

SEP 13 1965 AM 6 13

Post Office Box 61  
Hobbs, New Mexico

September 10, 1965

File: VES-248-400x541.112

Subject: Application For Commingling  
of Production  
Malco Refineries "F" Lease  
Malco Refineries "R" Lease

CTB - 148

**ILLEGIBLE**

Mr. A. L. Porter, Jr. (C)  
Secretary-Director  
New Mexico Oil Conservation Commission  
Post Office Box 2088  
Santa Fe, New Mexico

Dear Sir:

The American Petroleum Corporation hereby respectfully requests your scientific application for administrative approval for the commingling of production from separate leases as follows:

Malco Refineries "F" Lease, NE/4, SW/4, NE/4 & S/2 of ~~SW/4~~ of Section 1, Township 18 South, Range 27 East, N.M.P.M., Eddy County, New Mexico.

Malco Refineries "R" Lease, Unit B, NW/4 SW/4 of Section 1, Township 18 South, Range 27 East, N.M.P.M., Eddy County, New Mexico.

This request is necessary due to the including of Lot 4 ~~SW/4 NW/4~~ Section 1, Township 18 South, Range 27 East, into the South Red Lake Grayburg Unit effective June 1, 1965, by the U.S.G.S. Lot 4 will retain Serial Number LS-062412 but will be redesignated Malco Refineries "F" Lease. The remaining acreage has been assigned Serial No. VE-0357371 but will remain the Malco Refineries "F" Lease.

In support of our request for exception to Rule 309-A to permit the commingling of production from two separate leases into a common bank battery without notice and hearing, the following is submitted:

1. Plats of the leases showing thereon the wells and the formations in which they are completed.
2. Schematic diagram of the commingling facility
3. Production is from common source of supply, Abo Formation, Empire-Abc Pool.

Mr. A. L. Bonner, Sr.  
September 10, 1965  
Page 2

**ILLEGIBLE**

4. All parties owning an interest in the leases and the purchaser of the commingled production have been notified by certified mail of our intention to commingle the production from these leases.
5. Permission to install an automatic custody transfer system was granted October 9, 1959, Case No. 1771, Order No. R-1507.
6. Production from the separate leases is common as to working interest ownership, royalty ownership, and overriding royalty ownership. Each lease has adequate facilities installed to permit determining the producing capacity of each well on each lease at least once each month in accordance with applicable provisions of the current Commission Manual For the Installation and Operation of Commingling Facilities.

Yours very truly,



V. E. Staley  
Area Superintendent

Attachments

cc: Atlantic Refining Company  
Post Office Box 1978  
Roswell, New Mexico

Service Pipe Line Company  
Post Office Box 337  
Midland, Texas

Mr. John Anderson  
Oil & Gas Supervisor  
United States Geological Survey  
Post Office Drawer 1857  
Roswell, New Mexico

REX  
CARTER

XERO  
COPY

XERO  
COPY

XERO  
COPY

MALCO  
HBP

1-2152  
2200T.D.  
GULF  
6-10-61

CARTER  
HBP

W. A. HUOSON  
RUTTER 3/4  
HBP

MALCO "R"

Below 2500'

USA  
PAN AMERICAN 1/2  
MALCO 1/2  
171380  
480.52 Ac.  
3652  
6078 T.D.  
6039 P.P.  
5720 T.P.  
F.18 BOPD  
7-1-59

Rutler  
Wilbanks 3/4  
W. HUOSON 1/4  
HBP

FRED TURNER

3602  
1-4693  
5845 T.D.  
5586 T.P. A  
F.356  
3-4-59

STATE

5884 T.D.  
5102 T.P.  
F.72 BOPD.

2

3611  
6078 T.D.  
6031 P.P.  
5586 T.P.  
F.58 BOPD  
5-30-59

MALCO "F"

