

GILBERT, WHITE AND GILBERT
ATTORNEYS AT LAW
SANTA FE, NEW MEXICO

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE APPLICATION OF
TEXACO INC. FOR AN EXCEPTION TO OCC
RULE 303 TO PERMIT THE COMINGLING OF
CRUDE FROM THE QUEEN FORMATION, CULWIN
POOL AND THE YATES FORMATION, UNDESIG-
NATED YATES POOL UNDERLYING ITS U.S.A.
FEDERAL LEASE, EDDY COUNTY, NEW MEXICO.

CASE No. 1883

A P P L I C A T I O N

Comes now Texaco Inc. and respectfully alleges and states:

1. That it is the owner and operator of its U.S.A. Federal Lease consisting of 360 acres located in the East Half of the Northwest Quarter, Northeast Quarter, North Half of the Southeast Quarter, and the Northeast Quarter of the Southwest Quarter of Section 6, Township 19 South, Range 31 East, Eddy County, New Mexico.

2. Applicant is currently dually completing its U.S.A. Federal Well No. 1 on the above lease to obtain production in the Queen Formation, Culwin Pool and in the Yates Formation, undesignated Yates Pool. (Culwin-Yates Pool, so Applicant is informed, is the name currently under consideration for the Yates Reservoir recently discovered by Joseph I. O'Neills Federal "E" Well No. 3, Unit "H", Section 1, Township 19 South, Range 30 East).

3. Attached hereto marked EXHIBIT "A" and made a part hereof by reference is a plat showing the location of Applicant's U.S.A. Federal Lease, the subject well, and the location of all known off-set operators together with their names and addresses.

4. Applicant proposes to comingle the Queen and Yates production from its U.S.A. Federal Well No. 1 and from all other wells that may be completed in these reservoirs on the subject lease.

5. The gravity of the Yates oil is approximately 34.5° API and the Queen oil gravity is approximately 35.9° API. Both reservoirs produce sour crude.

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1 6. Corrosive resistant positive displacement meters and equipment
2 will be installed to accurately measure the production from each reservoir
3 prior to comingling the same.

4 WHEREFORE, Applicant prays that this matter be set down for hearing;
5 that due notice thereof be given in accordance with law; and upon the evi-
6 dence adduced at the hearing the Commission issue an Order permitting Appli-
7 cant to comingle the crudes as herein requested.

8 TEXACO INC.

9 BY GILBERT, WHITE AND GILBERT

10
11 By



Applicant's Attorneys
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