

PAN AMERICAN PETROLEUM CORPORATION

OIL AND GAS BUILDING

P. O. BOX 1410

FORT WORTH, TEXAS—76101

D. L. RAY
DIVISION ENGINEER

November 28, 1969

File: PEH-573-986.510.1

Subject: Downhole Commingling
Blinebry and Drinkard Pools
Lea County, New Mexico

DEC 1 1969
Due 12/21
DHC-14
15
16
17

New Mexico Oil Conservation Commission (2)
P. O. Box 871
Santa Fe, New Mexico 76501

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

Gentlemen:

In accordance with the provisions of Order No. R-3845 (Case #4104) Pan American Petroleum Corporation respectfully requests administrative approval for downhole commingling of the Blinebry and Drinkard Pools in the following wells:

DHC-14 Southland Royalty "A" Well #5 (Q-4-21-37)
DHC-15 State "S" Well #1 (C-32-22-38)
DHC-16 State "C" Tract 12 Well #3 (E-16-21-37)
DHC-17 State "C" Tract 12 Well #7 (D-16-21-37)

Attachments 1 through 4 are plats of the immediate areas of these wells with the wells themselves designated by red arrows.

Attachment 5 is a tabulation showing pertinent data concerning well capacities, bottom hole pressures, and lift method for both the Blinebry and Drinkard zones in each of these wells. The lowest Drinkard perforations in each of these wells fall within the 6,000 - 6,999 foot category as provided for in Rule 303-C-1-b. As shown on Attachment 5 and Attachments 6 through 9 (NMOCC Form C-116; well test within 30 days) the combined capacity of the Blinebry and Drinkard in each of these wells does not exceed the maximum allowable rate provided for in Rule 303-C-1-b of 40 BOPD.

The bottom hole pressures tabulated on Attachment 5 are also shown on Attachments 10 through 13 (NMOCC Form C-124). It should be noted that, except in the case of the State "C" Tract 12 Well #3, these bottom hole pressures are in relatively close agreement. Although the Drinkard pressure in State "C" Tract 12 Well #3 is some 227 psi higher at the

Drinkard datum than the Blinebry pressure at Blinebry datum, when the Drinkard pressure is converted to Blinebry datum, there is only a 9 psi difference between the two zones. (Drinkard pressure at Blinebry datum = 240 psi.) Of course, as we intend to maximize productivity of each of these wells and the combined zones will be pumped at capacity, they will be continually pumped off and there would be very little possibility of cross flow between zones even if there were slight pressure differentials between the two zones. It should be noted that the Drinkard bottom hole pressures in the Southland Royalty "A" Well #5 and the State "S" #1 were estimated based on pressures recently taken by the New Mexico Engineering Committee on two nearby wells. These nearby wells are designated on Attachments 9 and 10. The pressures were not obtained directly from the Drinkard in our two wells as these zones are pumping and the cost to pull rods and run a bomb would have been prohibitive when compared to the marginal rate of production from these zones.

You will notice from Attachment 5 that only in the Southland Royalty Well #5 are both zones pumping. In the other three wells one zone is flowing with the other pumping. As mentioned in Rule 303-C-1-c, special consideration may be given wells in which one zone pumps and one zone flows. The flowing zone in each of the three wells has a very low limited producing capacity. (Maximum capacity - State "S" #1 - Blinebry = 9 BOPD.) These zones are flowing due to their high gas-oil ratio. As shown on Attachment 5, the bottom hole pressures are very low and could not cause the well to flow without the aid of the high gas-oil ratio. Should our application be granted, each of the wells producing from the combined Blinebry-Drinkard zones will be artificially lifted.

As mentioned above, the producing rate of each of the zones in all of these wells is marginal at best. They are, in fact, approaching their economic limit, and the granting of this request will provide for the production of the maximum amount of reserves from each zone. Due to the decreased operating expenses, which would be achieved by producing these zones together, a much lower economic limit will be reached; thereby providing for an incremental increase in ultimate recovery from the Blinebry and Drinkard over that possible under current operations.

In none of these wells does either zone produce more water than the oil limit for the combined zone. In fact, the maximum daily water producing rate from any of these wells is 11 BWPD.

The Blinebry-Drinkard production from each of these wells is currently being commingled at the surface. The date and Order No. giving approval for surface commingling is shown on Attachment 14, as is the same type data regarding multiple completion approval. Our continual surveillance of surface facilities has shown no indication of the formation of precipitates or other detrimental effects resulting from the commingling of the fluids from these pools. It is, therefore, obvious that the fluids are compatible.

Attachment 15 gives a description of the fluid characteristics from each zone in each well and shows that there will be no decrease in value of either pool's production caused by the commingling of the fluids. As mentioned earlier, these fluids are now commingled at the surface prior to sales, so there would be of course no decrease in value caused by commingling downhole. The ownership of each of these zones in each well is common throughout.

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At the current time we know of no plans for secondary recovery in the immediate area of the leases whereon these wells are located. Should secondary recovery operations be initiated, however, we do not feel that the prior downhole commingling of these zones will, in any way, jeopardize the efficiency or success of these operations. As a matter of interest, in several of our other areas of operations we are commingling two separate zones which are both being actively waterflooded on the same lease. We feel that, in these cases, the efficiency of our flood is actually being increased. Of course, we have no intentions of doing this in the case of the subject wells of this application. As we have shown above, these fluids are compatible and no detrimental affects on the reservoir will result from downhole commingling and as the pressures of each of these zones are similar and the well will be maintained in a pumped off condition thereby not allowing cross flow between zones, no effect on possible future secondary recovery operations can be anticipated. Again, it should be emphasized that production from each of these zones in each well is, at best, marginal and the current bottom hole pressures are low.

Attachments 16 through 23 are decline curves for each zone in each well on which a steady rate of decline is shown. Additionally, we have attached a copy of our notice to offset operators of our application.

Yours very truly,



WCW:kp

cc: New Mexico Oil Conservation Commission
P. O. Box 1980
Hobbs, New Mexico
w/attachments

30 2.38 E

013

01

29

Drinking Water
WESTERN OIL

*1

Allen
GULF

01

WESTERN OIL



02

Elmer Gann
GULF

01

Higgins
GULF

*1

Attachment #2

02

*1
dual

02

GULF

*1

A.M. Blinzbry
TEXACO

05

02

Watkins
GULF

*1
dual

*2
dual

USA
TEXACO

*1
dual

01

W.H. Scarborough
GULF

*4
dual

*2
dual

31

05

MO
*3
dual

USA
TEXACO

dual
02

*
triple

State "S"
SAN AMERICAN

02

01

MO
01

05
dual

"D"
CITIES SER.

MO

*3
dual

01

Andrews
GULF

*2
MO
dual

32

CITIES SER.

dual
02

State
PANAM.