1-46

ATLANTIC  
3-19-67

3572  
2-4802  
6100 T.D.  
6099 P.P.  
5056 T.P.  
F.90 BOPD  
5-7-59

3580  
3613  
6137 T.D.  
6107 P.P.  
6424 T.P.  
F.120 BOPD  
4-11-59

3613  
6137 T.D.  
6107 P.P.  
6424 T.P.  
F.120 BOPD  
5-23-59

HUMBLE  
2-1-60

PAN AM  
39624  
2-16-54  
4600  
1-1558  
6122 T.D.  
6088 P.P.  
5867 T.P.  
F.20 BOPD  
1-20-59

GULF  
6-10-61  
3585  
1-8680  
6187 T.D.  
4105 P.P.  
5700 T.P.  
F.135 BOPD  
1-30-59

3601  
3-4804  
6150 T.D.  
6140 P.P.  
6100 T.P.  
F.100 BOPD  
7-24-59

3621  
1-1885  
240 T.D.

STATE "AS"

Pan American  
UJA Malco "A"

USA  
PAN AM 1/2 (Below 6415)  
MALCO 1/2 ( " )  
PAN AM (Above 6415)  
PAN AM 170641 (216)  
HBP  
80 Ac.  
(240 Ac.)

1  
6210 T.D.  
6128 T.P.  
F.120 BOPD  
6-27-59

PAN AMERICAN PETROLEUM CORP.  
Flat of Malco "F" Lease - Empire Abo Pool  
T-18-S, R-27-E Eddy County, New Mexico

- Tank Battery & LACT Unit
- Oil Well & Number of Well
- Production Flowline

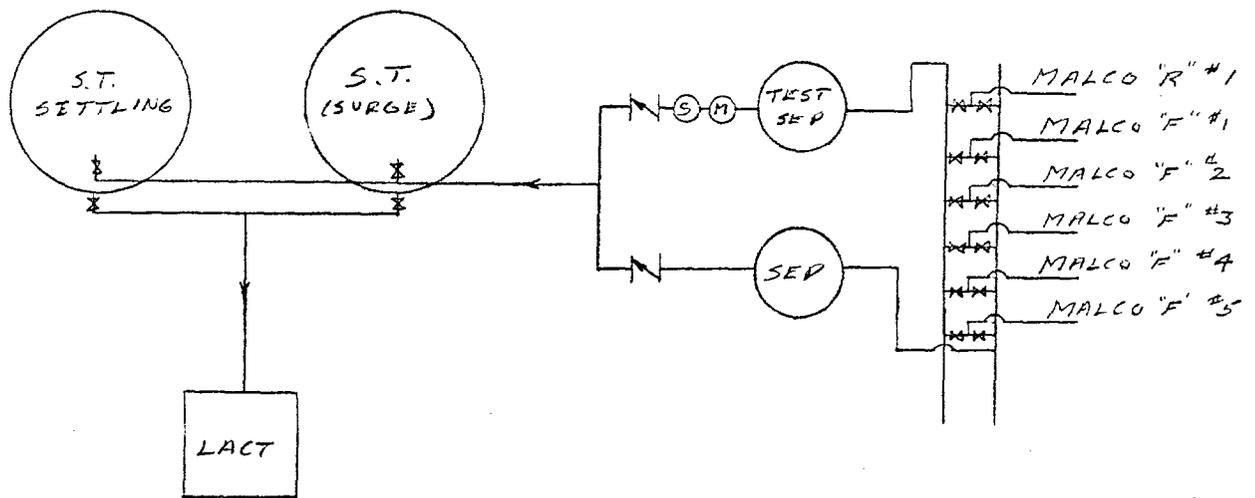
12

MALCO "C" MALCO "J"

USA

Stanolind  
MSPherson Fed.

