

GENERAL OFFICE
Box 2040
TULSA 2, OKLA

AMERADA PETROLEUM CORPORATION

Box 668
HOBBS, NEW MEXICO
October 21, 1964

RECEIVED
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1049

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

Re: Request for Exception to Rule No. 309.

Dear Sirs:

Amerada Petroleum Corporation requests administrative approval for an exception to Rule No. 309. The leases involved are State SC No. 1 and State SDB No. D-1, located in the ~~Saunders Pool~~, Lea County, New Mexico. The State SC No. 1 is located in Unit letter "A", Section 3 and State SDB No. D-1 is located in Unit letter "D", Section 2 both in T-15-S, R-33-E. Each lease has only one well, and both wells are single completions in the same pool.

The commingling of this oil would enable us to utilize the casinghead gas from the State SDB No. D-1 for gas lift purposes prior to being sold. This would also enable us to salvage some surface equipment and shorten some flow lines.

Since all interests are the same and since the oil is from the same pool and no change will be realized in the price of the oil, the monthly production for these wells will be divided on the basis of periodic actual gauges.

For identification purposes, the commingled batteries will be designated State SCD and the well numbers will be redesignated as follows:

<u>Old Name & Number</u>	<u>New Lease Name</u>	<u>New Well Number</u>
State SC No. 1	State SCD	No. 1
State SDB No. D-1	State SCD	No. 2

Permission was granted for similar commingling in this pool August 10, 1960, by Administrative Order CTB No. 58.

The following attachments are included:

1. Plat showing present systems
2. Plat showing proposed system
3. Field Plat
4. Letter from State Commissioner of Public Lands granting their permission.

Yours very truly,



D. C. Capps

District Superintendent

LET/jh

cc: Santa Fe 2
Hobbs
R. S. Christie

T. W. Lynch
O. C. McBryde
J. O. Hathaway

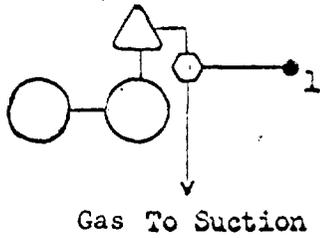
Midland
Tatum
File

SAUNDERS PERMO PENN POOL
LEA COUNTY, NEW MEXICO
PRESENT INSTALLATION

R-33-E

STATE S "C"

STATE S "DB"

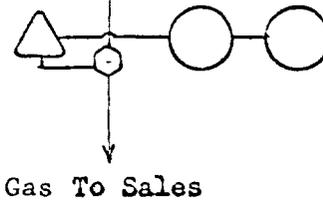


1

Sec. 3

Sec. 2

T-15-S



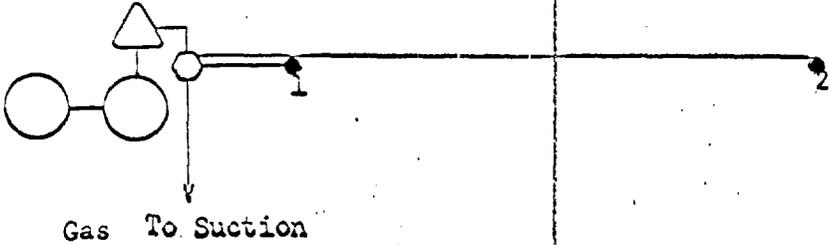
- Separator
- △ Treater
- Tanks (500 Bbl.)

SAUNDERS PERMO PENN POOL
LEA COUNTY, NEW MEXICO
PROPOSED INSTALLATION

R-33-E

State S "CD"

State S "CD"



7-25-8

Sec. 3

Sec. 2

-  Separator
-  Treater
-  Tanks (500 Bbl.)

State of New Mexico



Commissioner of Public Lands

E. S. JOHNNY WALKER
COMMISSIONER



P. O. BOX 1148
SANTA FE, NEW MEXICO

October 7, 1964

Amerada Petroleum Corporation
Post Office Box 2040
Tulsa 2, Oklahoma

Att: O. W. Hadley

In RE: Request to commingle
production from leases
State SC, and State SDB,
in Saunders Field, Lea County
New Mexico, Lease Nos. E-819,
and E-2116.

Gentlemen:

In reference to your letter of October 5, 1964, wherein you gave us additional information concerning your request to commingle production on the above captioned, the State Land Office is giving its approval since the two wells involved will not necessarily hold the leases in good standing should either well cease to produce at any time.

We are giving this approval for economic reasons, since we usually ask for separate metering when there is more than one lease involved. We would request that you submit a periodical report from each well to the Oil and Gas Department of the State Land Office.

This approval is given on the condition that the Commissioner of Public Lands reserves the right to amend or withdraw his approval at any time should a loss of revenue occur to the State through this installation.

Very truly yours,

E. S. JOHNNY WALKER,
Commissioner of Public Lands

By 

TED BILBERRY, Director,
Oil and Gas Department

W/TB/RGM/kcl
w/cc to:

Oil Conservation Commission
Oil and Gas Accounting Commission