

State of New Mexico

JUL 17 1964



Commissioner of Public Lands

E. S. JOHNNY WALKER  
COMMISSIONER



P. O. BOX 1148  
SANTA FE, NEW MEXICO

July 10, 1964

Phillips Petroleum Company  
P. O. Box 2130  
Hobbs, New Mexico, 88240

Attention: Mr. W. C. Rodgers  
Area Superintendent  
Production Division

Re: Request for Approval to Commingle Production  
from State Leases B-1606 and B-1861 into  
Phillips Santa Fe Battery No. 1, all located  
in Section 31, T-17-S, R-35-E, Lea County,  
New Mexico

Gentlemen:

Reference is made to your letter of June 16, 1964, in which you have requested approval to commingle production in the aforementioned leases.

Please be advised that Phillips Petroleum Company may proceed with this commingling project, with the approval of the New Mexico State Land Office. Upon completion of the installation of the common tankage equipment and accessories, but before they are put into operation, we should like to request that Phillips notify this office of the completion, so that an inspection of the installed equipment might be accomplished. This approval is contingent upon the condition that the Oil and Gas Division shall be notified of any changes or alteration in the system design, and that the Commissioner of Public Lands reserves the right to review this decision if and when commingling appears to reduce the royalty due to the State of New Mexico.

The Commissioner of Public Lands is now reviewing the policy regarding commingling, and in view of this the State Land Office

Phillips Petroleum Company -2-

July 10, 1964

is very grateful for the cooperation and patience extended in behalf of Phillips Petroleum Company.

Very truly yours,

E. S. JOHNNY WALKER  
COMMISSIONER OF PUBLIC LANDS

BY

  
Ed Buck  
Oil and Gas Division

ESJW/EB/dh



PHILLIPS PETROLEUM COMPANY

Exploration & Production Department

P. O. Box 2130  
Hobbs, New Mexico

1064 JUL 23 AM 7 42

July 23, 1964

CAB-119

Mr. A. L. Porter, Jr., Secretary-Director (3)  
New Mexico Oil Conservation Commission  
P. O. Box 2088  
Santa Fe, New Mexico

Dear Sir:

Phillips Petroleum Company hereby applies for Administrative exception to Rule 309-A to commingle production from two separate State Land leases in a common tank battery. The following information pertains to this request:

1. State Land

<u>Lease No.</u>	<u>Well Name and No.</u>	<u>Location</u>
B-1606	Santa Fe No. 1	SW NE Sec. 31, T17S, R35E, Lea County
B-1606	Santa Fe No. 5	NW SW "
B-1861	Santa Fe No. 4	SW SE "

- All wells produce from the San Andres formation, Vacuum San Andres Pool.
- These wells produce into one common battery, known as Santa Fe Lease Battery No. 1. This battery was installed in 1938 and these wells have been producing into the battery since that time. A recent inquiry from the State Land Office as to whether Phillips had approval for this commingling revealed that we were unable to find a formal approval in our files. Because it is possible that we do not have prior approval, this application is now being submitted.
- A schematic diagram is attached showing the present equipment and testing facilities in Battery No. 1.
- A plat is attached showing location of the wells and battery.

July 23, 1964  
Page 2

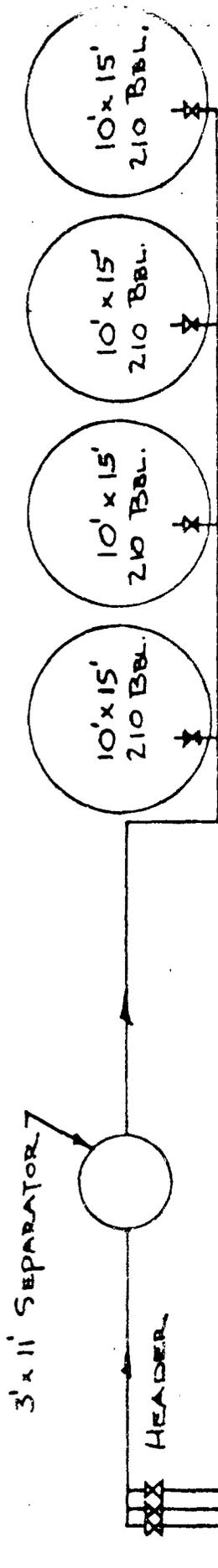
6. A copy of the Commissioner of Public Lands' letter of approval for this commingling is attached.
7. The unit acreages assigned to these wells have the same ownership and are dedicated to the Common Schools.
8. The Texas-New Mexico Pipe Line Company has been connected to this battery since its installation. A copy of the pipe line's letter of consent for this commingling is attached.

