

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
COMMISSION OF NEW MEXICO FOR
THE PURPOSE OF CONSIDERING:

CASE No. 1882
Order No. R-1599

APPLICATION OF TEXACO INC. FOR
PERMISSION TO COMMINGLE THE
PRODUCTION FROM TWO SEPARATE
POOLS IN LEA COUNTY, NEW MEXICO

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on January 27, 1960, at Santa Fe, New Mexico, before Elvis A. Utz, Examiner duly appointed by the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission," in accordance with Rule 1214 of the Commission Rules and Regulations.

NOW, on this 5th day of February, 1960, the Commission, a quorum being present, having considered the application, the evidence adduced, and the recommendations of the Examiner, Elvis A. Utz, and being fully advised in the premises,

FINDS:

- (1) That due public notice having been given as required by law, the Commission has jurisdiction of this cause and the subject matter thereof.
- (2) That the applicant is the owner and operator of the Mittie Weatherly lease comprising the NW/4 of Section 17, Township 21 South, Range 37 East, NMPM, Lea County, New Mexico.
- (3) That the applicant proposes to commingle the Tubb and Blinbry production from said lease after separately metering the production from each pool.
- (4) That approval of the subject application will neither cause waste nor impair correlative rights provided that adequate treating, testing, and storage facilities are installed.

IT IS THEREFORE ORDERED:

- (1) That the applicant be and the same is hereby authorized to commingle the Tubb and Blinbry production from all wells on the Mittie Weatherly lease comprising the NW/4 of Section 17,

-2-

Case No. 1882
Order No. R-1599

Township 21 South, Range 37 East, NMPM, Lea County, New Mexico.

PROVIDED HOWEVER, That the production from each pool shall be separately metered prior to commingling.

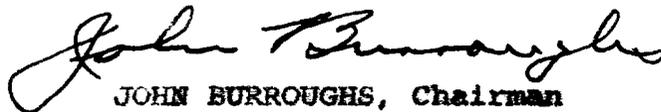
(2) That all meters shall be operated and maintained in such a manner as to ensure an accurate measurement of production at all times.

That all meters shall be checked for accuracy at intervals not to exceed one month until further direction by the Secretary-Director. Meters shall be calibrated against a master meter or against a test tank of measured volume and the results of such calibration filed with the Commission on the Commission form entitled "Meter Test Report."

(3) That the applicant shall install adequate testing facilities to permit the testing of all wells now or hereafter completed on the above-described lease at least once each month to determine the individual production from each well.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION


JOHN BURROUGHS, Chairman


MURRAY E. MORGAN, Member


A. L. PORTER, Jr., Member & Secretary



BEFORE THE
OIL CONSERVATION COMMISSION
Santa Fe, New Mexico
January 28, 1960

I N T H E M A T T E R O F
C A S E N O. 1 8 8 2

TRANSCRIPT OF PROCEEDINGS

January 28, 1960.

DEARNLEY-MEIER REPORTING SERVICE, Inc.

ALBUQUERQUE, NEW MEXICO

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ALBUQUERQUE, NEW MEXICO

I N D E X

<u>WITNESS</u>			<u>PAGE</u>	
J. E. ROBINSON, JUNIOR				
Direct Examination by Mr. White				4
QUESTIONS by Mr. Utz				7
<u>NUMBER</u>	<u>EXHIBIT</u>	<u>MARKED FOR IDENTIFICATION</u>	<u>OFFERED</u>	<u>ADMITTED</u>
App.#1	Plat	5	7	7
" #2	Schematic Diagram	5	7	7
" #3	Production Characteristics	6	7	7



(No response.)

MR. UTZ: Proceed.

J. E. ROBINSON, JUNIOR

a witness, called by and on behalf of the applicant, having been previously sworn, testified as follows:

DIRECT EXAMINATION

BY MR. WHITE:

Q Mr. Robinson, is this application by Texaco to commingle the crudes, on the Mittie Weatherly lease?

A That's right, it is.

Q And is it substantially the same as the testimony presented in Case Number 1880?

A Yes, sir.

Q Are the royalty interests diversified on this lease?

A They are common.

Q They are in common. How about the working interest?

