

MAIN OFFICE OCC



Case 7151

1960 DEC 5 AM 8:30

CONTINENTAL OIL COMPANY

825 PETROLEUM BUILDING
ROSWELL, NEW MEXICO

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

December 2, 1960

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

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

Gentlemen:

Re: Application of Continental
Oil Company for an Exception
to Rule 309-(a) in Order to
Install Five Automatic Custody
Transfer Systems in the West
Monument-Eumont Area, Lea
County, New Mexico

Please find attached three copies each of five applications by Continental Oil Company for exception to Rule 309-(a) in order to install automatic custody transfer systems in the West Monument-Eumont Area. These applications are for leases which are all located in Township 20S, Range 36E and are listed as follows:

1. Sanderson B-10 and Sanderson B-15 leases consisting of the N/2 N/2, SE/4 NE/4, NE/4 SE/4 and S/2 S/2 of Section 10 and the N/2 N/2 and S/2 of Section 15.
2. Reed B-23 and Reed B-24 leases consisting of the E/2 and S/2 SW/4 of Section 23 and the SW/4 of Section 24.
3. Reed A-3 lease consisting of the W/2, SE/4, S/2 NE/4, and the NE/4 NE/4 of Section 3.

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4. Sanderson B-14 lease consisting of the SW/4, SW/4 SE/4 and the SW/4 NW/4 of Section 14.

5. Sanderson A-11 and Sanderson A-14 leases consisting of the SE/4 and the S/2 SW/4 of Section 11 and the NE/4, E/2 NW/4, N/2 SE/4, and SE/4 SE/4 of Section 14 and the Sanderson AB-14 lease consisting of the NW/4 NW/4 of Section 14. This application is to commingle production as well as install automatic custody transfer.

We respectfully request that these five applications be set for hearing on the same date at your earliest convenience.

Yours very truly,

W. A. Mearns

WAM-DM
Enc.

BEFORE THE OIL CONSERVATION COMMISSION

OF THE

STATE OF NEW MEXICO

Case 2151

IN THE MATTER OF THE APPLICATION OF
CONTINENTAL OIL COMPANY FOR AN EXCEPTION
TO RULE 309(a) IN ORDER TO INSTALL AN
AUTOMATIC CUSTODY TRANSFER SYSTEM FOR
ALL WELLS PRODUCING FROM THE MONUMENT
AND EUMONT POOLS WITHIN THE BOUNDARIES
OF THE REED A-3 LEASE CONSISTING OF THE
W/2, SE/4, S/2 NE/4, AND THE NE/4 NE/4
OF SECTION 3, T-20S, R-36E, NMPM, LEA
COUNTY, NEW MEXICO.

A P P L I C A T I O N

Comes now applicant, Continental Oil Company, and respectfully requests
an exception to statewide Rule No. 309(a) for permission to install an automatic
custody transfer system for all wells producing from the Monument and Eumont
Pools within the boundaries of the Reed A-3 lease which consists of the W/2,
SE/4, S/2 NE/4, and the NE/4 NE/4 of Section 3, T-20S, R-36E, NMPM, Lea County,
New Mexico, and in support thereof would show:

1. That the applicant is co-owner and operator of the Reed A-3 lease
consisting of the W/2, SE/4, S/2 NE/4, and the NE/4 NE/4 of Section 3, T-20S,
R-36E, NMPM, Lea County, New Mexico.
2. That the royalty interest is common, that being the United
States Government.
3. That applicant proposes to consolidate the existing tank batteries
and install an automatic custody transfer system.
4. That approval to commingle the oil production from the Monument
Pool and oil production from the Eumont Pool is being sought under the provisions
of Rule 663 of the New Mexico Oil Conservation Commission.
5. That the proposed installation in exception to Rule 309(a) is in
the interest of conservation and prevention of waste.

Wherefore, applicant prays that this matter be set for hearing before
the Commission's duly qualified examiner and that upon hearing an order be
entered granting applicant permission to install an automatic custody transfer
system on the above described property.

Respectfully submitted,

W. A. Mead

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

CASE 2150: (Continued)

tubing annulus, 2 7/8-inch tubing and 2 3/8-inch tubing respectively.