Very truly yours,



W. C. Rodgers  
Area Superintendent  
Production Division

MGC:wma  
Attach.  
cc: New Mexico Oil Conservation Commission  
Hobbs, New Mexico  
Attach.



PHILLIPS PETROLEUM CO.  
 SANTA FE TANK BATTERY  
 No. 1  
 VACUUM GRAYBURG - SAN ANDRES  
 POOL

NOTE: Well Testing Accomplished  
 By Shutting 2 Wells Down

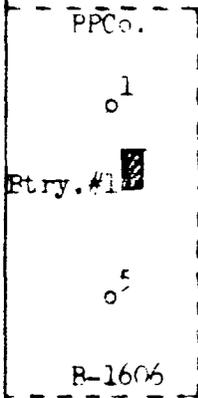
Phillips Petroleum Company

Santa Fe Lease

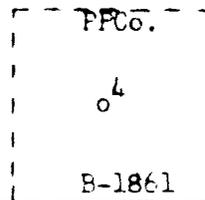
Lea County

Vacuum San Andres Pool

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17  
S



31



R-35-E

TEXAS-NEW MEXICO PIPE LINE COMPANY

P. A. LYONS  
DIVISION MANAGER

P. O. BOX 1810  
MIDLAND, TEXAS 79701

July 20, 1964

Mr. W. C. Rodgers  
Area Superintendent  
Production Division  
Phillips Petroleum Company  
P. O. Box 2130  
Hobbs, New Mexico

Dear Sir:

We have studied your proposal to commingle the production from your State Land - Santa Fe, Wells No. 1 and 5, Lease, and your State Land - Santa Fe, Well No. 4, Lease into your common Battery No. 1 in the Vacuum San Andres Pool located in the SW/4 NW/4 of Section 31, T-17-S, R-35-E, Lea County, New Mexico.

This proposal does meet our requirements, and we have no objection to your proposition as submitted in your letter of July 14, 1964.

Yours very truly,



LPS-BTK

cc: Mr. W. P. Foster  
P. O. Box 1027  
Lovington, New Mexico



PHILLIPS PETROLEUM COMPANY  
Exploration & Production Department

MAIN OFFICE OCC

P. O. Box 2130  
Hobbs, New Mexico

1964 JUL 24 AM 7:43

July 23, 1964

Mr. A. L. Porter, Jr., Secretary-Director (3)  
New Mexico Oil Conservation Commission  
P. O. Box 2088  
Santa Fe, New Mexico

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1. State Land

<u>Lease No.</u>	<u>Well Name and No.</u>	<u>Location</u>
B-1606	Santa Fe No. 1	SW NE Sec. 31, T17S, R35E, Lea County
B-1606	Santa Fe No. 5	NW SW "
B-1861	Santa Fe No. 4	SW SE "

2. All wells produce from the San Andres formation, Vacuum San Andres Pool.

3. These wells produce into one common battery, known as Santa Fe Lease Battery No. 1. This battery was installed in 1938 and these wells have been producing into the battery since that time. A recent inquiry from the State Land Office as to whether Phillips had approval for this commingling revealed that we were unable to find a formal approval in our files. Because it is possible that we do not have prior approval, this application is now being submitted.

4. A schematic diagram is attached showing the present equipment and testing facilities in Battery No. 1.

5. A plat is attached showing location of the wells and battery.

July 23, 1964  
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8. The Texas-New Mexico Pipe Line Company has been connected to this battery since its installation. A copy of the pipe line's letter of consent for this commingling is attached.

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W. C. Rodgers  
Area Superintendent  
Production Division