A The working interest, Texaco has 75 percent of the working interest; another interest has 21 percent, and another one has 4 percent. Frank Buttram has 21 percent, and W. A. Pearlbrook has 4 percent.

Q And you have asked for waivers from these particular interests?

A Yes, sir, we have.

Q Do you have any reason to believe that they will not be given?



A No, sir. We have a waiver here, or a consent to commingle, from Mr. Buttram, which has 21 percent of the working interest; and we have not received the waiver from the other interest holder with the 4 percent.

Q Will you refer to what has been marked as Exhibit 1, and explain that ownership plat?

A Exhibit 1 is a plat showing the area surrounding Texaco's Mittie Weatherly lease. It also shows the offset operators, and the pool that all wells are completed in. Continental is currently completing their Mittie Weatherly Number 4, which will be a Eumont gas well, and a dual producer with the Penrose-Skelly.

Now, at the present time, we have three individual tank batteries serving the Drinkard and the Blinebry and the Tubb. We propose to commingle the Blinebry and the Tubb production from Well Number 2, into the Blinebry oil battery, and to use the existing battery which currently serves as the Tubb battery, for the production from the Penrose-Skelly.

Q But your well, that would be Number 4?

A That would be our Well Number 4, that's correct.

Q Will that save additional installation of equipment?

A Yes, sir, it will save installing additional tank batteries, which will be a considerable saving.

Q Will you now explain Exhibit Number 2?

A Exhibit Number 2 is a schematic diagram, showing the commingling installation. It is identical to the commingling

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installations that were proposed under Case 1880. The Blinebry oil, which is shown by the green line, will go into a separator, where the free gas will be taken off the separator, and measured through a gas meter, where it will go to gas sales.

The liquid production will go downstream; it will pass through a positive displacement meters, with snap acting pilot, where it will join in with the Tubb production and will be commingled into a conventional tank battery consisting of two high 500-barrel stock tanks.

The Tubb oil will be produced in the same manner as the Blinebry, and then it will go into a separator. The gas will be taken off and measured prior to sales. The liquid production will be measured and commingled with the Blinebry production.

Q Will you refer to Exhibit Number 3, and explain the production characteristics of that crude?

A Exhibit Number 3 shows the production characteristics of the Blinebry and the Tubbs zones. The Blinebry has an intermediate sweet crude, with a gas-oil ratio of 20,600 to 1. It has a gravity of 43 degrees. It has a bottom hole pressure of 2,067 pounds.

The Tubb has an intermediate sweet crude, with a gas-oil ratio of 5350 to 1; a gravity of 37 degrees, corrected at 60 degrees; and a bottom hole pressure of 1960 pounds.

The Tubb has a flowing tubing pressure of 100 PSI. The Blinebry has a flowing tubing pressure of 750 Psi. The Blinebry



is a penalized high gas-oil ratio well. It has an allowable of 15 barrels a day; a gravity of 43 degrees; a price per barrel of \$3.01, or a revenue per day of \$45.15.

The Tubb has a penalized allowable of 25 barrels a day; it has a gravity of 37 degrees, with a price per barrel of two-ninety-five, and a revenue per day of \$73.75, or a total revenue per day of \$118.90 a day by being tanked separately.

By commingling the Blinebry and the Tubb, we will have an allowable of 40 barrels a day, with a composite gravity of 38.6 degrees, or a price per barrel of \$2.97 a barrel, with a revenue per day of \$118.80 a day. Or, we will, as a result of commingling, we will receive approximately 10 cents a day less.

Q Were these exhibits prepared by you, or under your direction and supervision?

A Yes, sir, they were.

MR. WHITE: We offer the exhibits in evidence at this time.

MR. UTZ: Without objection, they will be entered in the record.

MR. WHITE: That concludes our direct testimony.

QUESTIONS BY MR. UTZ:

Q Mr. Robinson, will you give me the main production on each of these wells?

A Wells 1 and 3 produce from the Drinkard; Well Number 2 is a dual Blinebry oil and Tubb oil well; Well Number 4 is a dual



Eumont gas, and a Penrose-Skelly.

Q Actually, you only want at the present time, to commingle the Number 2 well?

A That's correct, commingle the Blinebry and the Tubb production from Well Number 2. And, of course, we would also like to commingle the production from these reservoirs from any future wells that may be drilled. However, we have no plans on drilling any additional wells.

