend Order No. R-1445 so as to permit Continental Oil Company to commingle production from the Wilder, Payne and Bradley 35 Leases, located in Sections 25, 26 and 35, T-26S, R-32E and Sections 30 and 31, T-26S, R-33E, N.M.P.M., Lea County, New Mexico, to install automatic custody transfer, and for an exception to Rule 309 to produce more than 16 wells into the common tank battery.

Please set the above application for an Examiner Hearing at your earliest convenience.

Yours very truly,

WAM-BR
Enc

Order will be R 1445-A

*Noted Mailed
11-30-59
JH*

BEFORE THE OIL CONSERVATION COMMISSION
OF THE
STATE OF NEW MEXICO

IN THE MATTER OF THE APPLICATION OF
CONTINENTAL OIL COMPANY FOR AMEND-
MENT TO ORDER NO. R-1445 PERMITTING
TRANSPORTING TO A CENTRAL POINT AND
COMMINGLING AFTER SEPARATE MEASURE-
MENT THE PRODUCTION FROM ITS WILDER,
PAYNE AND BRADLEY 35 LEASES LOCATED
IN SECTIONS 25, 26 AND 35, T26S, R32E
AND SECTIONS 30 AND 31, T26S, R33E,
NMPM, LEA COUNTY, NEW MEXICO, TO PRO-
DUCE MORE THAN 16 WELLS INTO THE
COMMON TANK BATTERY AND TO INSTALL
AUTOMATIC CUSTODY TRANSFER.

RECEIVED
OCC
NOV 9 8:59
M 8:59
OCC

A P P L I C A T I O N

Comes now applicant, Continental Oil Company, and respectfully requests amendments to Order No. R-1445 for permission to transport to a central point for measurement and subsequently to commingle production from its Wilder, Payne and Bradley 35 Leases located in Sections 25, 26 and 35, T26S, R32E and Sections 30 and 31, T26S, R33E, NMPM, Lea County, New Mexico; to produce more than 16 wells into the common tank battery; and to install automatic custody transfer facilities and in support thereof would show:

1. Applicant is the owner of (a) the Wilder Lease consisting of Section 26; W/2, SE/4, W/2 NE/4 and SE/4 NE/4 Section 25, T26S, R32E; (b) the Payne Lease consisting of Lots 1, 2, 3 and 4 in Section 35, T26S, R32E, and S/2 and S/2 N/2 Section 30 and all of Section 31, T26S, R33E; (c) the Bradley 35 Lease consisting of N/2 N/2 Section 35, T26S, R32E, NMPM, Lea County, New Mexico.
2. That Order No. R-1445 granted permission to commingle only the above described lands located in T26S, R32E.
3. That the minerals under each of the above described leases are owned by the Federal Government.
4. That oil production has been obtained from each of the above described leases from the El Mar Delaware Pool.
5. That the three leases are in an isolated location and the installation of three separate tank batteries would require considerable additional difficulty and expense.
6. That applicant proposes to install accurate metering and test facilities for each lease at the central tank battery so that the production from each individual lease will be accurately measured and


reported and the performance of each well can be accurately checked.

7. That the maximum number of wells anticipated for each lease would be (a) 31 on Wilder, (b) 24 on Payne and, (c) four on Bradley 35.

8. That the proposed installation in exception to Rule 309 is in the interest of conservation and the prevention of waste.

Wherefore, applicant prays that this matter be set for hearing before the Commission's duly qualified examiner and that upon hearing Order No. R-1445 be amended granting applicant permission to commingle into a single tank battery the oil produced from the three leases as described hereinabove and to install automatic custody transfer facilities.

Respectfully submitted,


W. A. Mead
Division Superintendent
of Production
New Mexico Division

WAM-BLF