

PAN AMERICAN PETROLEUM CORPORATION

**Post Office Box 68
Hobbs, New Mexico**

March 25, 1964

File: VES-84-400 x 541.113

**Subject: Commingling of Production
Julian E. Simon Federal Lease
Empire Abo Field
Eddy County, New Mexico**

**Mr. A. L. Porter, Jr. (3)
Secretary-Director
New Mexico Oil Conservation Commission
Post Office Box 871
Santa Fe, New Mexico**

Dear Sir:

Pan American Petroleum Corporation hereby submits application for the commingling of oil production from the Julian E. Simon Federal No. 1, located in Unit M, Section 4, T-18-S, R-27-E, with other Empire Abo Pool production at the Empire Abo Storage System III.

In support of our request for exemption without notice and hearing to Rule 309-B to permit the commingling in common facilities of oil production from leases of diversified ownership, the following is submitted.

- 1. Oil production from various federal leases with wells completed in the Empire Abo Pool is presently commingled at the Empire Abo Storage System III, located in the SW/4, SW/4, Section 3, T-18-S, R-27-E. Permission to commingle production and to produce more than sixteen wells into a common tank battery was obtained May 25, 1959, Order No. R-1399. Production from each lease is metered separately prior to commingling utilizing A. O. Smith T-6 temperature compensated meters. Production from the Julian E. Simon will likewise be metered with an A. O. Smith temperature compensated meter.**

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2. The A. O. Smith T-6 meter will be proved monthly in a 10-barrel prover tank.
3. In that all wells produce from a common source of supply and the gravity of the liquid hydrocarbons from each lease is the same, the commercial value of the commingled production will be the same as the sum at present commingled production and the production from the Julian E. Simon Federal No. 1.
4. All parties owning an interest in the Julian E. Simon Federal lease and the purchaser of the commingled production have been notified by certified mail of our intention to commingle production from these leases.
5. Plats of the leases, showing the location of wells and the formation in which they are completed are attached.
6. Schematic diagram of the proposed installation is attached.

Yours very truly,



V. E. Staley
Area Superintendent

Attachments

MAILING LIST

JULIAN E. SIMON FEDERAL LEASE

Jaffa Miller
603 N. Richardson
Roswell, New Mexico

Carl McNally
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Roswell, New Mexico

Harry Thorn
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Roswell, New Mexico

Laura G. Ballard
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Roswell, New Mexico

Hattie D. Mann
Artesia, New Mexico

F. G. Keyes
P. O. Box 1797
Roswell, New Mexico

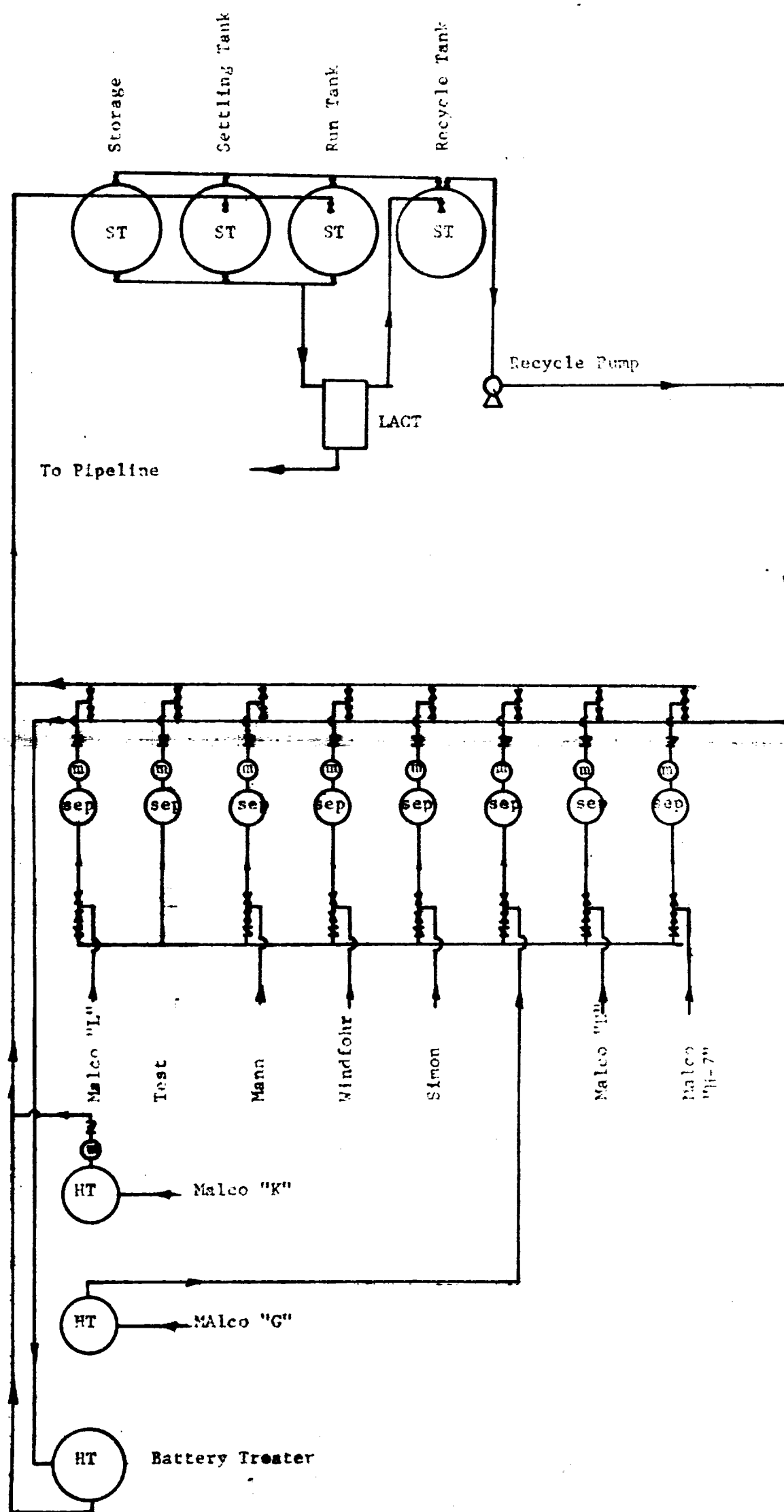
Olga M. Atwood individually
and as executrix of J. D. Atwood,
Deceased
213 N. Missouri Ave.
Roswell, New Mexico

Hondo Oil & Gas Company
P. O. Box 1978
Roswell, New Mexico

Indiana Oil Purchasing Company
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Midland, Texas

U. S. G. S.
P. O. Box 6721
Roswell, New Mexico

N. M. O. C. C.
P. O. Drawer DD
Artesia, New Mexico



PAN AMERICAN PETROLEUM CORPORATION				
Schematic Diagram of Proposed Installation - Empire Abo Storage System III - SW/4 SW/4, Sec. 3, T-18-S, R-27-E				
DR.	CK.	AP.	AP.	NO.
DR.				
SCALE		DATE		
		2-28-61		