

PAN AMERICAN PETROLEUM CORPORATION

Post Office Box 68
Hobbs, New Mexico
October 23, 1967

File: VES-403-541.112 x 400
Subject: Commingling of Production
CROSBY "C" Federal Lease into
CATO Storage System II
CATO San Andres Oil Pool
Chaves County, New Mexico

New Mexico Oil Conservation Commission (2)
P. O. Box 2088
Santa Fe, New Mexico 87501

Gentlemen:

Reference is made to all previous correspondence and ending with your amendment to Administrative Order CTB-171 dated June 9, 1967. This order authorizes the commingling of San Andres oil production from various Federal leases located in Township 8 South, Range 30 East, N.M.P.M., Chaves County, New Mexico, as follows:

CATO "A" Federal Lease, SW/4 Sec. 15 (Fed. #NMO177517)
CATO "B" Federal Lease, SW/4 Sec. 15 (Fed. #NMO17751)
CATO "B" Federal Lease, NW/4 Sec. 23 (Fed. #NMO17751)
CATO "C" Federal Lease, SE/4 Sec. 14 (Fed. #NMO444628)
CATO "D" Federal Lease, NE/4 Sec. 23 (Fed. #NMO354427-A)
FISCHER Federal Lease, W/2 Sec. 12 (Fed. #NMO254700)

On October 14, 1967, the CROSBY "C" Federal Well No. 1 (Fed. #NMO354427-A) located 660' FNL x 1980' FWL, Section 22, Township 8 South, Range 30 East, was completed as a producing, top allowable oil well. In view of this successful completion we submit this application for the inclusion of the CROSBY "C" Federal Lease as one of the leases permitted to be commingled into the CATO Storage System II under Administrative Order CTB-171. Further, permission is requested to commingle production from this CROSBY "C" Federal Lease with the production from the CATO "D" Federal Lease prior to metering. These two leases are of the same basic lease, Federal #NM-0354427-A and are of the same interest and ownership.

In support of this application the following is submitted:

1. Plats of the leases showing the wells and formations in which completed.

THE UNIVERSITY OF CHICAGO
DEPARTMENT OF CHEMISTRY
LABORATORY OF ORGANIC CHEMISTRY

CHICAGO, ILLINOIS 60637

TO: THE DIRECTOR, UNIVERSITY OF CHICAGO
FROM: [Name], [Title]
SUBJECT: [Subject]

DATE: [Date]

[Address/Location]

[Main body of the letter]

- [List of items]

[Additional text]

[Closing text]

[Signature/Name]

New Mexico Oil Conservation Commission

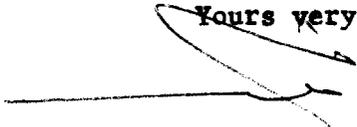
Page 2

October 23, 1967

2. Schematic diagram of commingling facility, CATO Storage System II, located in Unit J, Section 14, Township 8 South, Range 30 East, N.M.P.M., Chaves County, N.M.
3. Production is from a common source of supply and value of the commingled production will be unchanged.
4. All parties owning an interest in the leases and the purchaser of the commingled production have been notified by Certified Mail of our intentions.
5. Production from this lease as the CATO "D" Federal Lease will be commingled prior to metering. However, production will be metered before commingling with other leases. Production will be metered through an A. O. Smith T-6 temperature compensated meter with sampler.
6. B S & W content will be determined every ten days.
7. Adequate testing facilities will be installed to permit the determination of producing capacity of each well on each lease at least once each month.

All installations are to be made in accordance with the Manual for the Installation and Operation of Commingling Facilities.