MR. UTZ: Any other questions of this witness?

(No response.)

MR. UTZ: The witness may be excused.

(Witness excused.)

MR. UTZ: Any statements to be made in this case?

(No response.)

MR. UTZ: The case will be taken under advisement.

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ALBUQUERQUE, NEW MEXICO

STATE OF NEW MEXICO)
) ss.
COUNTY OF BERNALILLO)

I, THOMAS T. TOMKO, Court Reporter, do hereby certify that the foregoing and attached Transcript of Proceedings before the New Mexico Oil Conservation Commission was reported by me in Stenotype and reduced to typewritten transcript under my personal supervision, and that the same is a true and correct record to the best of my knowledge, skill and ability.

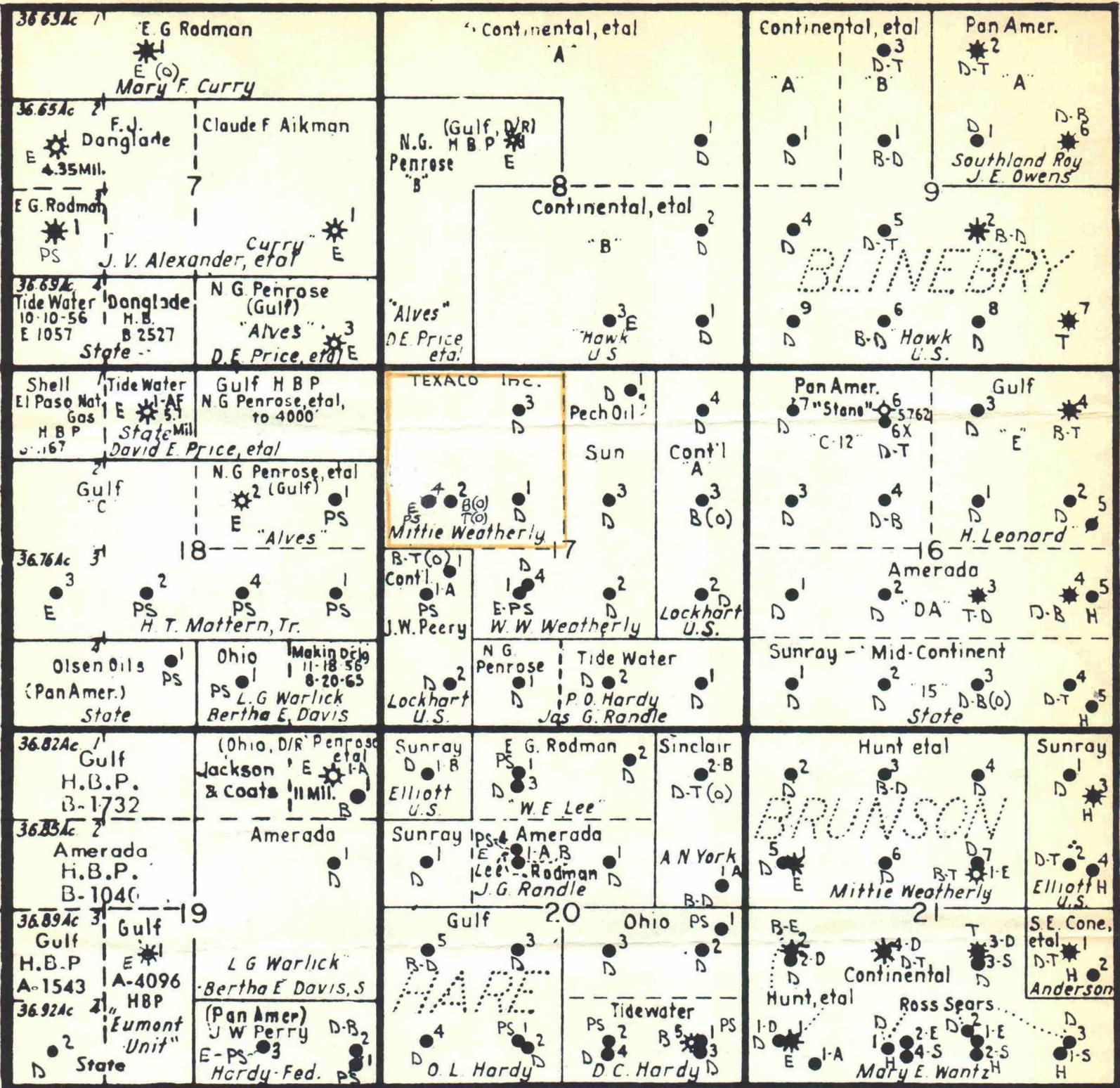
WITNESS my hand this 29th day of January, 1960, in the City of Albuquerque, County of Bernalillo, State of New Mexico.