01
01

dual
*3

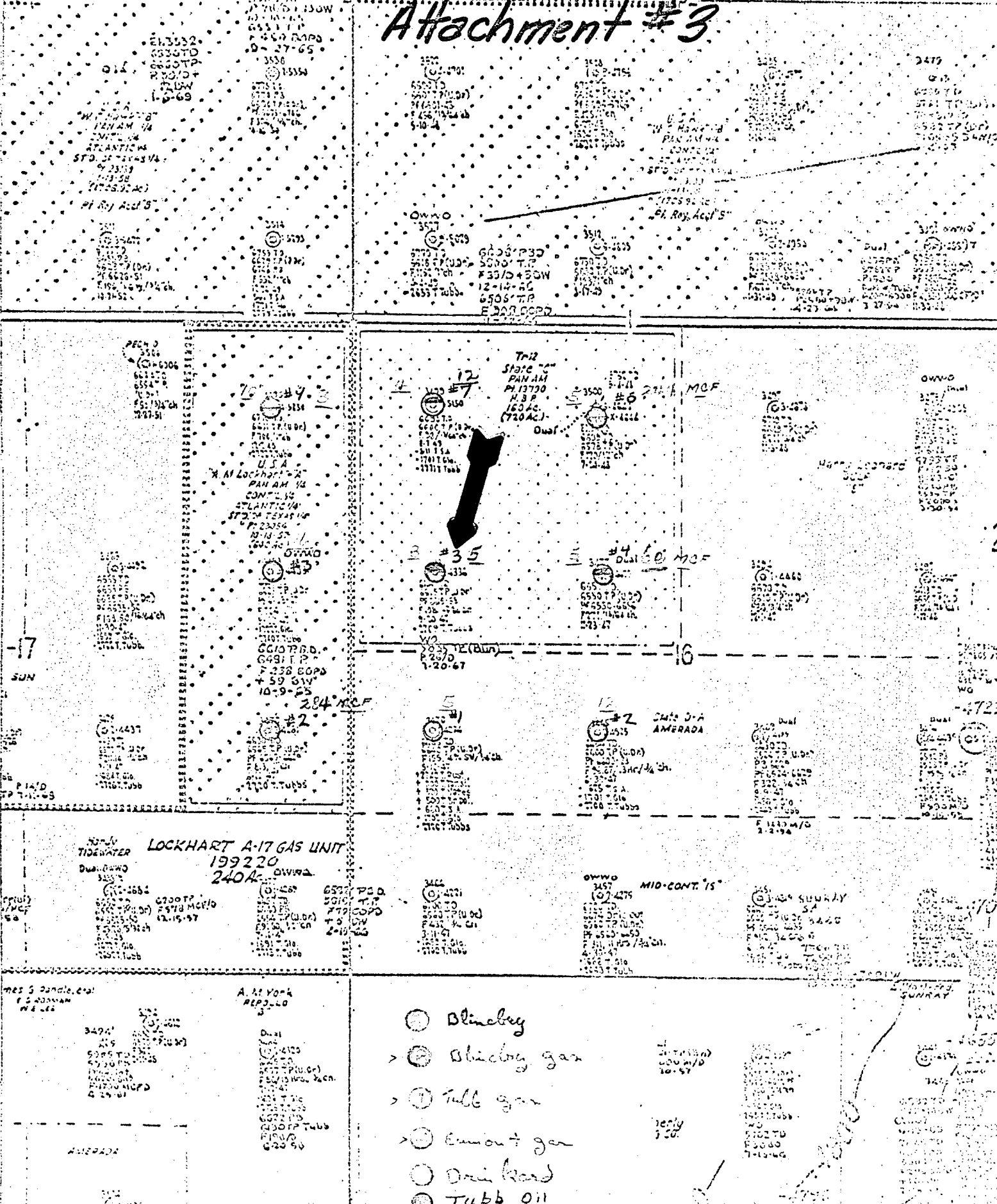
02

03

04
dual

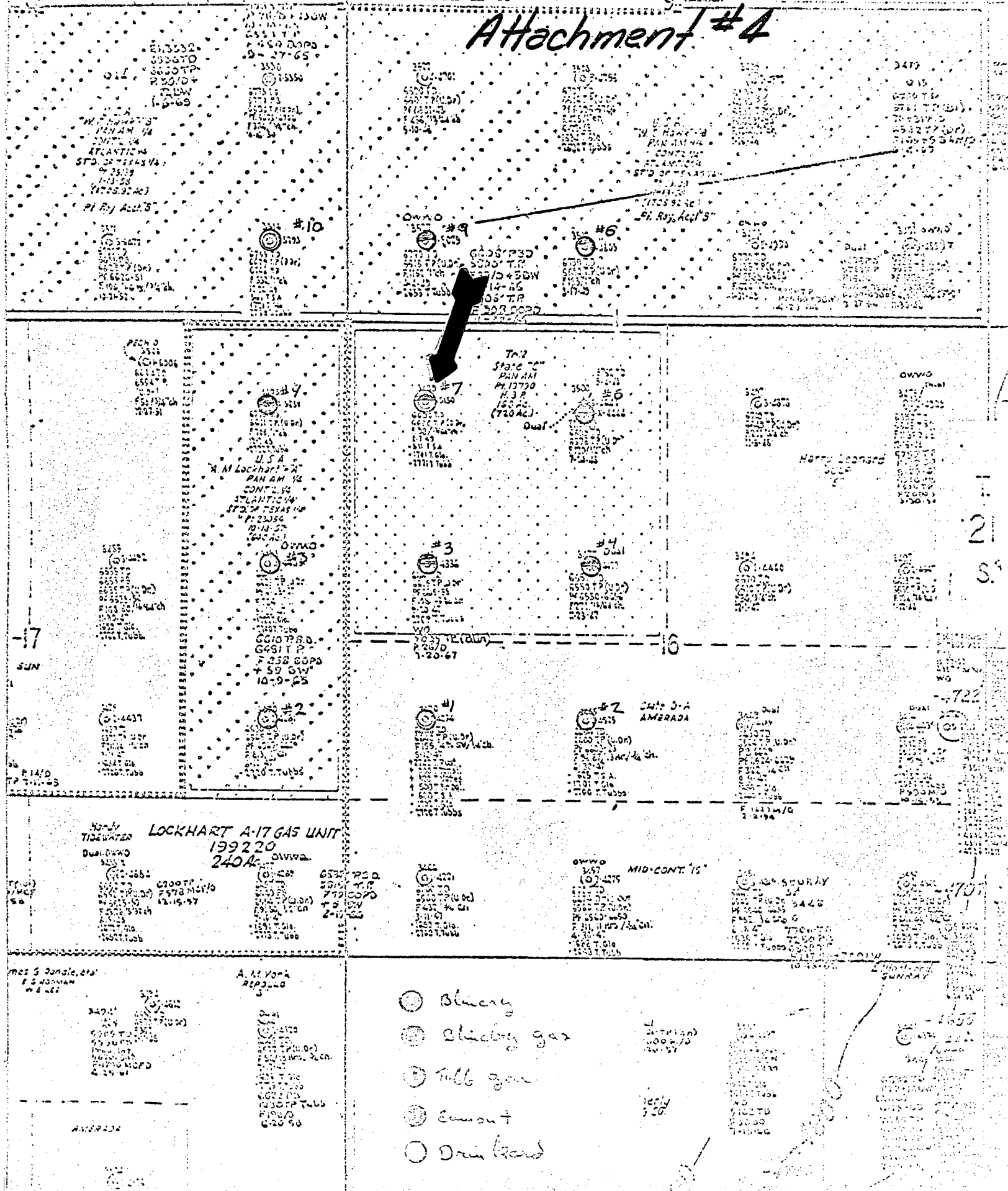
R. 37 E.

Attachment #3



- Blindley
- > ○ Blindley gas
- > ○ Tubb gas
- > ○ Limestone gas
- Dunbar
- Tubb oil

Attachment #4



ATTACHMENT 5

<u>Well</u>	<u>Pools</u>	Test (BOPD X BHPD X GOR)	Bottom Hole Pressure (psi)	(Datum)	<u>Remarks</u>
Southland Royalty #5	Blinebry Drinkard	6 x 2 x 2167 5 x 2 x 4200	464 501	(-2400) (-3050)	Pumping - Oil Well Pumping - Oil Well
State "S" #1	Blinebry Drinkard	9 x 2 x 25,111 9 x 1 x 3222	610 737	(-2400) (-3050)	Flowing - Oil Well Pumping - Oil Well
State "C" Tr. 12 #3	Blinebry Drinkard	4 x 2 x 23,150 3 x 1 x 16,100	249 476	(-2400) (-3050)	Pumping - Oil Well Flowing - Oil Well
State "C" Tr. 12 #7	Blinebry Drinkard	12 x 11 x 11,750 3 x 0 x 14,666	680 600	(-2400) (-3050)	Pumping - Oil Well Flowing - Oil Well

Attachment #6

NEW MEXICO OIL CONSERVATION COMMISSION

GAS - OIL RATIO TESTS

C-116
Revised 1-1-65

Operator		Pool		County									
Pan American Petroleum Corporation		Blinebry & Drinkard		Lea									
Address		P. O. Box 68, Hobbs, New Mexico		TYPE OF TEST - (X)									
				Completion ☐ Special ☒									
LEASE NAME	WELL NO.	LOCATION			DATE OF TEST	CHOKE SIZE	TBG. PRESS.	DAILY ALLOW-ABLE	LENGTH OF TEST HOURS	PROD. DURING TEST			GAS - OIL RATIO CU.FT./BBL
		U	S	T						R	WATER BBLs.	GRAV. OIL	
Southland Royalty "A" Lse													
Blinebry					11-1-69	P		8	24	2	6	13	2167
Drinkard					11-2-69	P		7	24	2	5	21	4200

I hereby certify that the above information is true and complete to the best of my knowledge and belief.

No well will be assigned an allowable greater than the amount of oil produced on the official test. During gas-oil ratio test, each well shall be produced at a rate not exceeding the top unit allowable for the pool in which well is located by more than 25 percent. Operator is encouraged to take advantage of this 25 percent tolerance in order that well can be assigned increased allowables when authorized by the Commission.

Gas volumes must be reported in MCF measured at a pressure base of 15.025 psia and a temperature of 60° F. Specific gravity base will be 0.60.

Report casing pressure in lieu of tubing pressure for any well producing through casing.

Mail original and one copy of this report to the district office of the New Mexico Oil Conservation Commission in accordance with Rule 301 and appropriate pool rules.

(Signature)

AREA SUPERINTENDENT

(Title)

11-12-69

(Date)

I hereby certify that the above information is true and complete to the best of my knowledge and belief.