Yours very truly,



V. E. Staley
Area Superintendent

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MAILING LIST

Lillian H. Coll
P. O. Box 1818
Roswell, New Mexico

Barbara J. Peterson, et vir
Richard L. Peterson
P. O. Box 8
Douglas, Wyoming

Robert E. Fischer and
Johana Fischer
1717 South Jasmine
Denver, Colorado

R. J. Burnside
1700 Broadway Street
Denver, Colorado

New Mexico Oil Conservation Commission
P. O. Box 1980
Hobbs, New Mexico

United States Geological Survey (2)
P. O. Drawer 1857
Roswell, New Mexico 88201

Bell Petroleum Company
Suite 400
700 Wilshire Blvd.
Los Angeles, California

Mobil Oil Corporation
P. O. Box 633
Midland, Texas
Attn: J. M. Glendinning, Jr.

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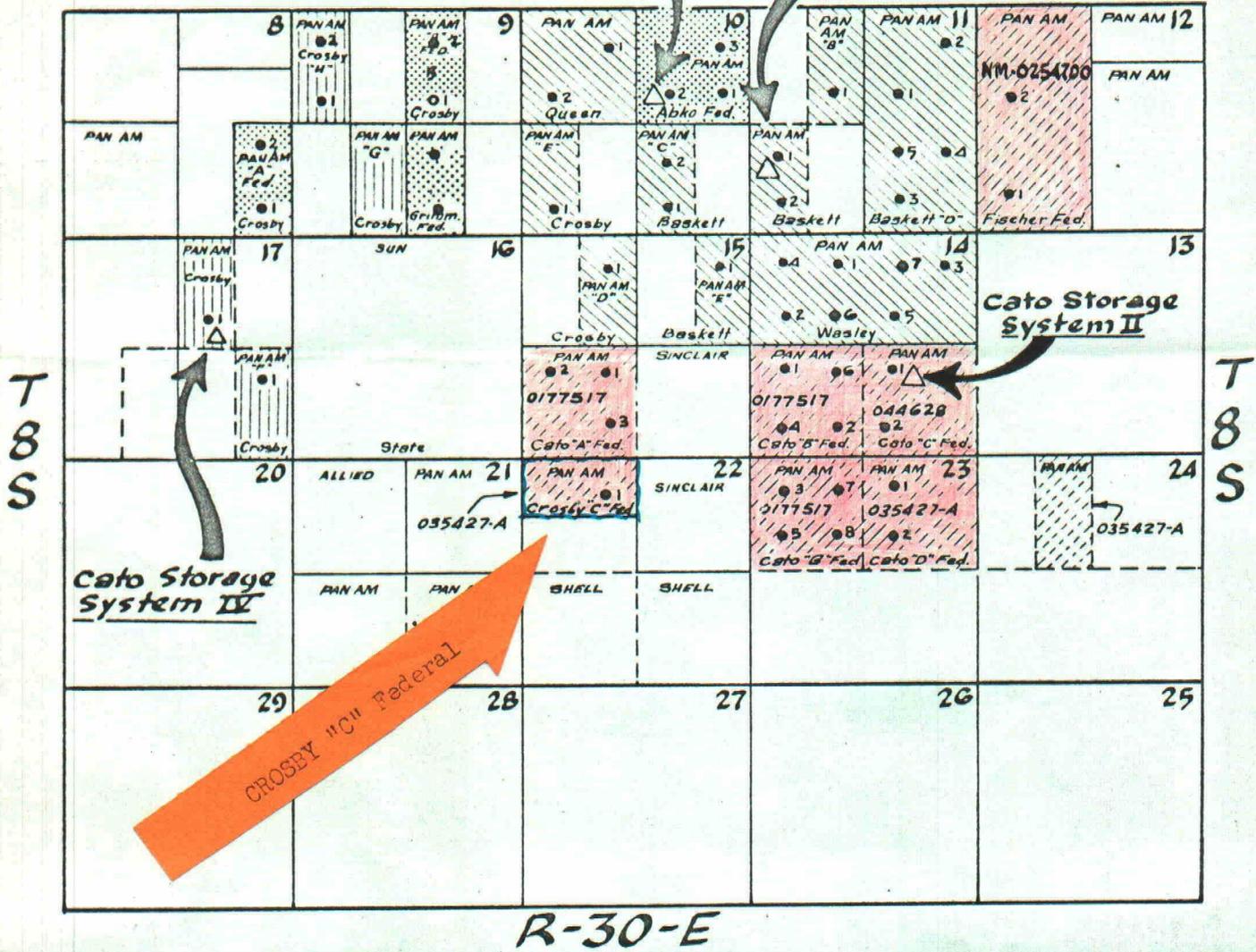
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Cato Storage System III
Cato Storage System I



