

DISCUSSION

Pan American Petroleum Corporation respectfully requests that NMOCC grant permission to triple complete its Southland Royalty "A" No. 8 in the oil zone of the Drinkard, Tubb and Blinebry Pools of Lea County, New Mexico. The Southland Royalty "A" No. 8 is located in Unit W, 1980' from the East Line and 660' from the south line, Section 4, T-21-S, R-37-E, which is approximately four miles north of Eunice, New Mexico.

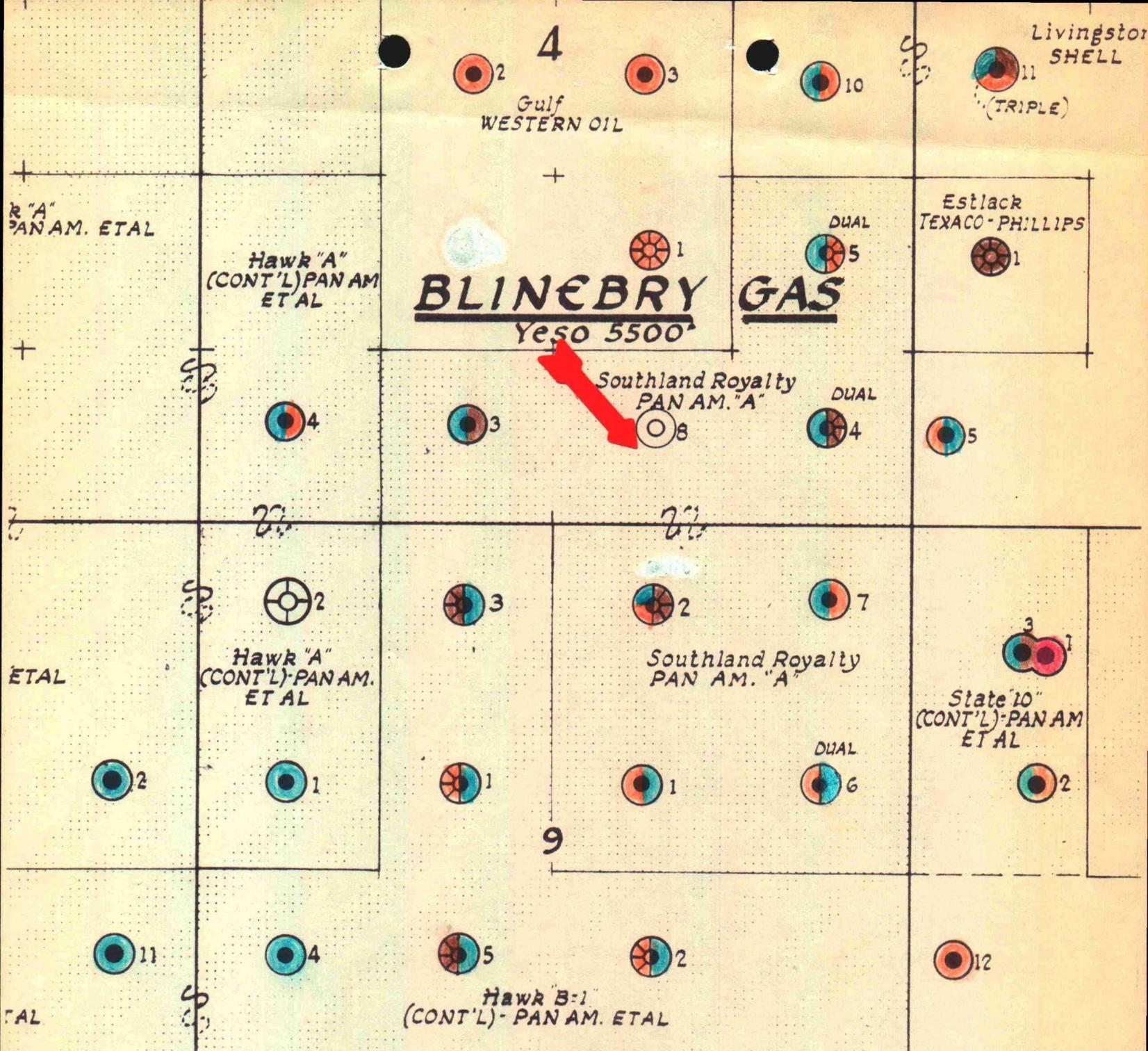
The well is located in a multiple pay area as depicted in Attachment I, a plat of the area. The east offset is the Pan American Southland Royalty "A" No. 4, a dual Drinkard (oil), Tubb (gas) well. The south offset is Pan American's Southland Royalty "A" No. 2, a triple completion in the Drinkard and Blinebry oil zone and the Tubb gas. This well was recently granted permission to recomplete as a triple by NMOCC Order No. 2343. The east offset is Pan American's Southland Royalty "A" No. 3 which is dually completed in the oil zones of the Tubb and Drinkard pool. Tubb gas for Unit W, Section 4, is dedicated to Southland Royalty "A" No. 4 and if permission is granted to produce Well No. 8, as a triple, subject acreage is to be removed from the 120 acre Tubb Proration Unit currently assigned to Well No. 4.