James E. Clark
(Signature)

AREA ENGINEER

(Title)

11-18-69

(Date)

No well will be assigned an allowable greater than the amount of oil produced on the official test.

During gas-oil ratio test, each well shall be produced at a rate not exceeding the top unit allowable for the pool in which well is located by more than 25 percent. Operator is encouraged to take advantage of this 25 percent tolerance in order that well can be assigned increased allowables when authorized by the Commission.

Gas volumes must be reported in MCF measured at a pressure base of 15.025 psia and a temperature of 60° F. Specific gravity base will be 0.60.

Report casing pressure in lieu of tubing pressure for any well producing through casing.

Mail original and one copy of this report to the district office of the New Mexico Oil Conservation Commission in accordance with Rule 301 and appropriate pool rules.

C-116
Revised 1-1-65

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During gas-oil ratio test, each well shall be produced at a rate not exceeding the top unit allowable for the pool in which well is located by more than 25 percent. Operator is encouraged to take advantage of this 25 percent tolerance in order that well can be assigned increased allowables when authorized by the Commission.

Gas volumes must be reported in MCF measured at a pressure base of 15,025 psia and a temperature of 60° F. Specific gravity base will be 0.60.

Report casing pressure in lieu of tubing pressure for any well producing through casing.

Mail original and one copy of this report to the district office of the New Mexico Oil Conservation Commission in accordance with rule 301 and appropriate pool rules.

I hereby certify that the above information is true and complete to the best of my knowledge and belief.

James E. York
(Signature)

AREA ENGINEER

(Title)
November 21, 1969

(Date)

Attachment #9

NEW MEXICO OIL CONSERVATION COMMISSION

GAS-OIL RATIO TESTS

C-116
Revised 1-1-65

Operator		Pool		County									
Pan American Petroleum Corporation		Blinebry - Drinkard		Lea									
Address		P. O. Box 68, Hobbs, New Mexico											
LEASE NAME	WELL NO.	LOCATION			DATE OF TEST	CHOKE SIZE	TBG. PRESS.	DAILY ALLOW-ABLE	LENGTH OF TEST HOURS	PROD. DURING TEST			GAS - OIL RATIO CU.FT./BBL.
		U	S	T						R	WATER BBLs.	GRAV. OIL	
State "C" Tract 12	7	D	16	21	37								
Blinebry						11-7-69	P				11	12	141
Drinkard						11-8-69	F	100			0	3	44
													11,750
													14,666

I hereby certify that the above information is true and complete to the best of my knowledge and belief.

No well will be assigned an allowable greater than the amount of oil produced on the official test.
During gas-oil ratio test, each well shall be produced at a rate not exceeding the top unit allowable for the pool in which well is located by more than 25 percent. Operator is encouraged to take advantage of this 25 percent tolerance in order that well can be assigned increased allowables when authorized by the Commission.

Gas volumes must be reported in MCF measured at a pressure base of 15.025 psia and a temperature of 60° F. Specific gravity base will be 0.60.

Report casing pressure in lieu of tubing pressure for any well producing through casing.

Mail original and one copy of this report to the district office of the New Mexico Oil Conservation Commission in accordance with Rule 301 and appropriate pool rules.

James E. York
(Signature)

AREA ENGINEER

(Title)

11-24-69

(Date)

Attachment #10

TYPE OF REPORT - (X)	
Initial Completion	
Special	
General Survey	

Form C-124
Revised 1-1-65

NEW MEXICO OIL CONSERVATION COMMISSION

RESERVOIR PRESSURE REPORT

Operator Pan American Petroleum Corporation		Pool Drinkard - Blinebry		County Lea		Date 11-12-69												
Address Box 68, Hobbs, N.M.		Producing Formation		Oil Gradient psl/ft.		Water Gradient psl/ft.												
Gas Gravity		Oil Gradient psl/ft.		Water Gradient psl/ft.		Gas Gravity												
Datum Plane Blinebry -2400		Datum Plane Drinkard -3050																
LEASE	WELL NO.	LOCATION			ELEV.	OIL (O) OR GAS (G)	DATE TESTED	SHUT-IN TBG. PRESS.	BOMB TEST DATA				SONIC INSTRUMENT TEST DATA*				PRESS. AT DATUM	
		U	S	T					R	TEST DEPTH	B.H. TEMP. °F	OB-SERVED PRESS.	PROD. TEST (BBL./DAY)	LIQUID LEVEL	LIQUID GRADIENT PSI/FT.	WT. OF LIQUID COL. PSI		WT. OF GAS COL. PSI
Southland Royalty "A" (Blinebry)	5	5	B	9	21	3483 0 RDB	10-29-69	24										464
SHELL Oil Co. Livingston (Drinkard)	5	U	3	21	37	3476 0 RDB	11-5-69	24	499	6400								501
SE Offset to Southland Royalty "A" No. 5																		
Pressure Taken by New Mexico Engineering Committee																		

All depths plus or minus sea level; all pressures psi; Bomb shall be calibrated frequently enough against a dead weight tester to ensure an accuracy of one per cent; gas gravity shall be determined by analysis; liquid level shall be feet above datum plane. SEE RULE 302.

* Well shall be produced at least 24 hours prior to shutting in for sonic test.

I hereby certify that the above information is true and complete to the best of my knowledge and belief.

(Signature)

AREA SUPERINTENDENT

11-12-69

(Date)

Attachment #11

NEW MEXICO OIL CONSERVATION COMMISSION

Form C-124
Revised 1-1-65

RESERVOIR PRESSURE REPORT

TYPE OF REPORT - (X)
Initial Completion
Special
General Survey

Operator Pan American Petroleum Corporation	Pool Blinebry & Drinkard	County Lea	Date 11-18-69
Address P. O. Box 68, Hobbs, New Mexico	Producing Formation	Oil Gradient psi/ft.	Water Gradient psi/ft.
			Gas Gravity .02
LEASE	WELL NO.	LOCATION	DATE TESTED
		U S T R	

LEASE	WELL NO.	LOCATION	ELEV. (O) OR GAS (G)	DATE TESTED	SHUT-IN TBG. PRESS.	BOMB TEST DATA				SONIC INSTRUMENT TEST DATA*					PRESS. AT DATUM
						TEST DEPTH	B.H. TEMP. °F	OB. SERVED PRESS.	PROD. TEST (BBL./DAY)	LIQUID LEVEL	LIQUID GRADIENT PSI/FT.	WT. OF LIQUID COL. PSI	WT. OF GAS COL. PSI	CSG. PRESS.	
State "S" (Blinebry)	1	C 32 22 38	3400 RDB	10-28-69	24	470	5500	100	550						610
	1	I 30 22 38		11-7-69	48	6200	631								737
Western Oil Fields, Inc. Drinkard															
2 Locations Northwest of State "S" No. 1 BHP measured by New Mexico Engineering Committee															

All depths plus or minus sea level; all pressures psi; Bomb shall be calibrated frequently enough against a dead weight tester to ensure an accuracy of one per cent; gas gravity shall be determined by analysis; liquid level shall be feet above datum plane. SEE RULE 302.

* Well shall be produced at least 24 hours prior to shutting in for sonic test.

I hereby certify that the above information is true and complete to the best of my knowledge and belief.

[Signature]

AREA ENGINEER

11-18-69

(Signature)

(Title)

(Date)

Form C-124
Revised 1-1-65

NEW MEXICO OIL CONSERVATION COMMISSION

RESERVOIR PRESSURE REPORT

TYPE OF REPORT - (X)				NEW MEXICO OIL CONSERVATION COMMISSION										Form O-124 Revised 1-1-65							
Initial Completion				RESERVOIR PRESSURE REPORT																	
Special																					
General Survey																					
Operator Pan American Petroleum Corporation				Pool Drinkard		County Lea		Date 11-21-69													
Address P. O. Box 68, Hobbs, New Mexico				Producing Formation Drinkard Blinebry		Oil Gradient 0.363 psi/ft.		Water Gradient		Gas Gravity		Datum Plane Drinkard -3050		Blinebry, -2400							
LEASE				WELL NO.		LOCATION		DATE TESTED		SHUT-IN PRESS. 24 HOURS		BOMB TEST DATA				SONIC INSTRUMENT TEST DATA*				PRESS. AT DATUM	
												TEST DEPTH		B.H. TEMP. °F		OB-SERVED PRESS.		PROD. TEST (BBLs./DAY)			

All depths plus or minus sea level; all pressures psi; Bomb shall be calibrated frequently enough against a dead weight tester to ensure an accuracy of one per cent; gas gravity shall be determined by analysis; liquid level shall be feet above datum plane. SEE RULE 302.

* Well shall be produced at least 24 hours prior to shutting in for sonic test.

I hereby certify that the above information is true and complete to the best of my knowledge and belief.