R-30-E

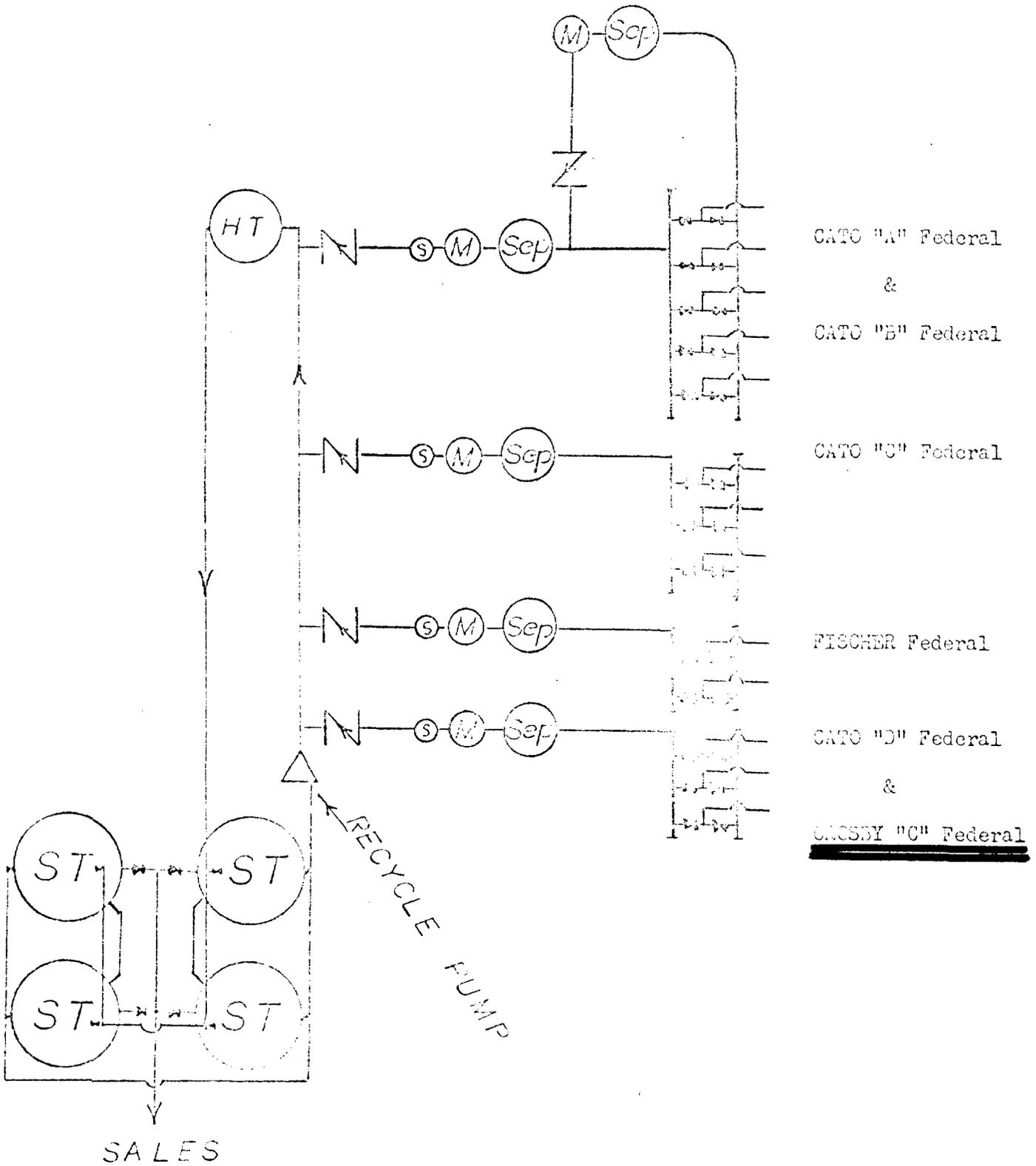
CATO STORAGE SYSTEM II
CATO SAN ANDRES OIL POOL
(UNIT J, SEC 14, T-8-S, R-30-E)

