

AMERADA PETROLEUM CORPORATION

DRAWER "D"

MONUMENT, NEW MEXICO

July 18, 1960

*Case 9011*

PHONE HOBBS, N. M. — EX 3-2145

NEW MEXICO OIL CONSERVATION COMMISSION

P. O. Box 871

Santa Fe, New Mexico

RE: Application of Amerada Petroleum Corporation for an order Permitting the Commingling of production from several separate leases in the Saunders Field, Lea County, New Mexico.

Gentlemen:

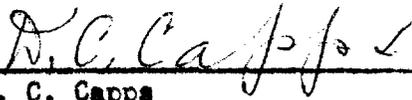
Applicant, Amerada Petroleum Corporation states that:

1. Applicant owns and operates the following leases:
  - (a) The State S "B" Lease described as the N/2 NW/4, NW/4 NE/4, S/2 NE/4, N/2 S/2 Sec. 3 and NE/4 Sec. 4-T15S-R33E, Lea County, New Mexico.
  - (b) The State S "D" Lease described as the W/2 Sec. 2, S/2 S/2 Sec. 3 and SE/4 Sec. 4-T15S-R33E, Lea County, New Mexico.
  - (c) The State S "I" Lease described as the SE/4 SW/4 Sec. 4-T15S-R33E, Lea County, New Mexico.
2. Applicant proposed to commingle the Saunders Permo Pennsylvanian Production from these leases as follows:
  - (a) Produce State S "B" Well No. 4 into the State S "D" Battery.
  - (b) Produce State S "D" Well No. 4 into the State S "I" Battery.
3. All wells are producing from the same common source of supply.
4. The proposed changes are needed in order to produce more efficiently through shorter flow lines.
5. All the lands involved are state owned lands with common royalty, and the proposed changes have been approved by the Commissioner of Public Lands. A copy of the letter of approval is attached.

6. Other exhibits attached are as follows:
  - (a) Plat showing leases involved with present flow lines and proposed changes.
  - (b) Schematic diagram showing a typical battery with facilities for testing all wells.
7. Approval of this application will neither cause waste nor impair correlative rights.
8. A copy of this application has been mailed to all offset operators as shown below.

Respectfully submitted,

AMERADA PETROLEUM CORPORATION

  
\_\_\_\_\_  
D. C. Capps  
District Superintendent

AES:mlw

cc: CITIES SERVICE OIL COMPANY  
P. O. Box 97  
Hobbs, New Mexico

MOBIL OIL COMPANY  
P. O. Box 2406  
Hobbs, New Mexico

Mr. R. S. Christie  
Mr. W. C. Henderson  
Mr. J. R. Enloe  
File

GULF OIL CORPORATION  
P. O. Drawer 669  
Roswell, New Mexico

SHELL OIL COMPANY  
P. O. Box 845  
Roswell, New Mexico

TEXACO, INC.  
P. O. Box 3109  
Midland, Texas

Enclosures

GENERAL OFFICE  
BOX 2040  
TULSA 2, OKLA.

**AMERADA PETROLEUM CORPORATION**

BOX 591  
MIDLAND, TEXAS

June 20, 1960

Commissioner of Public Lands  
State Land Office  
Santa Fe, New Mexico

RE: Proposed Comingling of Oil  
Saunders Field  
Lea County, New Mexico

Dear Sir:

Amerada Petroleum Corporation is desirous of comingling oil between certain State Oil and Gas Leases in the Saunders Field. The three leases involved are State Nos. B-10845, E-2116 and E-2118.

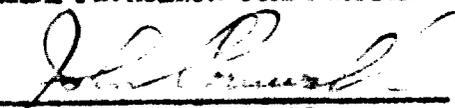
A plat is attached showing the present flow lines by solid lines, and the proposed flow lines by broken lines. We propose to run oil from well #4 "SD" to the tank battery at #1 "SI", and from #4 "SB" to the battery on the "SD" lease.

All of the lands involved, both the producing tracts and the receiving tracts, have the royalty credited to the Common School Fund, so that there will be no conflict of royalty interest. From the royalty owner's standpoint, we feel that by reducing the length of the flow lines from the two wells to the tanks, the wellhead back pressure will be reduced, thus increasing the ability of the wells to produce.

Before making application to the Conservation Commission for an exception to Rule 309 we must obtain approval from the State Land Office for comingling the oil as requested above. If you approve this request, please so signify by signing the attached copy of this letter and return to us at Box 591, Midland, Texas.