(Signature)

AREA ENGINEER (Title)

November 21, 1969
(Date)

RESERVOIR PRESSURE REPORT

TYPE OF REPORT - (X)	
Initial Completion	
Special	
General Survey	

Operator Pan American Petroleum Corporation		Pool Drinkard		County Lea		Date 11-24-69											
Address P. O. Box 68, Hobbs, New Mexico		Producing Formation Drinkard		Water Gradient psi/ft.		Gas Gravity											
		Oil Gradient psi/ft.		BOMB TEST DATA		SONIC INSTRUMENT TEST DATA*											
LEASE	WELL NO.	LOCATION		DATE TESTED	SHUT-IN TBG. PRESS.	TEST DEPTH	B.H. TEMP. °F	OB. SERVED PRESS.	PROD. TEST (BBL./DAY)	LIQUID LEVEL	LIQUID GRADIENT PSI/FT.	WT. OF LIQUID COL. PSI	WT. OF GAS COL. PSI	CSG. PRESS.	PRESS. AT DATUM		
		U	S													T	R
State "C" Tract 12 Drinkard 2-1/16" tbg	7	D	16	21	37	3499	0	10-30-69	24	340	6049	110	420		0.36		600
						RDB											
State "C" Tract 12 Blaineby	7	D	16	21	37	3499	0	10-30-69	24		Sonic	110			.41	5216	680
						RDB											

All depths plus or minus sea level; all pressures psi; Bomb shall be calibrated frequently enough against a dead weight tester to ensure an accuracy of one per cent; gas gravity shall be determined by analysis; liquid level shall be feet above datum plane. SEE RULE 302.

* Well shall be produced at least 24 hours prior to shutting in for sonic test.

I hereby certify that the above information is true and complete to the best of my knowledge and belief.

Area Engineer

11-24-69

(Title)

(Date)

ATTACHMENT 14

Surface Commingling Data

Order #	PC-89	April 19, 1962
Order #	PC-232	September 24, 1964
Order #	PC-55	January 11, 1962
Order #	PC-55	January 11, 1962

Multiple Completion Data

Order #	DC-105	April 24, 1954
Order #	MC-1160	March 6, 1962
Order #	MC-1784	August 10, 1967
Order #	MC-1136	January 8, 1962

FLUID CHARACTERISTICS

<u>WELL</u>	<u>POOL</u>	<u>TYPE FLUID</u>	<u>GRAVITY (°API)</u>
Southland Royalty "A" #5	Blinebry Drinkard	Sweet Crude Sweet Crude	42.5 37.8
State "S" #1	Blinebry Drinkard	Sweet Crude Sweet Crude	42 40
State "C" Tract 12 Well #3	Blinebry Drinkard	Sweet Crude Sweet Crude	34.8 37.5
State "C" Tract 12 Well #7	Blinebry Drinkard	Sweet Crude Sweet Crude	34.8 37.5

VALUE OF COMMINGLED PRODUCTION

Southland Royalty "A" #5

- a) Combined crude gravity = 40° API
 b) Mobil's Intermediate Sweet Crude Top Posting = \$3.31/bbl. (40° API to 44.9° API)
 c) Blinebry Gravity = 42.5° API = \$3.31/bbl.) Mobil Intermediate Posting
 Drinkard Gravity = 37.5° API = \$3.25/bbl.)
 $\frac{\$6.56}{2}$ bbls. produced separately
 d) Value combined 40° API Gravity Blinebry-Drinkard Production
 = \$3.31/bbl X 2 bbl. = \$6.62/2 bbls.

State "S" #1

- a) Combined Crude gravity = 41° API @ \$3.31/bbl.
 b) Mobil's Intermediate Sweet Crude Top Posting = \$3.51/bbl (40° API to 44.9° API)
 c) Blinebry Gravity = 42° API @ \$3.31/bbl.
 Drinkard Gravity = 40° API @ \$3.31/bbl.

ATTACHMENT 15 (Cont.)

State "C" Tract 12 Well #3

- a) Combined crude gravity = 36° API @ \$3.23/bbl.
- b) Blinebry Gravity = 34.8 °API @ \$3.19/bbl.
Drinkard Gravity = 37.5° API @ \$3.25/bbl.
\$6.44/2 bbls.
- c) Value combined 36° API Gravity Blinebry-Drinkard production
= \$3.23/bbl x 2 bbl. = \$6.46/2 bbl.

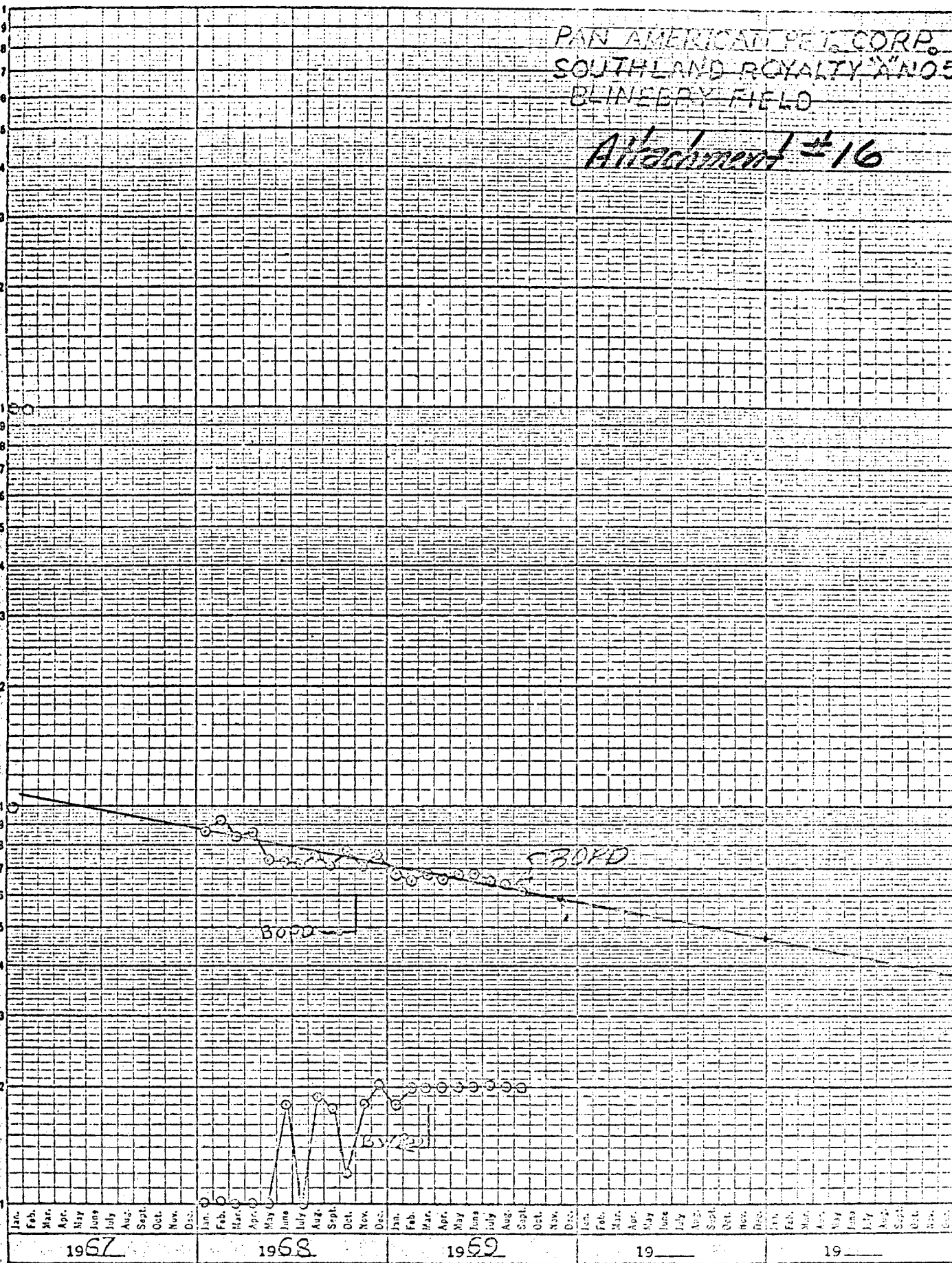
State "C" Tract 12 Well #7

- a) Combined crude gravity = 35.2° API @ \$3.22/bbl.
- b) Blinebry Gravity = 34.8° API @ \$3.19/bbl.
Drinkard Gravity = 37.5° API @ \$3.25/bbl.
\$6.44/2 bbl.
- c) Value combined 35.2° API Gravity Blinebry-Drinkard production
= \$3.22/bbl x 2 bbl. = \$6.44/2 bbl.