LEGEND
Leases Served By:

-  CATO STORAGE SYSTEM I
-  CATO STORAGE SYSTEM II
-  CATO STORAGE SYSTEM III
-  CATO STORAGE SYSTEM IV

CATO-S.A.-POOL
Chaves Co, N.M.

1" = 4000'



PAN AMERICAN PETROLEUM CORPORATION

SCALE:

CATO "A" Federal & CATO "B" Federal, CATO San Andres Oil Field, CHAVES County, N.M.
(UNIT 1) (177) Section 14, T-8-S, R-30-E

DRG.
No.

Drawer 1857
Roswell, New Mexico 88201

October 31, 1967

Pan American Petroleum Corporation
P. O. Box 68
Hobbs, New Mexico 88240

1967 Nov 6 AM 10 15

Attention: Mr. V. E. Staley

Gentlemen:

Your letter of October 24, 1967 requests approval to commingle San Andres oil production from the NE $\frac{1}{4}$ sec. 22, and E $\frac{1}{2}$ SE $\frac{1}{4}$ sec. 24, T. 8 S., R. 30 E., N.M.P.M., Federal lease New Mexico 0354427-A with your Cato Storage System II. Our letter of April 13 approved the commingling of San Andres oil production from the W $\frac{1}{2}$ SE $\frac{1}{4}$ sec. 9, T. 8 S., R. 30 E., N.M.P.M., lease New Mexico 0354427-A with certain portions of leases New Mexico 0142233, 0155494, and 0403706 into your Cato Storage System III, and our letter of May 8, 1967 approved the commingling of San Andres oil production from the NE $\frac{1}{4}$ sec. 23, lease New Mexico 0354427-A with certain portions of leases New Mexico 0177517, 0254700, 0444628 into your Cato Storage System II. The Cato Storage Systems II and III presently include the following lands:

Cato Storage System II		Cato Storage System III	
Federal Lease	Land Involved T. 8 S., R. 30 E. N.M.P.M.	Federal Lease	Land Involved T. 8 S., R. 30 E. N.M.P.M.
New Mexico 0177517	sec. 14: SW $\frac{1}{4}$ sec. 15: SW $\frac{1}{4}$ sec. 23: NW $\frac{1}{4}$	New Mexico 0142233	sec. 8: E $\frac{1}{2}$ SE $\frac{1}{4}$
New Mexico 0254700	sec. 12: W $\frac{1}{2}$	New Mexico 0155494	sec. 9: W $\frac{1}{2}$ SE $\frac{1}{4}$
New Mexico 0354427-A	sec. 23: NE $\frac{1}{4}$	New Mexico 0354427-A	sec. 9: W $\frac{1}{2}$ SE $\frac{1}{4}$
New Mexico 0444628	sec. 14: SE $\frac{1}{4}$	New Mexico 0403706	sec. 10: NE $\frac{1}{4}$

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The method of commingling the San Andres oil production from the N^{1/2} sec. 22, and E^{1/2} sec. 24, T. 8 S., R. 30 E., N.M.P.M. lesse New Mexico 0354427-A into your Cato Storage System II as described by your letter of October 24, 1967 is hereby approved. Any addition or change in the system will require additional approval by this office. Form 9-361, Lessee's Monthly Report of Sales and Royalty, should show all computations used in calculations of the oil volume for each lease.