Thomas T Tomko
Thomas T. Tomko, Court Reporter.

I do hereby certify that the foregoing is a complete record of the proceedings in the Examiner hearing of Case No. 1852, heard by me on 2-10 1960.

Shirley W. ...
Examiner
New Mexico Oil Conservation Commission





LEGEND

- B—Blinebry Gas Pool
- D—Drinkard pool
- T(O)—Tubb Oil Pool
- B(O)—Blinebry Oil Pool
- E(O)—Eumont Oil Pool
- T—Tubb Gas Pool
- PS—Penrose-Skelly Pool
- H—Hare Pool
- E—Eumont Gas Pool

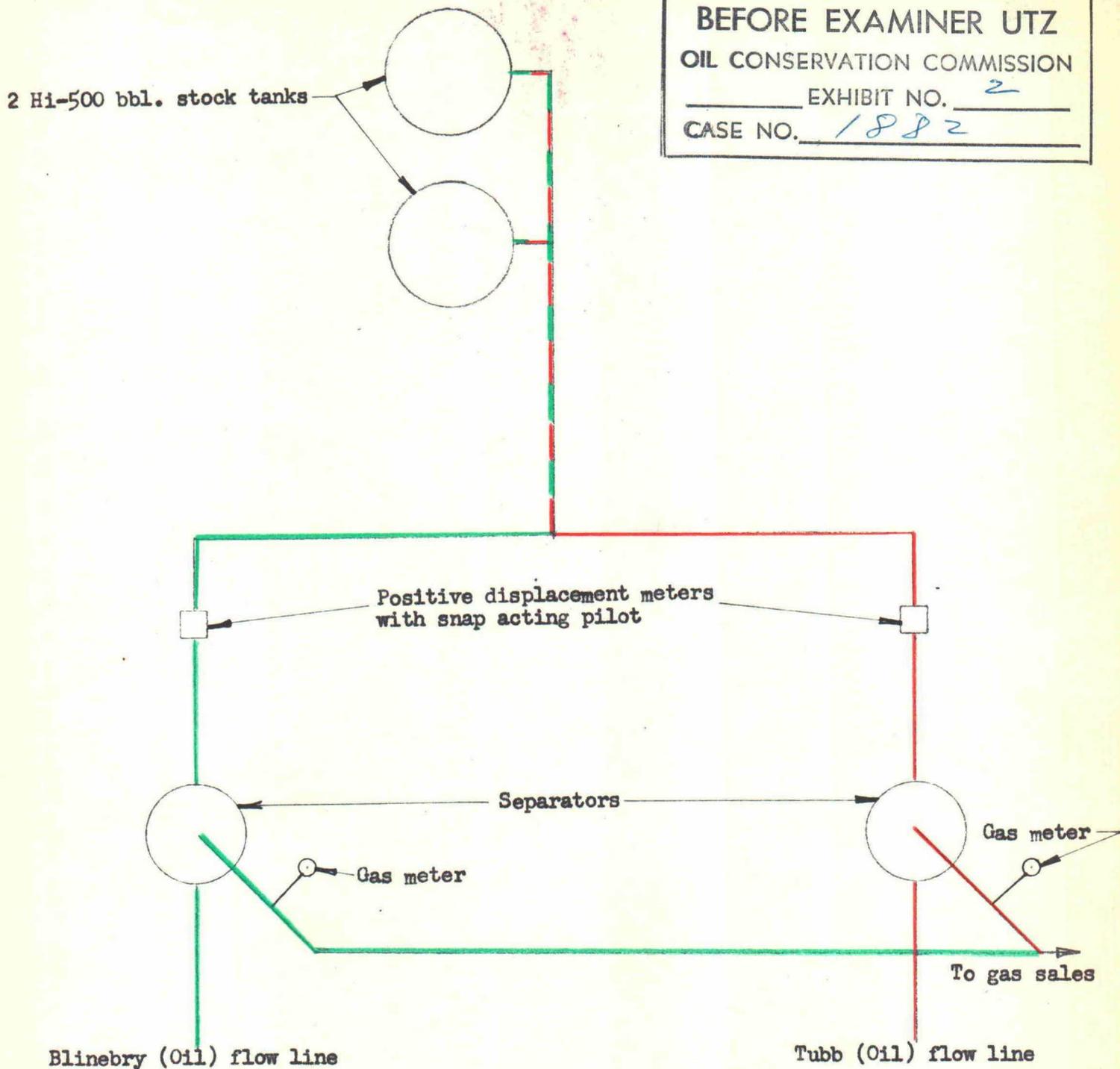
Lea County, New Mexico
Scale: 1" equals 2000'