PAN AMERICAN PET. CORP.
SOUTHLAND ROYALTY "A" NO 5,
BLINDEEY FIELD

Attachment #16

BEPD



46 6693
MFG. IN U.S.A.
K. & E. 5 YEARS BY MONTHS
X 3 LOG CYCLES
KEUFFEL & ESSER CO.

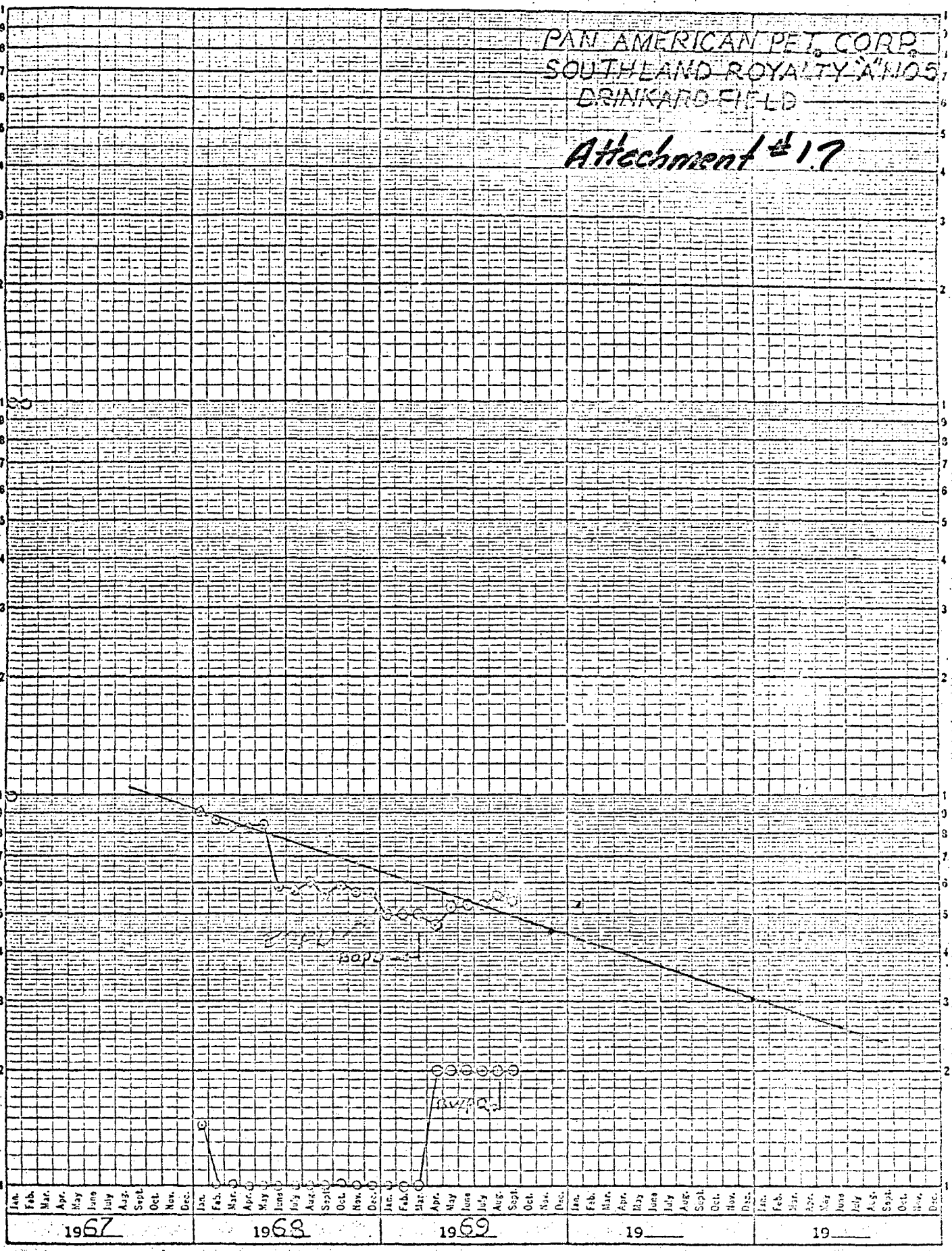
PAN AMERICAN PET. CORP.
SOUTHLAND ROYALTY A-1105
DRINKARD FIELD

Attachment #17

100

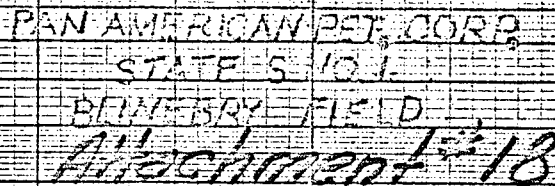
BFPD

K&E 5 YEARS BY MONTHS 46 6693
MADE IN U.S.A.
KEUFFEL & ESSER CO.



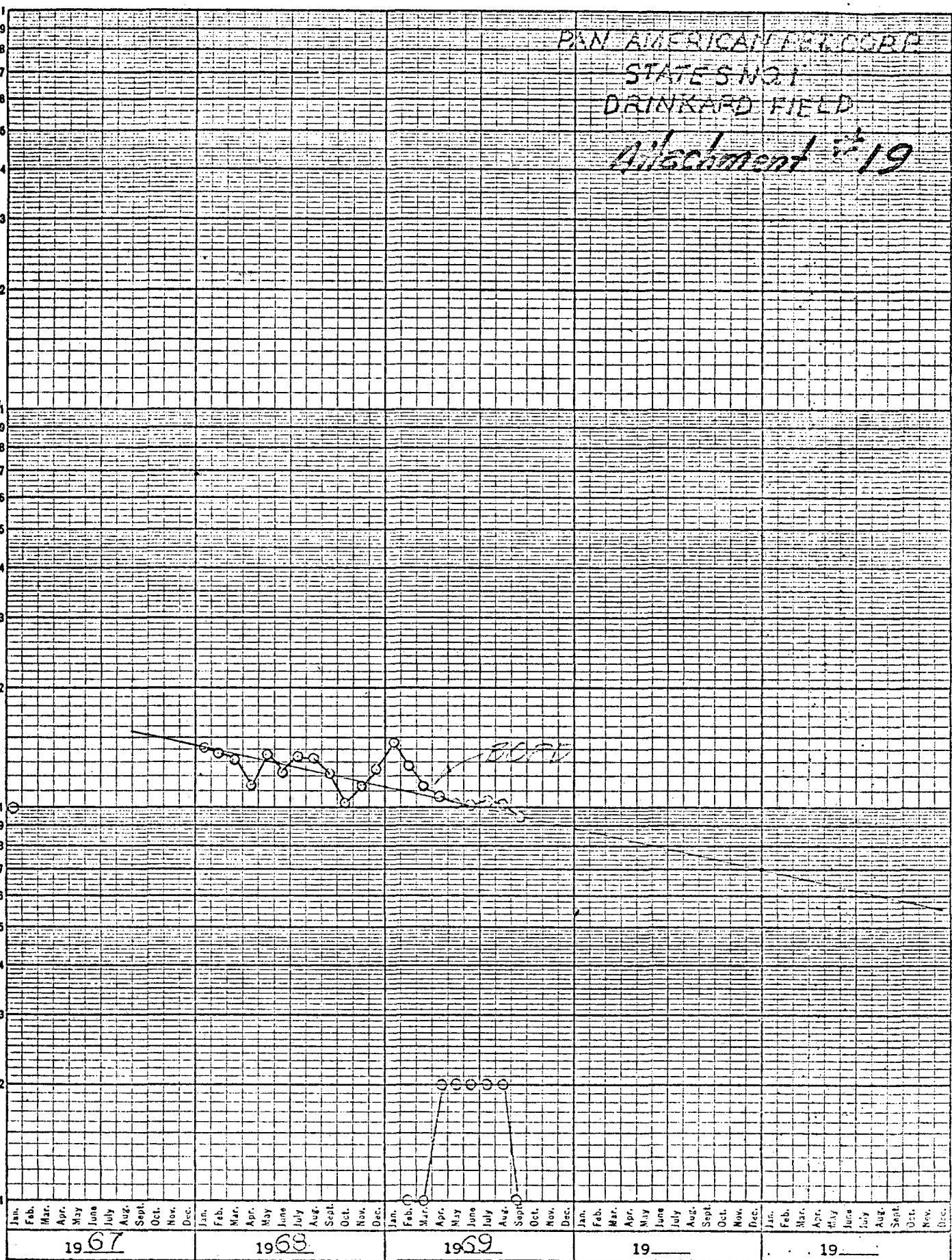
BFPD

KEUFFEL & ESSER CO.



