

COPY

## HUMBLE OIL &amp; REFINING COMPANY

HOUSTON 1, TEXAS

Hobbs, New Mexico

April 4, 1960

File: 6-1

Storage - Abe Chalk  
Bluff Draw Unit  
Well No. 6

Mr. M. L. Armstrong  
New Mexico Oil Conservation Commission  
207 Carper Building  
Artesia, New Mexico

Dear Sir:

Request administrative approval to measure Gulf Oil Corporation's Abe Chalk Bluff Draw Unit, Well No. 6 production (being drilled by and to be completed and operated by Humble Oil & Refining Company as Unit operator) through a BS&B two-phase metering separator on the lease until such time as this well will be put into a participating area.

It should be pointed out that although it is planned to measure the subject well's production on its lease, it is planned to have this separator dump the production through a line into separate tankage located at Humble's existing tank battery on a different lease so that a pipe line connection can be obtained to eliminate the \$ .38 per barrel truck charge that would be necessitated if the tankage was located on the subject well's lease.

Very truly yours,

R. R. Alwerth  
District Superintendent

ALC/jp

cc: Oil Conservation Commission (2)  
A. L. Carpenter  
J. E. Pinkerton  
File  
Dan Nutter, NMOCC, Santa Fe

*Note to Moore  
4-8-60 suggesting  
he approve and  
enclosing the  
attached as a  
guide letter  
& approval.*

Reference is made to your request dated April 4, 1960, for approval to measure the Empire-Abo production from Gulf Oil Corporation's Chalk Bluff Draw Unit Well No. 6. through a BS&B two-phase metering separator <sup>on</sup> and the lease, thence transport the oil through a line to separate tankage located at Humble's existing tank battery on an offsetting lease.

It is our understanding that approval of this proposal will enable you to save \$0.38 per barrel trucking charges pending the time the well is put into a participating area or until a hearing can be held and approval granted for commingling of the Gulf lease production with other Empire-Abo production from the Chalk Bluff Draw Unit.

While it is not possible to grant administrative approval of this proposal under the Rules of the Commission, it is felt that this situation is one which warrants exception under the provisions of Rule 1303.

You are therefore hereby authorized to measure and store the Empire-Abo production from Gulf's Chalk Bluff Draw Unit Well No. 6 in the manner outlined in your letter of April 4, 1960, for a period not to exceed 45 days from the date of first production from this well.

You are further authorized to pass this production through a conventional separator rather than a metering separator provided that the storage tank into which the production is passed has no physical connection with the storage facilities being utilized for production from other leases in the Chalk Bluff Draw Unit.

P. O. Box 6721  
Roswell, New Mexico

April 26, 1960

Humble Oil and Refining Company  
P. O. Box 1287  
Roswell, New Mexico

Attention: Mr. R. M. Richardson

Gentlemen:

Your letter of April 25 requests permission to commingle production from portions of leases Nos. Las Cruces 070937, 070938, 070678(a) and New Mexico 029135, 031186, 041173(a), 041173(b) and 041173(c), and to install automatic custody transfer equipment to meter the production from such leases into the pipe line.

The method you propose for measuring and shipping oil from the lands described in your application is satisfactory to this office; provided, that no wells other than those qualified for inclusion in the Abo participating area of the Chalk Bluff Draw unit area are connected to the metering, treating, and automatic custody transfer system.

Very truly yours,

JOHN A. ANDERSON  
Regional Oil and Gas Supervisor

Copy to: Oil Cons. Comm. ✓  
Comm. Pub. Lands  
Accounts  
Unit file

OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

May 9, 1960

Mr. Sim Christy  
Hervey, Dow & Hinkle  
Box 547  
Roswell, New Mexico

Dear Mr. Christy:

On behalf of your clients, Humble Oil & Refining Company and Great Western Drilling Company, we enclose two copies of Order R-1630-B in Case 1948 and two copies of Order R-1663 in Case 1944. These orders were issued by the Oil Conservation Commission this date.

Very truly yours,

A. L. PORTER, Jr.  
Secretary-Director

lr/

Encls. (4)

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