OFFSET OPERATORS

- Sun Oil Company-Box 1861-Midland, Texas
- Continental Oil Company-Box 68-Eunice, New Mexico
- J.W. Peery-Box 655-Odessa, Texas
- Gulf Oil Corporation-Box 669-Roswell, New Mexico
- N.G. Penrose Inc.-Box 988-Eunice, New Mexico
- Pech Oil Company-110 Phillips Bldg.-Odessa, Texas

EXHIBIT "A"

BEFORE EXAMINER UTZ
 OIL CONSERVATION COMMISSION
 _____ EXHIBIT NO. 2
 CASE NO. 1882



SCHEMATIC DIAGRAM COMMINGLING INSTALLATION
 TUBB (OIL) & BLINEBRY (OIL) POOLS

TEXACO INC., MITTIE WEATHERLY LEASE
 NW $\frac{1}{4}$ OF SECTION 17, T-21-S, R-37-E
 LEA COUNTY, NEW MEXICO

BEFORE EXAMINER UTZ
 OIL CONSERVATION COMMISSION
 _____ EXHIBIT NO. 3
 CASE NO. 1883

TEXACO Inc.
 Mittie Weatherly Well No. 2
 Blinebry (Oil) and Tubb (Oil) Pools
 Section 17, T-21-S, R-37-E
 Lea County, New Mexico

PRODUCTION CHARACTERISTICS

<u>Item</u>	<u>Blinebry (Oil) Zone</u>	<u>Tubb (Oil) Zone</u>
Type of Crude	Intermediate Sweet	Intermediate Sweet
GOR (ft. 3/bbl.)	20,600	5,350
Gravity (°API)	43	37
BHP (psi)	2,067	1,960

COMMINGLING STATISTICS

<u>Zone</u>	<u>Productivity (BOPD)</u>	<u>Gravity (API)</u>	<u>Price Per Barrel</u>	<u>Revenue Per Day</u>
Blinebry (Oil)	15	43.0	\$3.01	\$ 45.15
Tubb (Oil)	25	37.0	2.95	73.75
				<u>118.90</u>
Blinebry-Tubb	40	38.6	2.97	118.80