3592  
1-3912  
7470 T.D.  
11-7-56



PAN AMERICAN PETROLEUM CORPORATION

SCALE: NONE

PROPOSED COMMINGLING - MALCO "R" & MALCO "F"

JTC

DRG. 1 OF 1

NO. 1 - 10.5 100.0 100.0 100.0 100.0



UNITED STATES  
DEPARTMENT OF THE INTERIOR  
GEOLOGICAL SURVEY  
P. O. Drawer 1857  
Roswell, New Mexico 88201

August 3, 1965

IN REPLY REFER TO:

RECEIVED	
PAN AMERICAN	
P.O. BOX 1410	
AUG 5 1965	
.. M.	
AF1	
AF2	
AAC	
FILE	

*MALCO REF "F" LE*

Pan American Petroleum Corp.  
P. O. Box 1410  
Fort Worth, Texas 76101

Gentlemen:

Effective June 1, 1965, oil and gas lease Las Cruces 062412 was segregated and serial number New Mexico 0557371 was assigned to the 440.30 acres outside of the South Red Lake Grayburg unit.

Production and sales from your Abo wells No. 1 through 9, 11 and 12 should be reported under New Mexico 0557371; production and sales from the Abo No. 10 well should be reported under Las Cruces 062412.

Please file amended forms 9-361 and 9-329, or form C-115 in lieu thereof, for June 1965 in accordance with the above and make the necessary adjustments to reflect the proper distribution of your royalty payments.

Sincerely yours,

(ORIG.SGD.) C. W. ARNOLD

C. W. ARNOLD  
Regional Petroleum Accountant

cc:  
Pan American Petroleum Corp.  
P. O. Box 68  
Hobbs, New Mexico

# PAN AMERICAN PETROLEUM CORPORATION

Post Office Box 68  
Hobbs, New Mexico

MAILED  
1965 SEP 21

September 21, 1965

File: VES-254-400x541.112

Subject: Application For Commingling  
of Production  
Malco Refineries "F" Lease  
Malco Refineries "R" Lease

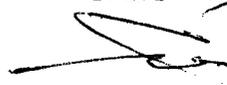
Mr. A. L. Porter, Jr.  
Secretary-Director  
New Mexico Oil Conservation Commission  
Post Office Box 2088  
Santa Fe, New Mexico

Dear Sir:

This has reference to our letter of September 10, 1965, wherein we submitted application for administrative approval for commingling the Malco Refineries "F" and Malco Refineries "R" Leases.

Attached herewith is a copy of approval of this commingling proposal from the United States Geological Survey. As you will recall, a temporary 30-day approval for this commingling was granted by your office pending formal approval of the application.

Yours very truly,



V. E. Staley  
Area Superintendent

Attachment





UNITED STATES  
DEPARTMENT OF THE INTERIOR  
GEOLOGICAL SURVEY

P. O. Drawer 1857  
Roswell, New Mexico 88201

September 16, 1965

IN REPLY REFER TO:

RECEIVED	
PAN AMERICAN	
PETROLEUM CORP.	
SEP 20 1965	
HOBBS, N. M.	
AS	1
AC	2
AE	3
AF1	
AF2	
AAC	5
NK4	4
PLS	

Pan American Petroleum Corporation  
Post Office Box 68  
Hobbs, New Mexico 88240

Gentlemen:

Your letter of September 10, 1965 requests approval to commingle the Abo production from leases Las Cruces 062412 and New Mexico 0557371, Eddy County, New Mexico.

The method of commingling described by your letter is hereby approved subject to like approval by the New Mexico Oil Conservation Commission. Please advise the District Engineer, U. S. Geological Survey, Post Office Drawer U, Artesia, New Mexico, when the installation is completed so that an inspection can be made.

*Suspension of commingling  
tile  
set work  
completed,*

Sincerely yours,

JOHN A. ANDERSON  
Regional Oil and Gas Supervisor



OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

Dear Sir:

Reference is made to your letter of the 10th instant regarding the proposed sale of the oil and gas rights in the Santa Fe area.

Very truly yours,

The Commission has reviewed the proposed sale and has determined that the same is in the public interest and that the proposed sale should be approved.

The Commission has also determined that the proposed sale should be subject to certain conditions, which are set forth in the attached order.

The Commission's order is being forwarded to you for your information and for your signature.

Sincerely yours,

Director

cc: [illegible]

Very truly yours,