Yours very truly,

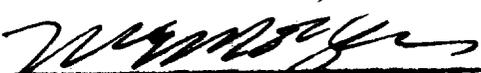
AMERADA PETROLEUM CORPORATION

By 

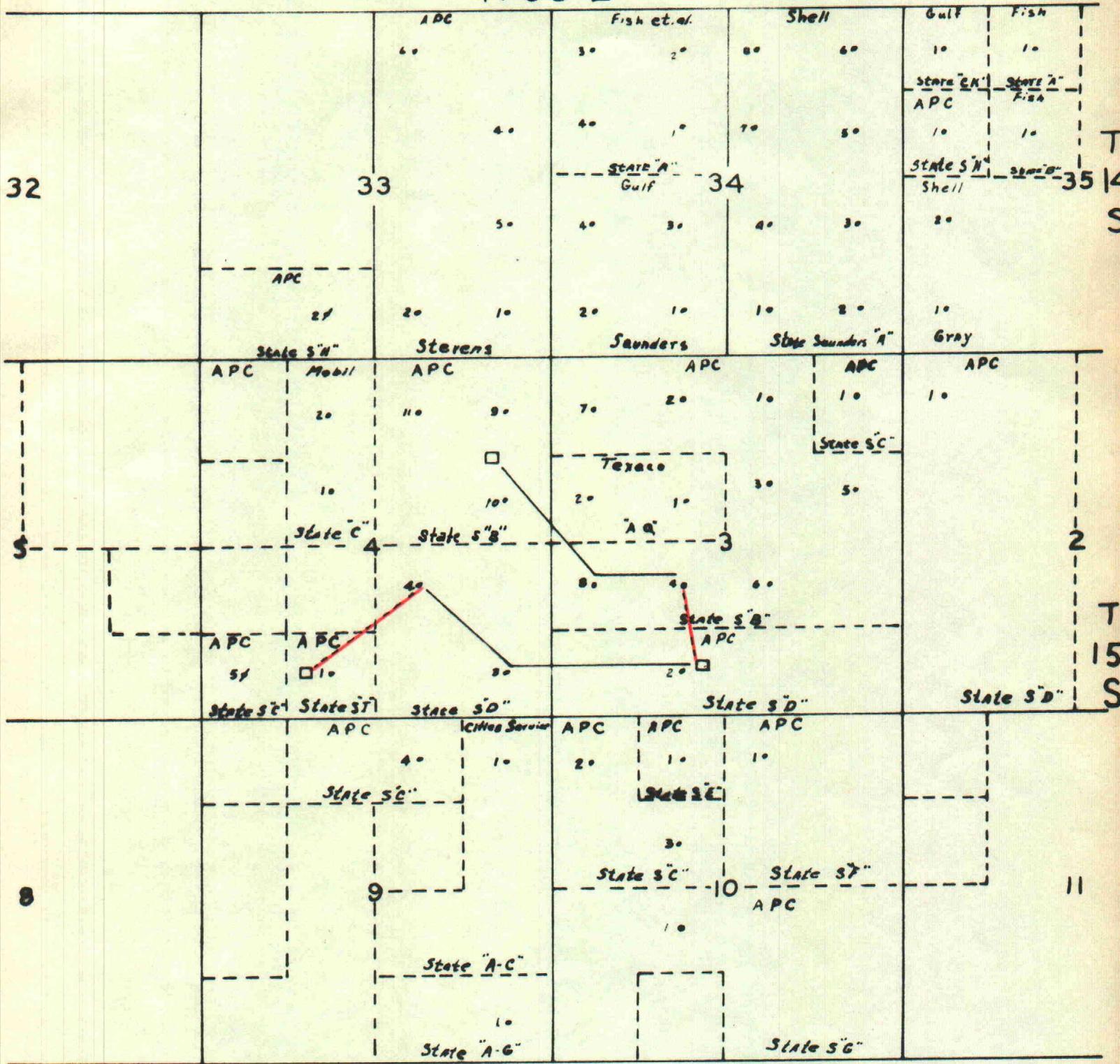
John Cornwall

JC:llp  
Encl:

The above request approved  
this 21 day of June, 1960.