1963 DEC 1 28

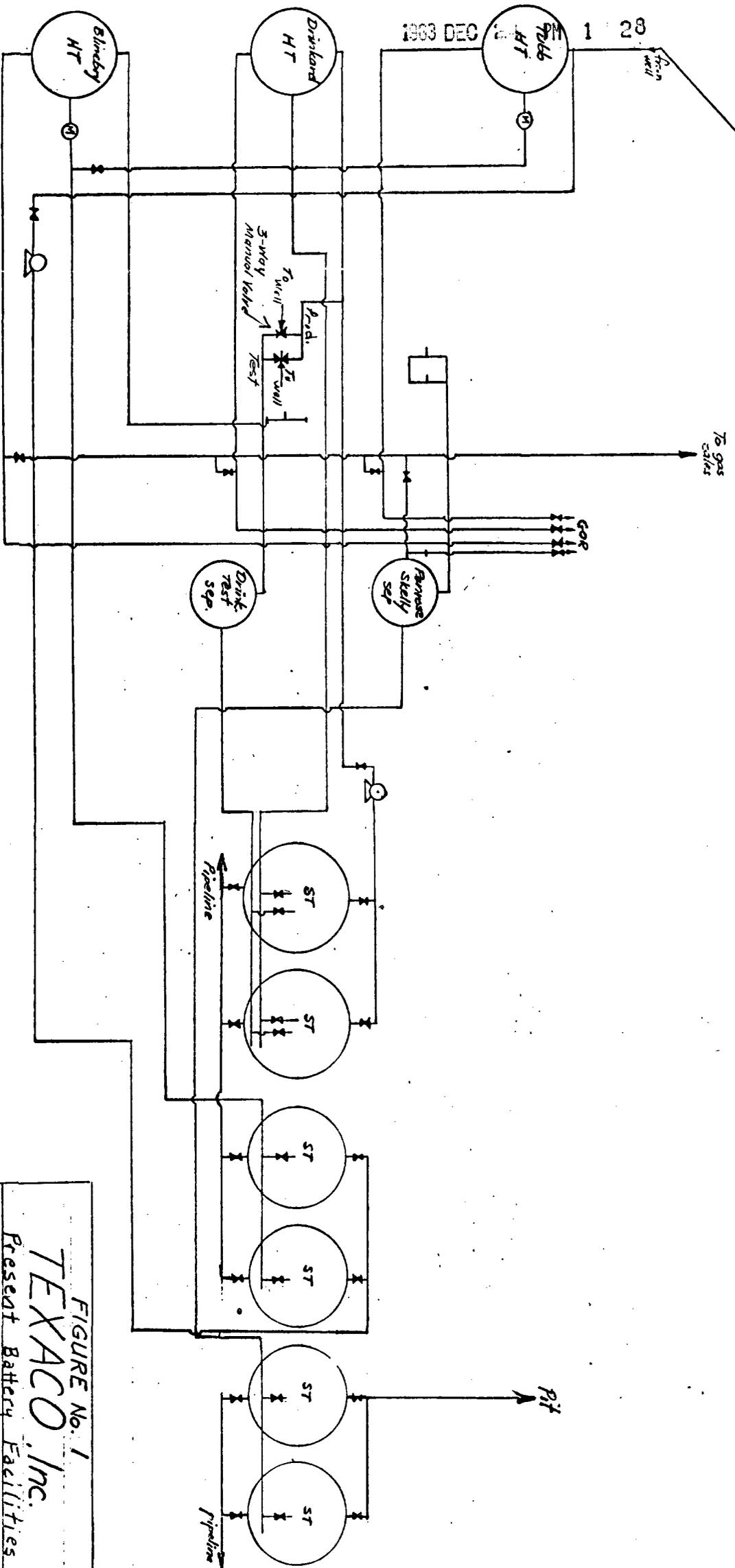


FIGURE No. 1
 TEXACO, Inc.
 Present Battery Facilities

Mittie Weatherly

Battery Nos. 1, 2, & 3

Date: 4-9-63 Drawn By DLH

MAIN OFFICE 000
 1963 DEC 24 PM 1:28

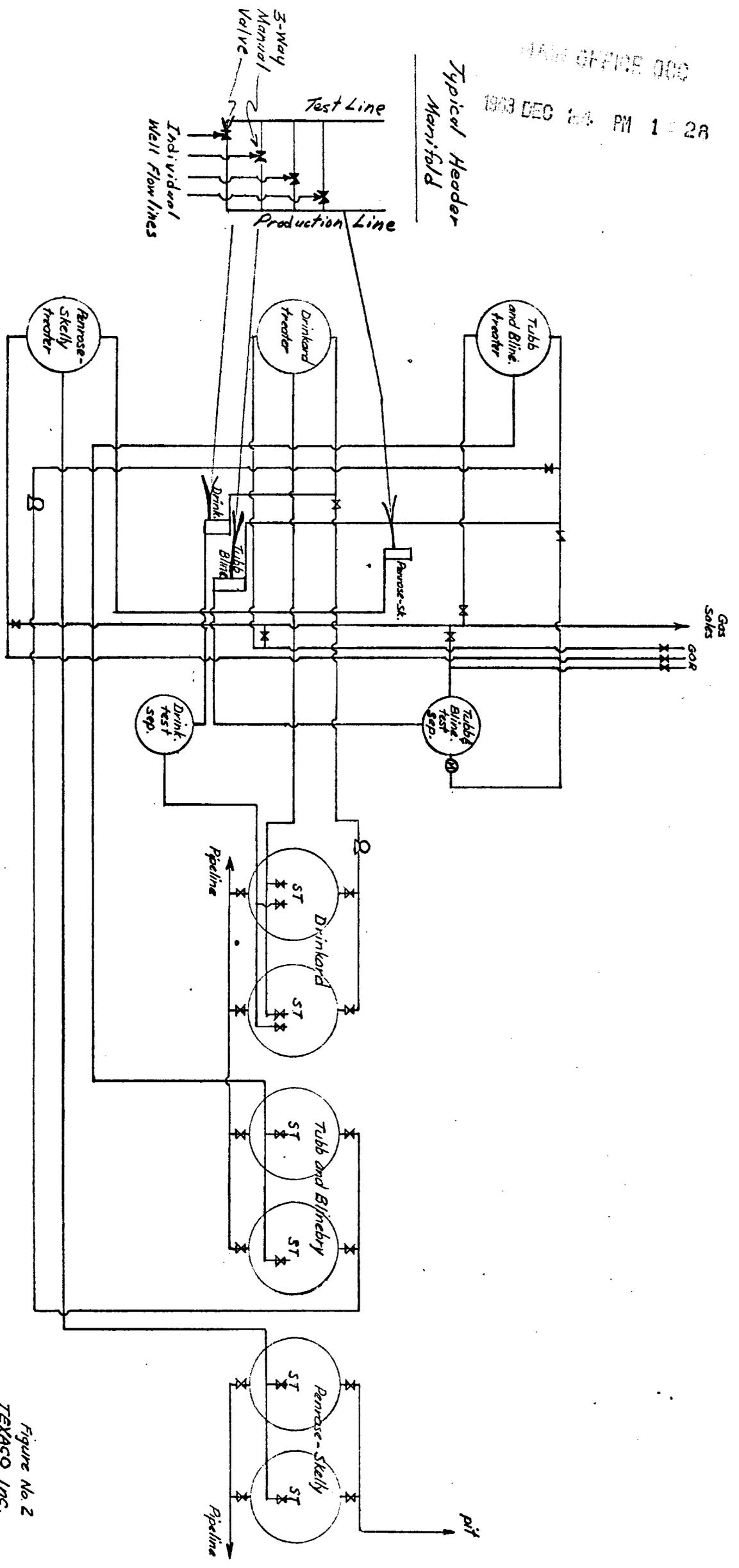


Figure No. 2
 TEXACO Inc.
 Reposed Battery
 Mittie Weatherly lease
 11-18-63 D.L.H.

TEXACO Inc.

1963 OFFICE 000

1963 DEC 22 PM 1:23

MITTIE WEATHERLY LEASE
Blinebry (Oil) & Tubb (Oil) Pools
Lea County, New Mexico

DATE 1963	BLINEBRY OIL WELL NO. 2	TUBB OIL WELL NO. 2	DATE 1963	BLINEBRY OIL WELL NO.2	TUBB OIL WELL NO. 2
October 1	4	7	November 1	8	2
2	4	6	2	7	1
3	3	6	3	6	1
4	4	7	4	7	1
5	5	6	5	8	2
6	4	5	6	8	1
7	4	5	7	6	4
8	4	5	8	8	7
9	4	5	9	6	8
10	4	6	10	4	7
11	4	5	11	2	0
12	4	5	12	0	5
13	5	6	13	4	8
14	4	5	14	5	6
15	5	5	15	5	6
16	4	4	16	3	7
17	4	5	17	3	6
18	4	5	18	2	6
19	4	5	19	3	8
20	4	5	20	3	6
21	4	6	21	3	8
22	5	5	22	3	7
23	4	5	23	2	7
24	4	5	24	2	7
25	4	5	25	3	7
26	5	4	26	4	7
27	5	3	27	2	7
28	5	3	28	2	7
29	6	4	29	2	8
30	5	4	30	1	6
31	6	4			
TOTALS	135	156		122	163

Average (bbl/day): Blinebry Oil 4.34; Tubb Oil 5.10

NOTE: Well No. 2 is the only well that produces from the Blinebry or Tubb pools on the subject lease.