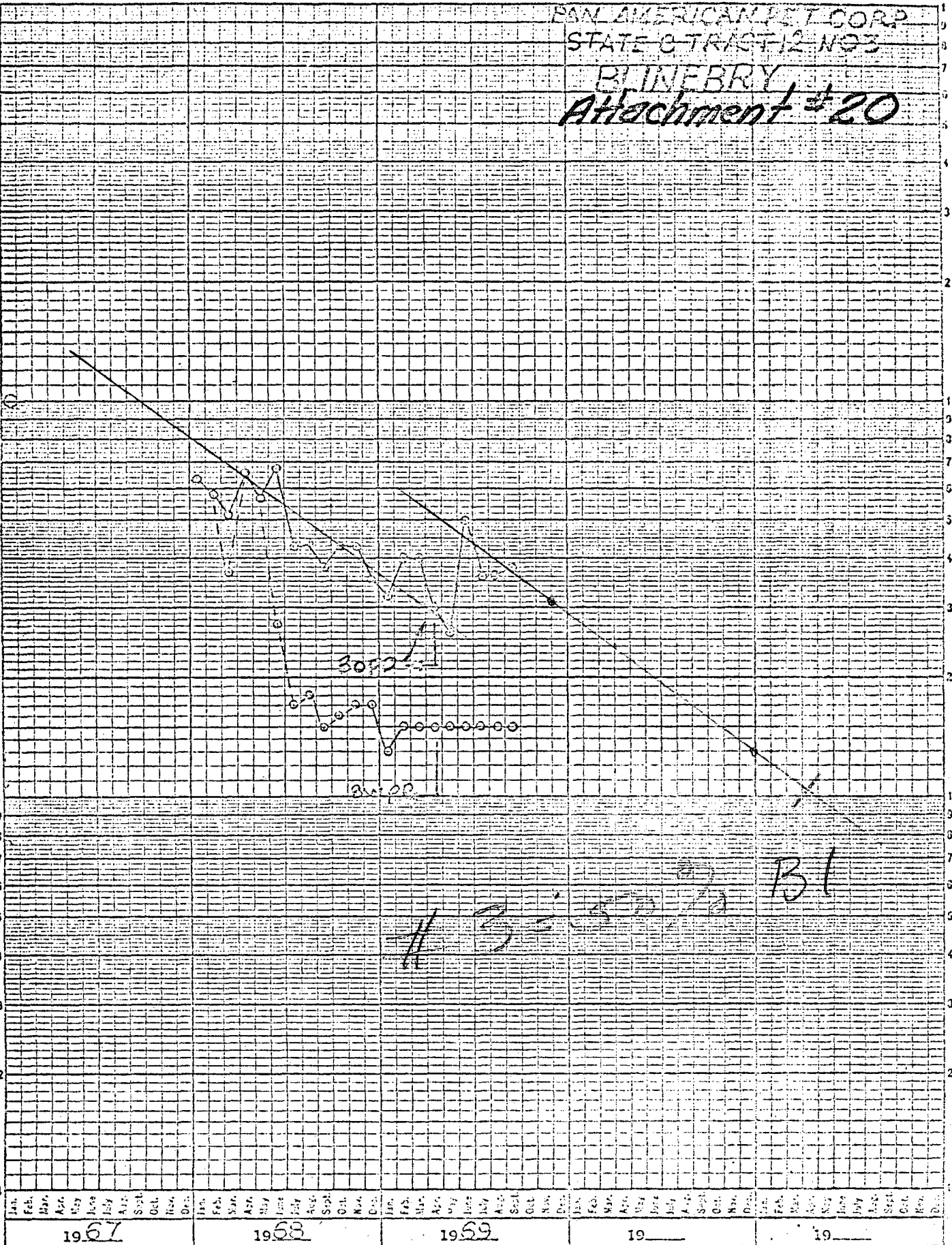
BFPD

PAN AMERICAN TEL CORP
STATES NOT
DRINKARD FIELD
Attachment #19



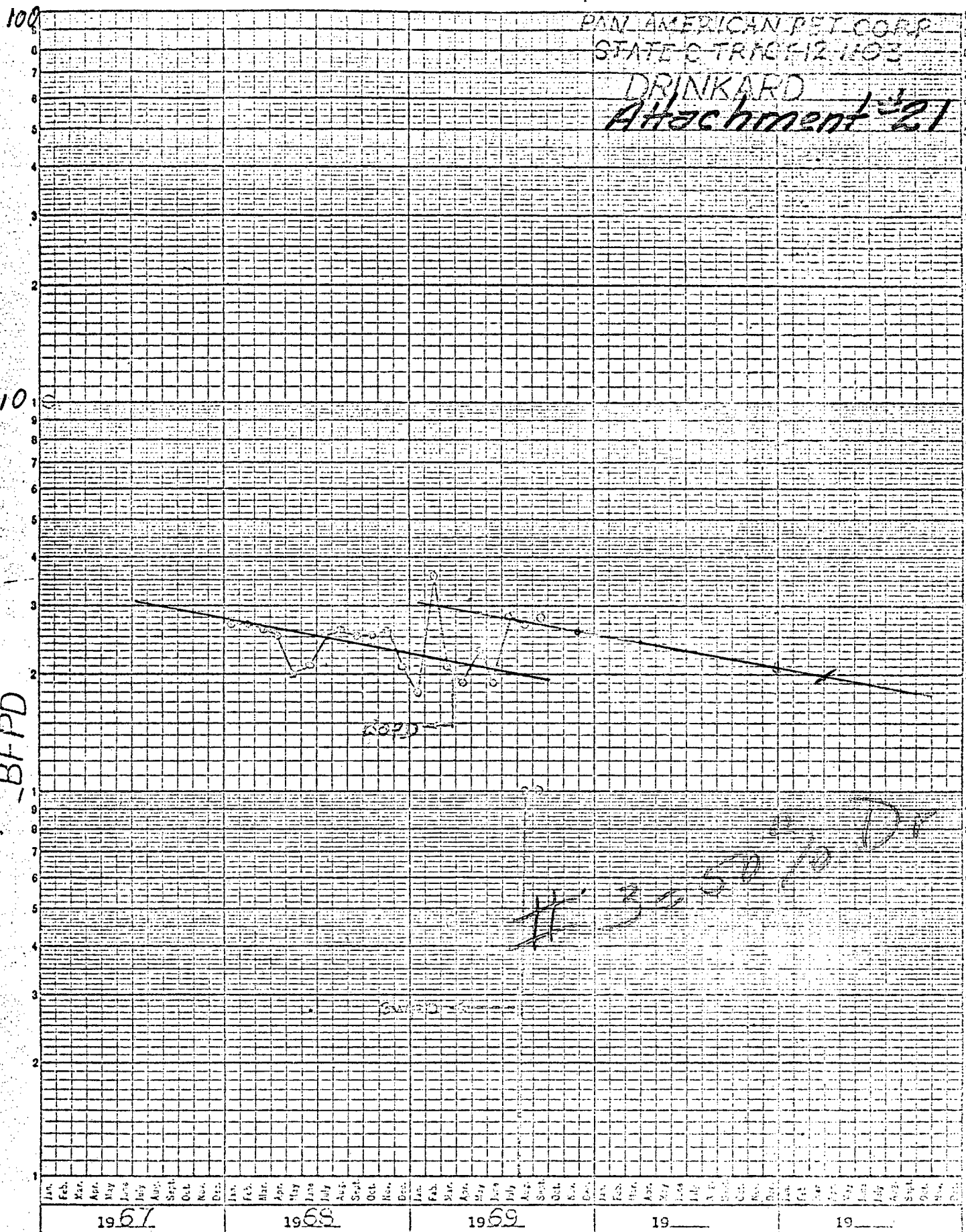
BFPD

PAN AMERICAN PET CORP
 STATE CONTRACT NO. 3
 BLINEBRY
 Attachment #20



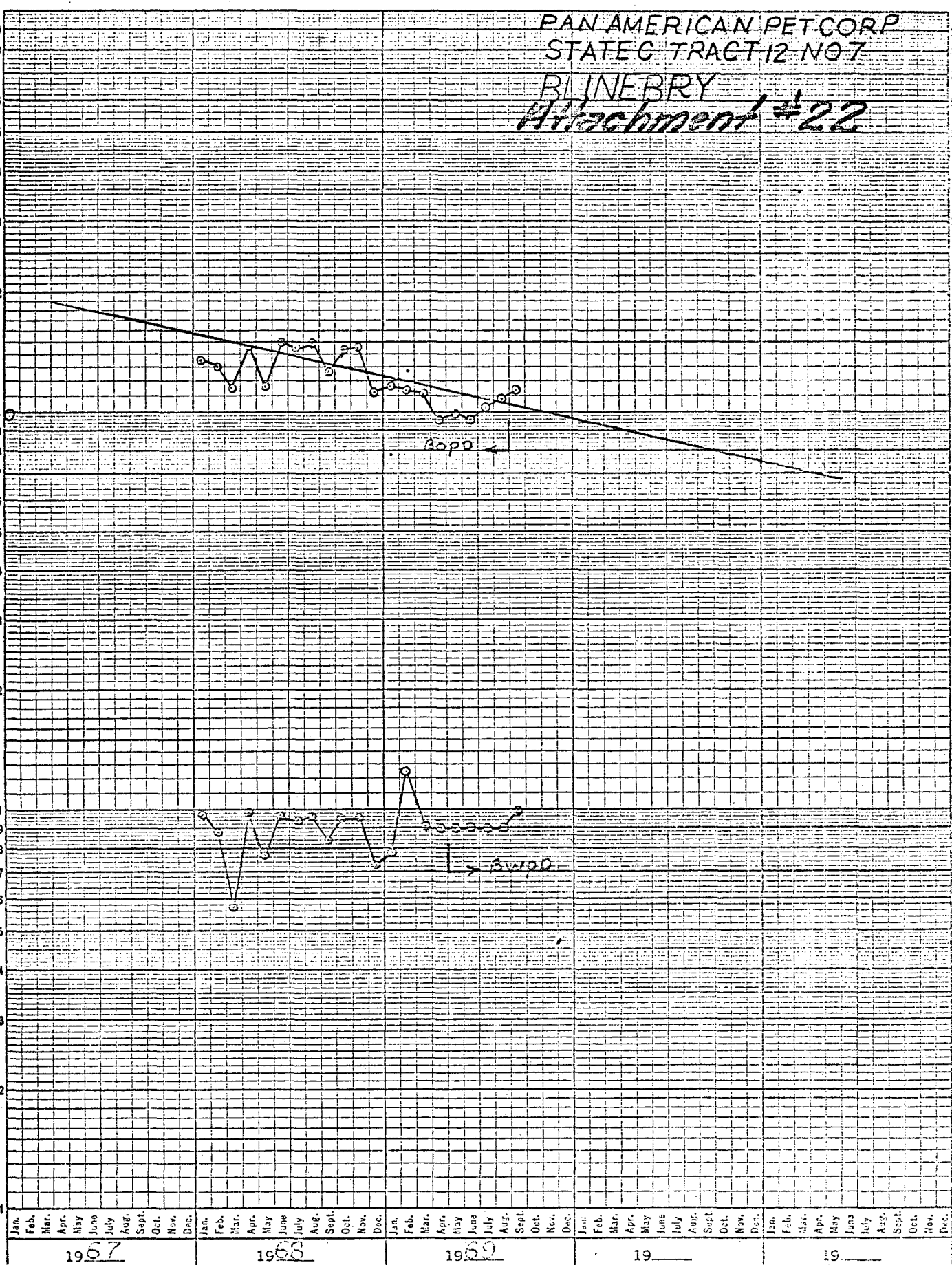
KE 5 YEARS BY MONTHS 40 6693
KE X 3 LOG CYCLES
KEUFFEL & ESSER CO.
MADE IN U.S.A.

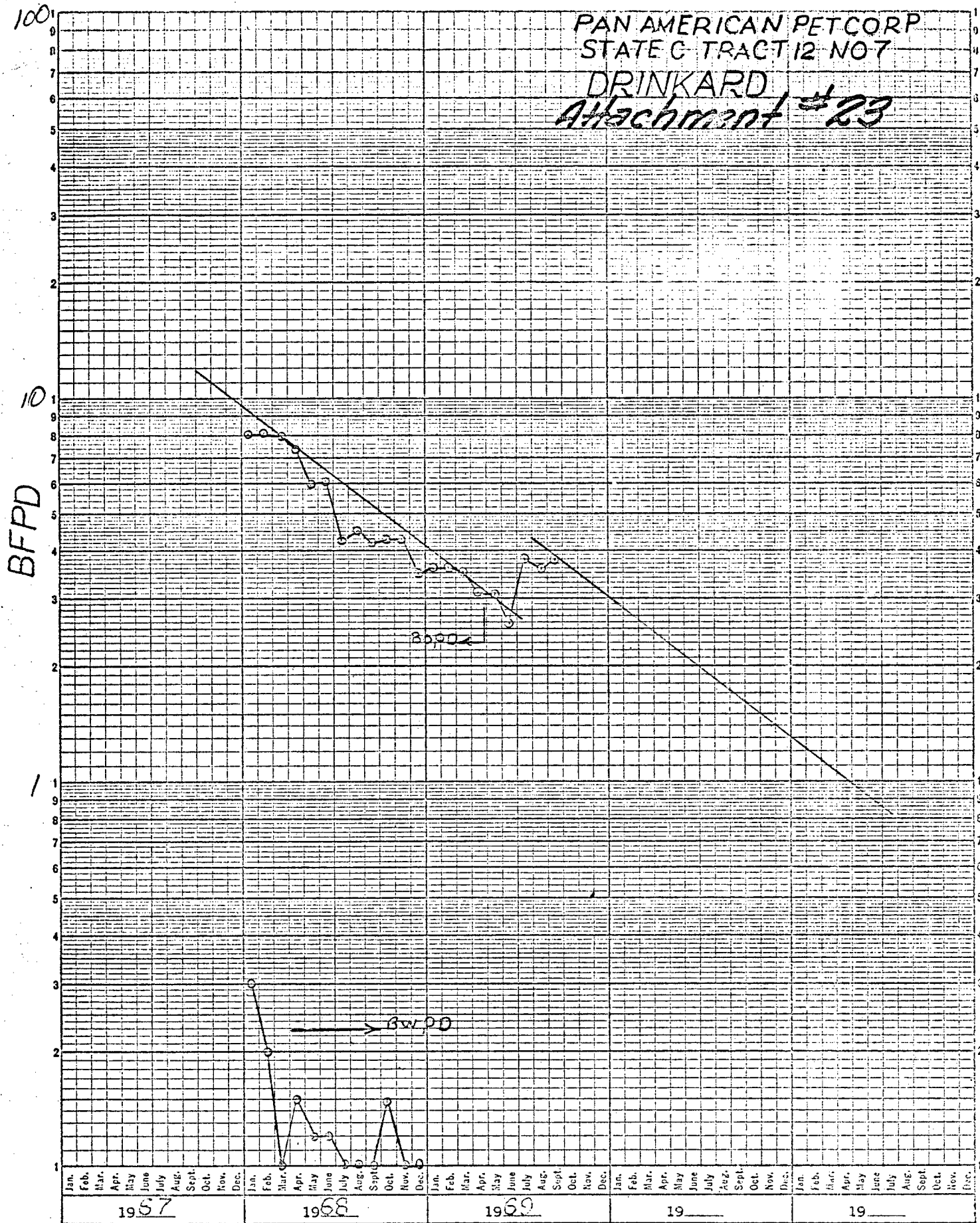
BFPD



BFPD

PAN AMERICAN PET CORP
 STATEC TRACT 12 N07
 BLINEBRY
 Attachment #22





PAN AMERICAN PETROLEUM CORPORATION

Post Office Box 68
Hobbs, New Mexico 88240

November 12, 1969

File: VES-377-400.1

Subject: Waivers of Objection for
Downhole Commingling
Southland Royalty "A" No. 5
Blinebry-Drinkard Field

Continental Oil Company
P. O. Box 460
Hobbs, New Mexico 88240

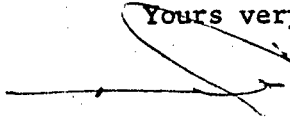
Gentlemen:

We propose to downhole commingle our Southland Royalty "A" No. 5, a Blinebry (oil) - Drinkard (oil) dual located 660' FEL x 1980' FSL, Section 4, T-21-S, R-37-E, Lea County, New Mexico.

NMOCC Order No. R-3845 requires a 20-day waiting period for approval of downhole commingling if offsetting operators do not waive objection to the commingling. In order to expedite early approval of the subject matter, we solicit your waivers of objection to downhole commingling.

If you have no objection to the proposed commingling, please sign one copy of this letter as your waiver and return to: Mr. N. S. Whitmore, P. O. Box 1410, Fort Worth, Texas.

Yours very truly,


V. E. Staley
Area Superintendent

DCJ/jt

APPROVED FOR: _____

BY: _____

PAN AMERICAN PETROLEUM CORPORATION

Post Office Box 68
Hobbs, New Mexico 88240

November 12, 1969

File: VES-377-400.1

Subject: Waivers of Objection for
Downhole Commingling
Southland Royalty "A" No. 5
Blinebry-Drinkard Field

Western Oil Fields, Inc.
112 North First
Artesia, New Mexico 88210

Gentlemen:

We propose to downhole commingle our Southland Royalty "A" No. 5, a Blinebry (oil) - Drinkard (oil) dual located 660' FEL x 1980' FSL, Section 4, T-21-S, R-37-E, Lea County, New Mexico.

