

Dec.

MAR 7 AM 10:44

March 6, 1963

James T. Jennings, Esquire
Attorney at Law
1012 Security National Bank Building
Roswell, New Mexico

Re: Application to commingle by Franklin,
Aston & Fair, Inc.

Dear Sir:

Permission is hereby granted to commingle the production from the Premier Sand from State Leases Nos. B2071 and B7966 in accordance with your application. The SE $\frac{1}{4}$ SW $\frac{1}{4}$ and W $\frac{1}{4}$ SE $\frac{1}{4}$ of Section 31, Township 17S, Range 28E, is Common School lands; however, since this production is coming from two leases, it will be necessary that periodic tests on the wells be made in order to be sure that production is maintained.

You realize that these leases are running on extended terms by production.

Very truly yours,
E. S. JOHNNY WALKER
COMMISSIONER OF PUBLIC LANDS

By:
ROMULO MARTINEZ
Oil and Gas Department

EW/RM/pz

cc: Oil and Gas Accounting Commission
Oil Conservation Commission

C
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P
Y



McWood Corporation
PETROLEUM MARKETERS



PHONE OR 4-1331

2003 OIL AND GAS BUILDING 2 P.O. BOX 330 • ABILENE, TEXAS

March 4, 1963

New Mexico Oil Conservation Commission
P. O. Box 871
Santa Fe, New Mexico

Attention: Mr. A. L. Porter

Gentlemen:

In January, 1963, McWood Corporation began to purchase production from the Franklin Aston & Fair, Inc. State "AG" Lease, our number 352-12806, production unit number 10423, State Lease number B-2071. We have recently received a telephone request from Mr. Jim Jennings of Roswell, New Mexico, representing Franklin Aston & Fair, to the effect that we write to you to evidence our agreement to purchase crude from State Leases B-2071 and B-7966 on a commingled basis.

Mr. Jennings has assured us that the ownership on these two state leases is common, and that arrangements are being made to satisfy your requirements as to the separate measurement of oil produced from the two leases. Under these conditions, we are agreeable to purchase this commingled production.

Please advise us if you wish any further information on this matter.

Yours very truly,

McWOOD CORPORATION


Wilson C. Orr

WCO/jc

cc: Mr. Jim Jennings
P. O. Box 1180
Roswell, New Mexico

cc: Franklin Aston & Fair, Inc.
P. O. Box 796
Roswell, New Mexico

JAMES T. JENNINGS
ATTORNEY AT LAW
1012 SECURITY NATIONAL BANK BUILDING
ROSWELL, NEW MEXICO
MAIN 2-8432

ROGER L. COPPLE

1963 MAR 16 PM 1:25

March 5, 1963

OTE-103

Mr. Dan Nutter
Oil Conservation Commission
Box 871
Santa Fe, New Mexico

RE: FRANKLIN, ASTON & FAIR, INC.
APPLICATION TO COMMINGLE STATE
LEASES B-7966 and B-2071

Dear Dan:

Pursuant to our telephone conversation of yesterday, I again contacted McWood Corporation and was advised by Mr. R. L. McPherson of McWood that he had advised you that McWood had no objection to the commingling of production from the leases in question.

I am enclosing herewith a photocopy of a telegram which I received this morning from McWood. I also discussed the matter with Mr. Ted Bilberry of the Commissioner's Office and have forwarded to him a request for approval of the commingling and he advised that upon receipt of the request, he would approve the commingling and let you have a letter indicating the Commissioner's approval. You should have this within the next day or two.

As soon as the request is approved by the Secretary Director of the Commission, I would appreciate it if you would either wire me or ~~call me~~ collect as the operator is getting ready to complete a well and would like to be able to commingle the production without having to install temporary storage.

Yours very truly,

James T. Jennings
James T. Jennings (lts)

JTJ/bls

CLASS OF SERVICE
 This is a fast message unless its deferred character is indicated by the proper symbol.

WESTERN UNION TELEGRAM

| SYMBOLS | |
|---------|-------------------------------|
| DL | Day Letter |
| NL | Night Letter |
| LT | International Letter Telegram |

1961 (4-00)

W. P. MARSHALL, President

The filing time shown in the date line on domestic telegrams is LOCAL TIME at point of origin. Time of receipt is LOCAL TIME at point of destination.