CASE 2151: Application of Continental Oil Company for an automatic custody transfer system. Applicant, in the above-styled cause, seeks an order authorizing the installation of an automatic custody transfer system to handle the Monument Pool and Eumont Pool oil production from all wells presently completed or hereafter drilled on the Reed A-3 Lease, comprising the W/2, SE/4, S/2 NE/4, and NE/4 NE/4 of Section 3, Township 20 South, Range 36 East, Lea County, New Mexico.

CASE 2152: Application of Continental Oil Company for an automatic custody transfer system. Applicant, in the above-styled cause, seeks an order authorizing the installation of an automatic custody transfer system to handle the Monument Pool and Eumont Pool oil production from all wells presently completed or hereafter drilled on the Sanderson B-10 and Sanderson B-15 leases, comprising the N/2 N/2, SE/4 NE/4, NE/4 SE/4, and S/2 S/2 of Section 10 and the N/2 N/2 and S/2 of Section 15, Township 20 South, Range 36 East, Lea County, New Mexico.

CASE 2153: Application of Continental Oil Company for an automatic custody transfer system. Applicant, in the above-styled cause, seeks an order authorizing the installation of an automatic custody transfer system to handle the Monument Pool production from all wells presently completed or hereafter drilled on the Sanderson A-11, Sanderson A-14 and Sanderson AB-14 Leases, comprising the SE/4 and S/2 SW/4 of Section 11 and the NE/4, E/2 NW/4, N/2 SE/4, SE/4 SE/4, and NW/4 NW/4 of Section 14, Township 20 South, Range 36 East, Lea County, New Mexico.

CASE 2154: Application of Continental Oil Company for an automatic custody transfer system. Applicant, in the above-styled cause, seeks an order authorizing the installation of an automatic custody transfer system to handle the Monument Pool and Eumont Pool oil production from all wells presently completed or hereafter drilled on the Sanderson B-14 Lease, comprising the SW/4 SW/4 SE/4, and the SW/4 NW/4 of Section 14, Township 20 South, Range 36 East, Lea County, New Mexico.

DOCKET: EXAMINER HEARING, WEDNESDAY, JANUARY 4, 1961

OIL CONSERVATION COMMISSION CONFERENCE ROOM - 9 a. m. - STATE LAND OFFICE
BUILDING, SANTA FE, NEW MEXICO

The following cases will be heard before Daniel S. Nutter, Examiner, or Oliver E. Payne, alternate examiner:

- CASE 2147: Application of Socony Mobil Oil Company for an order authorizing a salt water disposal well. Applicant, in the above-styled cause, seeks an order authorizing the disposal of produced salt water into the Pennsylvanian formation through its Capps Federal Well No. 1, located 1980 feet from the South and East lines of Section 13, Township 9 South, Range 35 East, Bough (Pennsylvanian) Pool, Lea County, New Mexico.
- CASE 2148: Application of Pan American Petroleum Corporation for a force-pooling order. Applicant, in the above-styled cause, seeks an order force-pooling all mineral interests in the Atoka-Pennsylvanian Gas Pool in a 320-acre standard gas unit consisting of the N/2 of Section 22, Township 18 South, Range 26 East, Eddy County, New Mexico. Interested parties include:
- Mobil Oil Company, Sinclair Oil & Gas Company, Mr. J. R. Lee, Mr. Clyde R. Jenkins and wife and The New Mexico Veterans Service Commission as guardian for Mr. Thomas Franklin Egger.
- CASE 2149: Application of El Paso Natural Gas Products Company for an automatic custody transfer system. Applicant, in the above-styled cause, seeks an order authorizing the installation of an automatic custody transfer system to handle the Cha-Cha-Gallup Pool production from all wells presently completed or hereafter drilled on the Ojo Amarillo Lease comprising all of Sections 27, 28, 33, and 34, Township 29 North, Range 14 West, San Juan County, New Mexico.
- CASE 2150: Application of Continental Oil Company for a triple completion. Applicant, in the above-styled cause, seeks an order authorizing the triple completion of its Northeast Haynes-Apache 9 No. 1 Well, located in the NW/4 SW/4 of Section 9, Township 24 North, Range 5 West, Rio Arriba County, New Mexico, in such a manner as to permit the production of hydrocarbons from the Blanco-Mesaverde Pool, the production of hydrocarbons from the Greenhorn formation and the production of hydrocarbons from the Dakota Producing Interval through the casing-