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cc: New Mexico Oil Conservation Commission  
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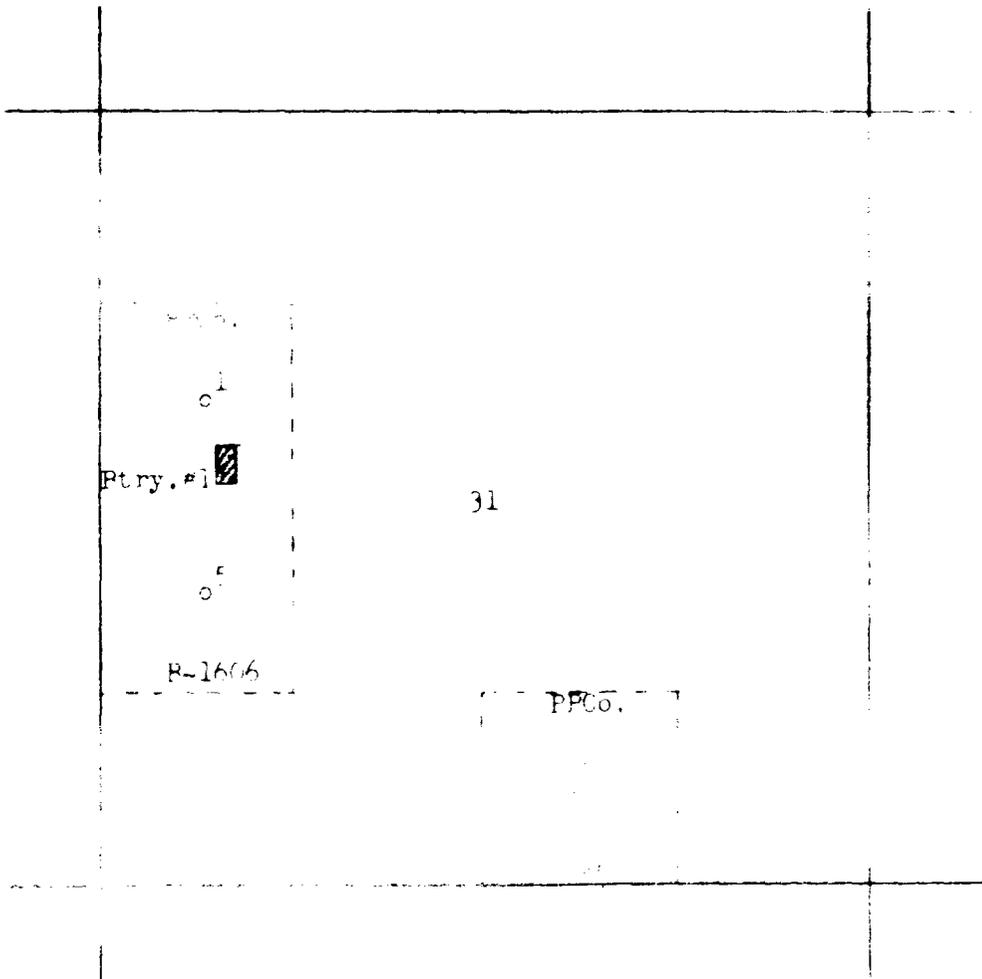
Phillips Petroleum Company

Santa Fe Lease

Lea County

Vacuum San Andres Pool

150



State of New Mexico



Commissioner of Public Lands

E. S. JOHNNY WALKER  
COMMISSIONER



P. O. BOX 1148  
SANTA FE, NEW MEXICO

July 10, 1964

Phillips Petroleum Company  
P. O. Box 7130  
Hobbs, New Mexico, 88240

Attention: Mr. W. C. Rodgers  
Area Superintendent  
Production Division

Re: Request for Approval to Commingle Production  
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Phillips Santa Fe Battery No. 1, all located  
in Section 31, T-17-S, R-25-E, Lea County,  
New Mexico

Gentlemen:

Reference is made to your letter of June 16, 1964, in which you have requested approval to commingle production in the aforementioned leases.

Please be advised that Phillips Petroleum Company may proceed with this commingling project, with the approval of the New Mexico State Land Office. Upon completion of the installation of the common tankage equipment and accessories, but before they are put into operation, we should like to request that Phillips notify this office of the completion, so that an inspection of the installed equipment might be accomplished. This approval is contingent upon the condition that the Oil and Gas Division shall be notified of any changes or alteration in the system design, and that the Commissioner of Public Lands reserves the right to review this decision if and when commingling appears to reduce the royalty due to the State of New Mexico.

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July 10, 1964

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Very truly yours,

E. S. GARDNER WALKER  
COMMISSIONER OF PUBLIC LANDS

By 

Ed Bick  
Oil and Gas Division

ESJW/EB/dh

TEXAS-NEW MEXICO PIPE LINE COMPANY

P. A. LYONS  
DIVISION MANAGER

P. O. BOX 1210  
MIDLAND, TEXAS 79701

July 20, 1964

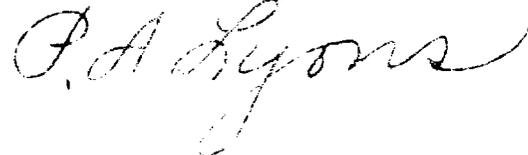
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Area Superintendent  
Production Division  
Phillips Petroleum Company  
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Hobbs, New Mexico

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This proposal does meet our requirements, and we have no objection to your proposition as submitted in your letter of July 14, 1964.

Yours very truly,



LPS-ETK

cc: Mr. W. F. Foster  
P. O. Box 1027  
Lovington, New Mexico