LA036 DA193

(23)

D MDA056 PD=MIDLAND TEX 5 1110A CST=
 JAMES T JENNINGS, FRANKLIN ASTON AND FAIR=
 BOX 1180 ROSWELL NMEX=

COPY TELEGRAM SENT NEW MEXICO OIL CONSERVATION COMMISSION. MCWOOD CORP IS AGREEABLE TO PURCHASING THE COMMINGLING PRODUCTION FROM FRANKLIN ASTON AND FAIR STATE AG DESIGNATED AS STATE LEASE B=7966 LOCATED IN THE SE/4 SW/4 SECTION 31 T=17-S R=28-E AND STATE LEASE B=2071 IN THE W/2 SE/4 SEC 31 T=17-S R=28-E EDDY COUNTY NEW MEXICO=

R L MCPHERSON MCWOOD CORP==

THE COMPANY WILL APPRECIATE SUGGESTIONS FROM ITS PATRONS CONCERNING ITS SERVICE

B-2071, W $\frac{1}{2}$ SE $\frac{1}{4}$ of Section 31, Township 17 South, Range 28 East

P with the Oil Conservation Commission and a copy of the Application is enclosed herewith for your information.

Y The plat attached to the Application reflects that the lands are contiguous and the location of the proposed tank battery which is to be in the SW $\frac{1}{4}$ SE $\frac{1}{4}$ of Section 31. It is my understanding that the lands all have a common beneficiary, being the Common Schools. Pursuant to a prior request, the Commissioner, by letter dated March 9, 1960, granted permission to Franklin, Aston & Fair, Inc. to commingle production from the above leases insofar as they cover the above described lands with production from lease B-11594 covering lands in Section 6, Township 18 South, Range 28 East. The operator proposes to commingle production from the two leases described above insofar as they cover the above described lands.

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE APPLICATION OF
FRANKLIN, ASTON & FAIR, INC. FOR PER-
MISSION TO COMMINGLE PRODUCTION FROM No.
TWO SEPARATE LEASES IN THE RED LAKE
(GRAYBURG-SAN ANDRES) POOL IN EDDY
COUNTY, NEW MEXICO.

APPLICATION

Comes now Franklin, Aston & Fair, Inc. and hereby makes application for permission to commingle production of oil produced from two separate State Oil and Gas Leases covering the following described lands in the Red Lake (Grayburg-San Andres) Pool in Eddy County, New Mexico, to-wit:

W $\frac{1}{2}$ SE $\frac{1}{4}$ and SE $\frac{1}{4}$ SW $\frac{1}{4}$ Section 31, Township 17 South,
Range 28 East.

1. That the above described land is covered by two separate State Oil and Gas Leases and the lease numbers, record owners and the lands embraced in the respective leases are as follows:

| | | |
|--------|------------------------------------|---|
| B-7966 | Bert Aston | SE $\frac{1}{4}$ SW $\frac{1}{4}$ Sec. 31, T.17 S., R. 28 E. |
| B-2071 | Bert Aston and Fair Oil Company | W $\frac{1}{2}$ SE $\frac{1}{4}$ Sec. 31, T.17 S., R. 28 E. |

That the above described leases insofar as they cover the above described lands are subject to an operating agreement, dated August 26, 1959, made and entered into by and between Franklin, Aston & Fair, Inc.; Bert Aston and Esther Aston, his wife; R.W. Fair and Pan American Petroleum Corporation and that Franklin, Aston & Fair, Inc. is the operator under the terms and provisions of the operating agreement. The parties to the operating agreement are the owners of all the working interest under the above described leases insofar as they cover the above described land with the exception of Fair Oil Company which has succeeded to the interest formerly owned by R.W. Fair.

2. That all of the parties owning the working interest and overriding royalty interests as well as McWood Corporation, the purchaser of the production, have orally consented to the commingling of production from the separate leases and are transmitting their respective consents to the commingling in writing direct to the Commission.

3. That all of the parties owning an interest in the leases and production therefrom have heretofore consented to the commingling of production from said leases in case No. 1839; and by Order No. R-1573 entered on January 6, 1960, the Commission permitted the commingling of Empire - Abo Pool production from the above leases and Lease No. B-11594 into a common tank battery.

4. That applicant and the other working interest owners have completed their State AG Well No. 1 located 1650 feet from the South line and 2310 feet from the East line of Section 31, Township 17 South, Range 28 East (NW $\frac{1}{4}$ SE $\frac{1}{4}$) to a total depth of 1951 feet in the Premier formation and are in the process of completing their AD Well No. 1 located in the SE $\frac{1}{4}$ SW $\frac{1}{4}$ Section 31, Township 17 South, Range 28 East, and propose to develop the remaining portion of the above described land immediately.

5. That applicant proposes to commingle production from the Premier formation underlying the above described lands by producing the same into a centralized tank battery to be located on the SW $\frac{1}{4}$ SE $\frac{1}{4}$ Section 31, Township 17 South, Range 28 East. A plat showing the location of the wells, tank battery and of the leases in question is attached hereto and marked "Exhibit A".

6. That adequate facilities will be provided to accurately determine the production from each well at reasonable intervals.