Attachment II is a diagrammatic sketch showing the mechanical aspects of the proposed triple completion. This is a conventional triple completion utilizing separate tubing strings to produce each zone separately and packers to maintain separation in the well bore. The installation will permit safe and efficient production of oil from these three reservoirs. At the present time, testing has indicated that both the Blinebry and Drinkard will require artificial lift equipment to produce these zones, and we are installing dual pumping units and subsurface pumps to effect same. Testing indicated that the Tubb will flow. However, arrangements are being made to install a third pumping unit, if required.

Attachment III is an Acoustilog of the Southland Royalty "A" No. 8 with top and bottom of the producing zones and the perforated intervals shown in red. For convenience, Attachment IV is a copy of Pan American's application for a multiple completion of the Southland Royalty "A" No. 8. A copy of this application was furnished each offset operator.

RES/ jn

BEFORE EXAMINER NUTTER	
OIL CONSERVATION COMMISSION	
<i>Appl</i>	EXHIBIT NO. _____
CASE NO.	<i>2783</i>



 BLINEBRY & TERRY BLINEBRY OIL

 BLINEBRY GAS

 TUBB OIL WELL

 TUBB GAS WELL

 PADDOCK OIL

 DRINKARD OIL

 WANTZ ABO OIL

 BRUNSON & HARE POOL

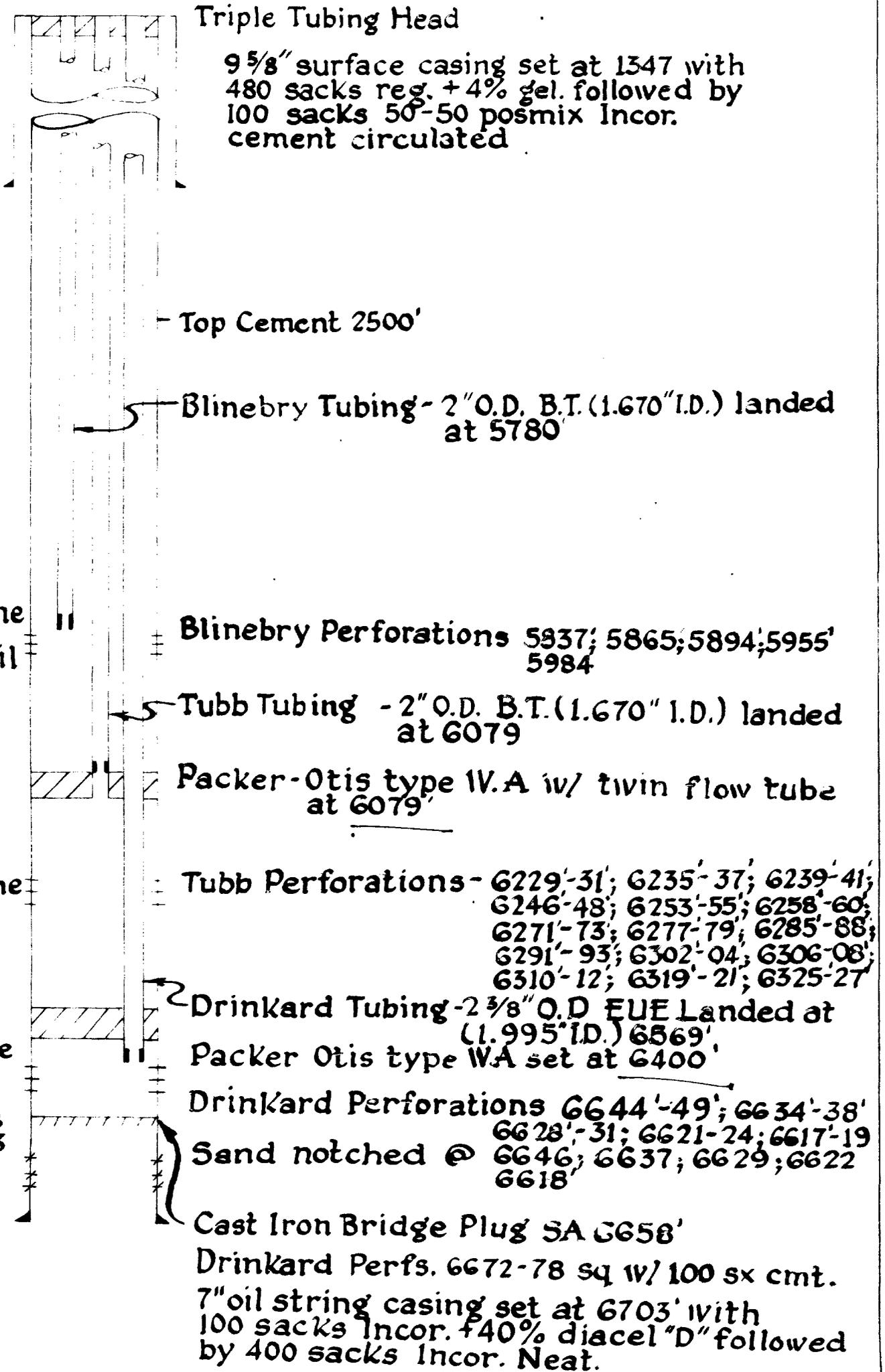
ATTACHMENT I
Pan American Petroleum Corp
Lubbock District

EUNICE AREA
T-21-S
R-37-E

Lea County, New Mexico

Scale 1" = 1000'

Triple Completion



Southland Royalty Co.
 "A" No. 8