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CONTINENTAL OIL COMPANY :-

825 PETROLEUM BUILDING ROSWELL, NEW MEXICO

WM. A. MEAD DIVISION SUPERINTENDENT OF PRODUCTION New Mexico Division

December 11, 1959

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

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

Re: Application of Continental Oil Company for Permission in Exception to Rule 309 (a) to Install Automatic Custody Transfer on its State J-2 Lease in Section 2, T-22S, R-36E, NMPM, Lea

County, New Mexico

Gentlemen:

Please find attached three copies of Continental Oil Company's application for permission in exception to Rule 309 (a) to install automatic custody transfer on its State J-2 lease in Section 2, T-22S, R-36E, NMPM, Lea County, New Mexico.

We respectfully request that this matter be set for hearing at the earliest convenient date.

> Joseph 21-59 June 12-21-21 Yours very truly,

Encs.

BEFORE THE OIL CONSERVATION COMMISSION

OF THE

STATE OF NEW MEXICO

IN THE MATTER OF THE APPLICATION OF CONTINENTAL OIL COMPANY FOR PERMISSION IN EXCEPTION TO RULE 309 (a) TO INSTALL AUTOMATIC CUSTODY TRANSFER ON ITS STATE J-2 LEASE IN SECTION 2, T-22S, R-36E, NMPM, LEA COUNTY, NEW MEXICO.



APPLICATION

Comes now applicant, Continental Oil Company, and respectfully requests permission to install automatic custody transfer facilities on its State J-2 Lease located in Section 2, T-22S, R-36E, NMPM, Lea County, New Mexico; and in support thereof would show:

- 1. Applicant is the owner of the State J-2 Lease consisting of N/2 and SE/4 of Section 2, T-22S, R-36E, NMPM, Lea County, New Mexico.
- 2. That applicant has twelve wells producing from the Arrow-head Pool on said lease. Said wells produce approximately 300 barrels of oil per day into a single tank battery.
- 3. That the present battery is in such poor condition that it must be replaced. In lieu of replacing the conventional battery it is proposed to install an automatic custody transfer facility.
- 4. That equipment installed will permit accurate testing by wells and accurate measurement of oil delivered to the pipeline.
- 5. That the proposed installation is more efficient than conventional batteries and its installation will be in the interest of preventing waste and protecting correlative rights.

Wherefore, applicant prays that this matter be set for hearing before the Commission's duly qualified examiner and that upon hearing permission be granted to install automatic custody transfer facilities
as described above.

Respectfully submitted.

W. A. Mead

Division Superintendent

of Production

New Mexico Division

Day 192

WESTERN NATURAL GAS COMPANY BONNIE G. SCHLOSSER FEDERAL#/

LOC.790' FROM NORTH LINE & 1980' FROM WEST LINE SEC. 10 T-27-N R-11W NMPM.

SAN JUAN COUNTY, NEW MEXICO S.F.-078673

DIAGRAMMATIC SKETCH OF PROPOSED CIL-GAS DUAL COMPLETION SHOWING SINGLE-PACKER, FULL OPENING PARALLEL STRING HOOK-UP, WITH SHORT STRING SUSPENDED.

SURFACE CASING IO 3/4" O.D. 32.75# H-40 SET AT 196, CEMENT CIRCULATED TO SURFACE. (NOTE: All measurements are approximate and not to soule.) GALLUP TUBING COMPLETION STRING 23/8" O.D. 8 ROUND EUE 4.70 # J-55 TUBING WITH TURNED DOWN N-80 COUPLINGS (0.D.=2.910") AT 6033' WITH STANDARD I-25/32" A.P.I. BALLUP 80 HOLES SEATING NIPPLE FOR GALLUP OIL PRODUCTION NELSON -OIL AT 6025'. 6036 ----GALLUP 72 HOLES TOCITO-OIL 6054'----BAKER PARALLEL ANCHOR AT 6045 BAKER MODEL "N" PERMANENT TYPE PRODUCTION PACKER WITH TUBING LOCATOR SEAL ASSEMBLY SET WITH 2 3/8" O.D. TUBING AT 6587' DAKOTA TUBING COMPLETION STRING 2 3/8" O.D. 8 ROUND EUE 4.70 # J-55 TUBING WITH STANDARD 8 ROUND COUPLINGS BEVELED. LANDED AT 6623' WITH THE LOCATOR SEAL ASSEMBLY WITH 2 SEAL UNITS & PRODUCTION TUBE IN MODEL "N" PACKER BAKER MODEL D' PERMANENT TYPE PRODUCTION Packer with anchor type seal assembly set on wire line at 6606 AT 6567 AND TAIL PIPE (2 3/8" O.D.)
TO 6623 THRU MODEL "D" SET AT 6608 6630'-DAKOTA 76 HOLES PLUG BACK DEPTH -6797 GAS-DISTILLATE PRODUCTION CASING 7" O.D. 23# N-80 & 6666

J-55 (New) CASING AT 6828!