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Yours very truly,

V. E. Staley
Area Superintendent

DCJ/jt

APPROVED FOR: _____

BY: _____

PAN AMERICAN PETROLEUM CORPORATION

Post Office Box 68
Hobbs, New Mexico 88240

November 12, 1969

File: VES-377-400.1

Subject: Waivers of Objection for
Downhole Commingling
Southland Royalty "A" No. 5
Blinebry-Drinkard Field

Shell Oil Company
P. O. Box 1509
Midland, Texas 79701

Gentlemen:

We propose to downhole commingle our Southland Royalty "A" No. 5, a Blinebry (oil) - Drinkard (oil) dual located 660' FEL x 1980' FSL, Section 4, T-21-S, R-37-E, Lea County, New Mexico.

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Yours very truly,


V. E. Staley
Area Superintendent

DCJ/jt

APPROVED FOR: _____

BY: _____

PAN AMERICAN PETROLEUM CORPORATION

Post Office Box 68
Hobbs, New Mexico 88240

November 12, 1969

File: VES-377-400.1

Subject: Waivers of Objection for
Downhole Commingling
Southland Royalty "A" No. 5
Blinebry-Drinkard Field

Texaco Oil Company
Box 728
Hobbs, New Mexico 88240

Gentlemen:

We propose to downhole commingle our Southland Royalty "A" No. 5, a Blinebry (oil) - Drinkard (oil) dual located 660' FEL x 1980' FSL, Section 4, T-21-S, R-37-E, Lea County, New Mexico.

NMOCC Order No. R-3845 requires a 20-day waiting period for approval of downhole commingling if offsetting operators do not waive objection to the commingling. In order to expedite early approval of the subject matter, we solicit your waivers of objection to downhole commingling.

If you have no objection to the proposed commingling, please sign one copy of this letter as your waiver and return to: Mr. N. S. Whitmore, P. O. Box 1410, Fort Worth, Texas.

Yours very truly,

V. E. Staley
Area Superintendent

DCJ/jt

APPROVED FOR: _____

BY: _____

PAN AMERICAN PETROLEUM CORPORATION

Post Office Box 68
Hobbs, New Mexico 88240

November 18, 1969

File: VES-382-400.1

Subject: Waivers of Objection for
Downhole Commingling
State "S" Well No. 1
Blinebry-Drinkard Field

Cities Service Oil Company, Box 4906, Midland, Texas
Gulf Oil Corporation, Box 670, Hobbs, New Mexico
Texaco Oil Company, Box 728, Hobbs, New Mexico

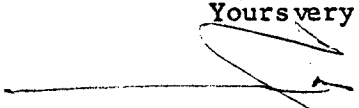
Gentlemen:

We propose to downhole commingle our State "S" Well No. 1, a Blinebry (Oil) - Drinkard (Oil) dual located 660' FNL and 1980' FWL, Section 32, T-22-S, R-38-E, Lea County, New Mexico.

NMOCC Order No. R-3845 requires a 20-day waiting period for approval of downhole commingling if offsetting operators do not waive objection to the commingling. In order to expedite early approval of the subject matter, we solicit your waivers of objection to downhole commingling.

If you have no objection to the proposed commingling, please sign one copy of this letter as your waiver and return to Mr. N. S. Whitmore, P.O. Box 1410, Fort Worth, Texas.

Yours very truly,


V. E. Staley
Area Superintendent

DCJ/jt

APPROVED FOR: _____

BY: _____

PAN AMERICAN PETROLEUM CORPORATION

Post Office Box 68
Hobbs, New Mexico 88240

November 21, 1969

File: VES-388-400.1

Subject: Waivers of Objection for
Downhole Commingling
State "C" Tract 12 No. 3
Blinebry - Drinkard Field

Amerada Petroleum Corporation, P.O. Box 668, Hobbs, New Mexico
Continental Oil Company, Box 460, Hobbs, New Mexico
Gulf Oil Corporation, Box 670, Hobbs, New Mexico

Gentlemen:

We propose to downhole commingle our State "C" Tract 12 Well No. 3, a Blinebry (oil) - Drinkard (oil) dual located at 1980' FNL x 660' FWL, Section 16, T-21-S, R-37-E, Lea County, New Mexico.

NMOCC Order No. R-3845 requires a 20 day waiting period for approval of downhole commingling if offsetting operators do not waive objection to the commingling. In order to expedite early approval of the subject matter, we solicit your waivers of objection to downhole commingling.

If you have no objection to the proposed commingling, please sign one (1) copy of this letter as your waiver and return to: Mr. N. S. Whitmore, P. O. Box 1410, Fort Worth, Texas.

Yours very truly,


V. E. Staley
Area Superintendent

DCJ/jt

Attachments

APPROVED FOR: _____

BY: _____

PAN AMERICAN PETROLEUM CORPORATION

Post Office Box 68
Hobbs, New Mexico 88240

November 24, 1969

File: VES-390-400.1

Subject: Waivers of Objection for
Downhole Commingling
State "C" Tract 12 No. 7
Blinebry - Drinkard Field

Amerada Petroleum Corporation, P. O. Box 668, Hobbs, New Mexico ✓
Continental Oil Company, P.O. Box 460, Hobbs, New Mexico
Gulf Oil Corporation, P.O. Box 670, Hobbs, New Mexico

Gentlemen:

We propose to downhole commingle our State "C" Tract 12 Well No. 7, a Blinebry (oil) - Drinkard (oil) dual, located 660' FNL and FWL, Section 16, T-21-S, R-38-E, Lea County, New Mexico.

NMOCC Order No. R-3845 requires a 20-day waiting period for approval of downhole commingling if offsetting operators do not waive objection to the commingling. In order to expedite early approval of the subject matter, we solicit your waivers of objection to downhole commingling.

If you have no objection to the proposed commingling, please sign one (1) copy of this letter as your waiver and return to Mr. N. S. Whitmore, P.O. Box 1410, Fort Worth, Texas.

~~Yours very truly,~~

V. E. Staley
Area Superintendent

DCJ/jt

APPROVED FOR: _____

BY: _____

PAN AMERICAN PETROLEUM CORPORATION

Post Office Box 68
Hobbs, New Mexico 88240

November 24, 1969

File: VES-390-400.1

Subject: Waivers of Objection for
Downhole Commingling
State "C" Tract 12 No. 7
Blinebry - Drinkard Field

Amerada Petroleum Corporation, P. O. Box 668, Hobbs, New Mexico ✓
Continental Oil Company, P.O. Box 460, Hobbs, New Mexico
Gulf Oil Corporation, P.O. Box 670, Hobbs, New Mexico

Gentlemen:

We propose to downhole commingle our State "C" Tract 12 Well No. 7, a Blinebry (oil) - Drinkard (oil) dual, located 660' FNL and FWL, Section 16, T-21-S, R-38-E, Lea County, New Mexico.

NMOCC Order No. R-3845 requires a 20-day waiting period for approval of downhole commingling if offsetting operators do not waive objection to the commingling. In order to expedite early approval of the subject matter, we solicit your waivers of objection to downhole commingling.

If you have no objection to the proposed commingling, please sign one (1) copy of this letter as your waiver and return to Mr. N. S. Whitmore, P.O. Box 1410, Fort Worth, Texas.

~~Yours very truly,~~

V. E. Staley
Area Superintendent

DCJ/jt

APPROVED FOR: _____

BY: _____



PETROLEUM PRODUCTS

PRODUCING DEPARTMENT -
UNITED STATES
MIDLAND DIVISION
DARRELL SMITH
DIVISION MANAGER

December 5, 1969

TEXACO INC.
P. O. BOX 3109
MIDLAND, TEXAS 79701

WELLBORE COMMINGLING
BLINEBRY & DRINKARD POOLS
LEA COUNTY, NEW MEXICO

file DHC-14

New Mexico Oil Conservation Commission
P. O. Box 2088
Santa Fe, New Mexico 87501

Attention: Mr. A. L. Porter, Jr.

Gentlemen:

Texaco Inc. has been notified by Pan American Petroleum Corporation of their request to commingle within the wellbore of their State "S" Well No. 1 and Southland Royalty "A" Well No. 5 in the above subject pools and hereby waives objection.

Pan American Petroleum Corporation advised Texaco Inc. the wells listed below are located in Lea County, New Mexico.

<u>Lease Name & Well No.</u>	<u>Location</u>	<u>Section</u>	<u>Township & Range</u>
State "S" 1	660' FNL & 1980' FWL	32	22-S 38-E
Southland Royalty "A" 5	660' FEL & 1980' FSL	4	21-S 37-E

Yours very truly,

Darrell Smith

By 
V. F. Dullnig
Assistant Division Manager

DDD/pw

cc: Pan American Petroleum Corporation
P. O. Box 68
Hobbs, New Mexico 88240