  
Commissioner of Public Lands  
State of New Mexico

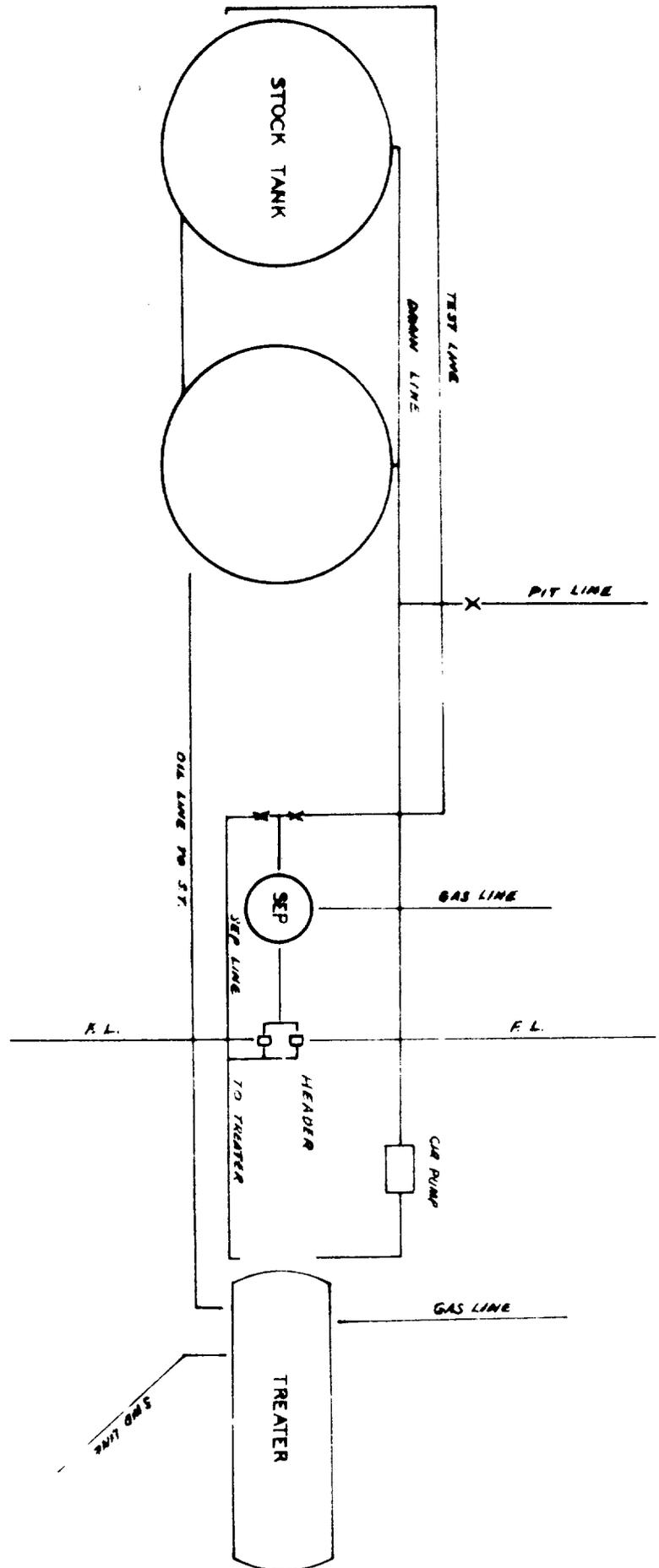
R 33 E



SAUNDERS POOL

LEA CO. NEW MEXICO  
 T-15-S R-33-E  
 SCALE 1" = 2000'

- TANK BATTERY
- PRESENT FLOW LINES
- PROPOSED FLOW LINES



BATTERY HOOKUP

SAUNDERS POOL  
LEA CO. N. M.

to: Oliver Payne

AMERADA PETROLEUM CORPORATION

DRAWER "D"  
MONUMENT, NEW MEXICO

PHONE HOBBS, N. M. — EX 3-2145

August 24, 1960

NO USE OFFICE COC

Indiana Oil Purchasing Company  
P.O. Box 1725  
Midland, Texas

1960 AUG 23 PM 3:03

Attn: Mr. H.H. Kanera

Gentlemen:

Please be advised of the following changes to be effective September 1, 1960 in the Saunders Pool, Lea County, New Mexico.

Approval has been received from the New Mexico Oil Conservation Commission by their administrative order No. OTB-58 dated August 10, 1960 for the exemption to Rule 309A of the statewide rules and regulations to permit commingling of oil production in the Saunders Field on the following leases.

The State S "B" #4 now producing into tanks #71000, 71001, 71002, 71003, State S "B" Lease battery #2 with wells #7-8-9-10 & 11. Effective 9-1-60 will produce into State S "D" Lease battery #2 into tanks #69283, 69284, 74918 & 77772 with the State S "D" Wells #2 & 3.

The State S "D" #4 now producing into tanks #69283, 69284, 74918, & 77772, State S "D" Lease battery #2 with wells #2 & 3. Effective 9-1-60 will produce into the State S "I" Lease battery into tanks #74998, 74999 with the State S "I" Lease well #1.

The following are the changes to be made in Lease and Well names.

<u>FROM</u>	<u>TO</u>
State S "D" Lease	State S "DB" Lease
State S "D" #1	State S "DB" #D-1
State S "D" #2	State S "DB" #D-2
State S "D" #3	State S "DB" #D-3
State S "B" #4	State S "DB" #B-4
State S "I" Lease	State S "ID" Lease
State S "I" #1	State S "ID" #I-1
State S "I" #4	State S "ID" #I-4

Yours very truly,

*D.C. Cappe*

D.C. Cappe  
District Superintendent

D.C./g

- cc: Service Pipe Line Co.
- N.M. Oil Conservation Commission ✓
- Mr. Hathaway
- Mr. Seifert
- Mr. Sewell
- Mr. Henderson
- Mr. Swanson
- File