7. That there is a common ownership of all of the lands embraced in the leases described above and that there is a common beneficiary of the State Lease lands and that all of the lands are Common School lands. That the Commissioner of Public Lands has heretofore consented to the commingling of production from the above lands in Case. No. 1839.

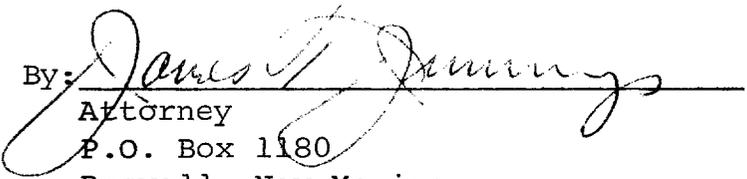
8. That the commingling of production of oil from the wells on the two leases into a centralized tank battery will effect a considerable saving in installation and operating expenses and will be in the interest of conservation and will not cause waste or impair correlative rights.

WHEREFORE, the applicant requests that the Secretary-Director of the Commission grant an exception to Rule 309-A and that the applicant be granted permission to commingle production from the above described leases into one centralized storage facility.

DATED this ^{1st} day of *March*, 1963.

Respectfully submitted,

FRANKLIN, ASTON & FAIR, INC.

By: 

Attorney

P.O. Box 1180

Roswell, New Mexico

SECTION PLAT

EXHIBIT "A"

EDDY

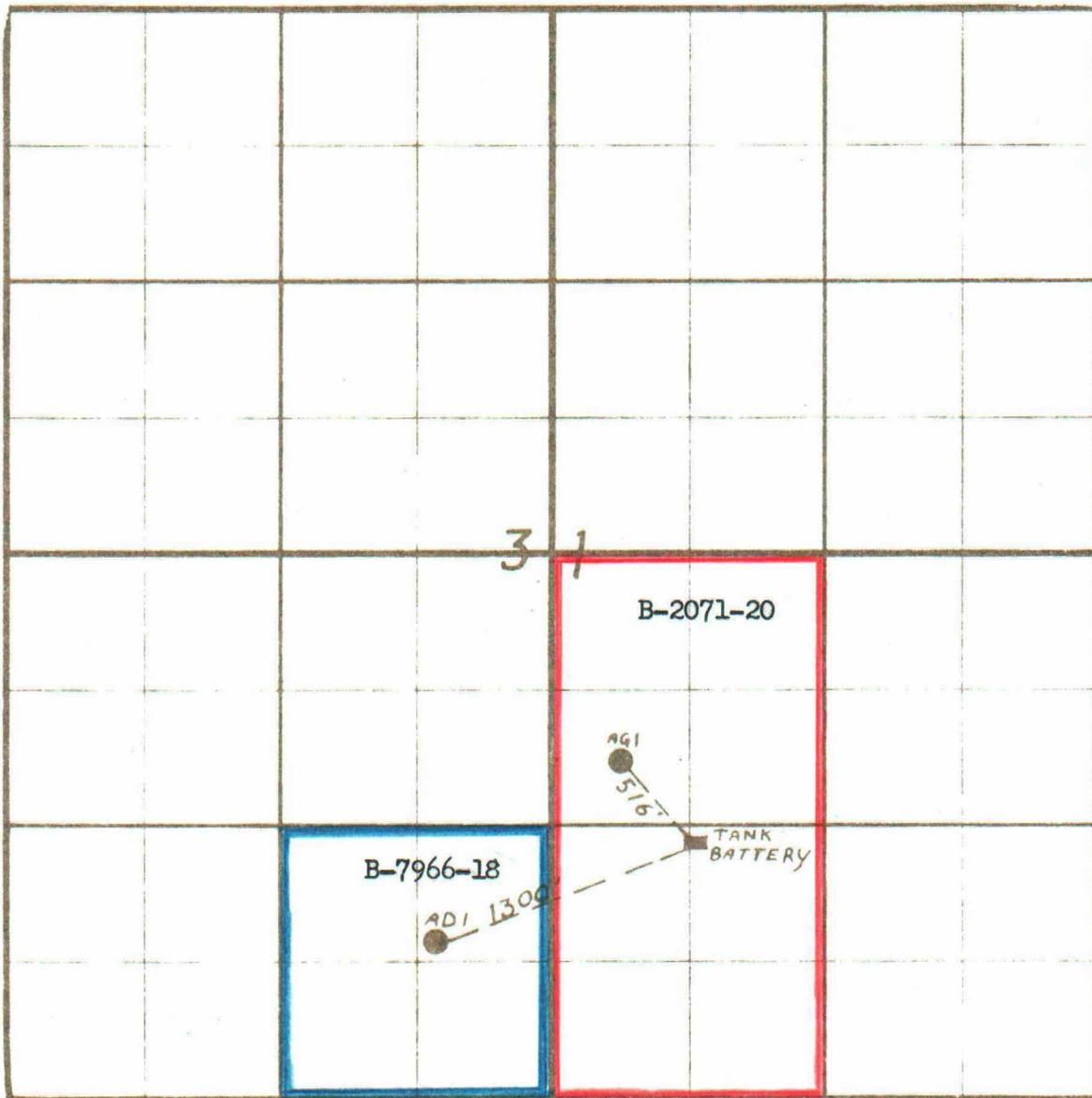
County, State of NEW MEXICO

Section 31

Township 17 S

Range 28 E

NORTH



CLASS OF SERVICE
This is a fast message unless its deferred character is indicated by the proper symbol.

WESTERN UNION TELEGRAM

W. P. MARSHALL, PRESIDENT

1201 (4-60)

SYMBOLS
DL=Day Letter
NL=Night Letter
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LA059 DA333

(31) ●●●

D TYA153 PD=TYLER TEX 28 129P CST

1963 FEB 28 PM 12 54

FRANKLIN ASTOM & FAIR=

ROSWELL NMEX=

WE AUTHORIZE COMMINGLING OIL FROM PREMIER SAND WELLS

AG #1 AND AD #1, SEC 31 T17 R28=

FAIR OIL CO BY RICHARD L RAY==

AG #1 AD #1 31 T17 R28=

THE COMPANY WILL APPRECIATE SUGGESTIONS FROM ITS PATRONS CONCERNING ITS SERVICE

CLASS OF SERVICE
This is a fast message unless its deferred character is indicated by the proper symbol.

WESTERN UNION TELEGRAM

1201 (4-00)

W. P. MARSHALL, PRESIDENT

SYMBOLS
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.LA061 DB195

(03)

D LUA2 49 PD=FAX LUBBOCK TEX 28 158P CST=

FRANKLIN ASTON & FAIR=

1963 FEB 28 PM 1 09

101 NORTH MISSOURI AVE ROSWELL NMEX=

THIS IS TO ADVISE THAT PAN AMERICAN HAS NO OBJECTION TO YOUR CO-MINGLING PREMIER FORMATION PRODUCTION FROM STATE LEASES B=11594, B=7966, B=2071, COVERING ACREAGE IN SECTIONS 5 AND 6-18S-28E, AND SECTION 31-17S-28E, EDDY COUNTY, NEW MEXICO=

PAN AMERICAN PETROLEUM CORP BY P B ABBEY==

B=11594 B=7966 B=2071 5 6-18S-28E 31-17S-28E=

THE COMPANY WILL APPRECIATE SUGGESTIONS FROM ITS PATRONS CONCERNING ITS SERVICE

THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

CONSENT TO COMMINGLING

The undersigned, Bert Aston, a record owner of State Leases B-7966 and B-2071 insofar as they cover the SW $\frac{1}{4}$ SE $\frac{1}{4}$ and W $\frac{1}{2}$ SE $\frac{1}{4}$ of Section 31, Township 17 South, Range 28 East, hereby consents to the commingling by the operator, Franklin, Aston & Fair, Inc., and requests the Commission to issue an order authorizing the commingling of production from the above described leases into one centralized storage facility.



Bert Aston

February 28, 1963

| DOMESTIC SERVICE | |
|--|--|
| Check the class of service desired; otherwise this message will be sent as a fast telegram | |
| TELEGRAM | |
| DAY LETTER | |
| NIGHT LETTER | |

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WESTERN UNION TELEGRAM

1206 (4-55)

W. P. MARSHALL, PRESIDENT

| INTERNATIONAL SERVICE | |
|---|--|
| Check the class of service desired; otherwise the message will be sent at the full rate | |
| FULL RATE | |
| LETTER TELEGRAM | |
| SHORE SHIP | |

| NO. WDS.-CL. OF SVC. | PD. OR COLL. | CASH NO. | CHARGE TO THE ACCOUNT OF | TIME FILED |
|----------------------|----------------|----------|--------------------------|------------|
| | COLLECT | | | |

Send the following message, subject to the terms on back hereof, which are hereby agreed to

MARCH 7, 1963

**MR. JAMES T. JENNINGS
ATTORNEY AT LAW
1012 SECURITY NATIONAL BANK BUILDING
ROSWELL, NEW MEXICO**

**FRANKLIN, ASTON & FAIR, INC. IS HEREBY AUTHORIZED TO COMMINGLE
RED LAKE (GRAYBURG-SAN ANDRES) PRODUCTION FROM STATE LEASES
B-7966 AND B-2071 AS PROPOSED. ADMINISTRATIVE ORDER CTB-103
FOLLOWS.**

**A. L. PORTER, JR., SECRETARY-DIRECTOR
NEW MEXICO OIL CONSERVATION COMMISSION**