You are requested to notify our Roswell office when the installation is completed so that a field inspection of the system can be made.

Sincerely yours

[ORIG. SGD.] JOHN A. ANDERSON

JOHN A. ANDERSON
Regional Oil and Gas Supervisor

cc:
Accounts
NMOCC, Santa Fe
File (7)
Roswell

OIL CONSERVATION COMMISSION

P. O. BOX 2088

SANTA FE, NEW MEXICO

May 1, 1967

Pan American Petroleum Corporation
P. O. Box 68
Hobbs, New Mexico

Attention: Mr. V. E. Staley

Administrative Order CTB-171

Gentlemen:

Reference is made to your application dated March 29, 1967, for administrative approval of an exception to Rule 309-A of the Commission Rules and Regulations to permit the commingling of Cato-San Andres production from your Cato "A" Federal Lease comprising the SW/4 of Section 15, your Cato "B" Federal Lease comprising the SW/4 of Section 14 and the NW/4 of Section 23, your Cato "C" Federal Lease comprising the SE/4 of Section 14, and your Fischer Federal Lease comprising the W/2 of Section 12, all in Township 8 South, Range 30 East, Chaves County, New Mexico, after separately metering and sampling the production from each lease by means of temperature compensated positive displacement meters.

Under the authority granted me pursuant to Rule 309-B, Pan American Petroleum Corporation is hereby authorized to commingle the above-described production as proposed, subject to the provisions of the Commission "Manual for the Installation and Operation of Commingling Facilities," including the requirement for non-reset counters on the meters. Please notify the Hobbs District Office of the Commission at such time as the installation is complete in order that an inspection may be made prior to putting it in operation.

Very truly yours,

A. L. PORTER, Jr.
Secretary-Director

ALP/DSN/esr

cc: Oil Conservation Commission (with enclosure) - Hobbs
Oil & Gas Engineering Committee - Hobbs
United States Geological Survey - Roswell

OIL CONSERVATION COMMISSION

P. O. BOX 2088

SANTA FE, NEW MEXICO

May 7, 1957

San Antonio Petroleum Corporation
P. O. Box 6
Santa Fe, New Mexico

Attention: Mr. V. C. Sealey

Administrative Order OCS-171

Dear Sir:

Reference is made to your application dated March 28, 1957, for administrative approval of an exception to Rule 309-a of the Commission Rules and Regulations to permit the commingling of Gas A and Gas B production from your Gas "A" Federal Lease comprising the NW/4 of Section 15, your Gas "B" Federal Lease comprising the SW/4 of Section 15 and the NW/4 of Section 13, your Gas "C" Federal Lease comprising the SE/4 of Section 14, and your Fischer-Tropsch Lease comprising the W/2 of Section 13, all in Township 7 North, Range 30 East, Chavez County, New Mexico, after separately metering and commingling the production from each lease by means of temperature compensated positive displacement meters.

Under the authority granted me pursuant to Rule 309-E, San Antonio Petroleum Corporation is hereby authorized to commingle the above-described production as proposed, subject to the provisions of the Commission "Manual for the Installation and Operation of Commingling Facilities," including the requirement for non-read counters on the meters. Please notify the Hobbs District Office of the Comptroller at such time as the installation is complete in order that an inspection may be made prior to putting it in operation.

Very truly yours,

A. L. PORTER, Jr.
Secretary-Director

cc: Hobbs

cc: Oil Conservation Commission (with enclosure) - Hobbs
Oil & Gas Engineering Committee - Hobbs
United States Geological Survey - Roswell

PAN AMERICAN PETROLEUM CORPORATION

Post Office Box 68
Hobbs, New Mexico

*Hold till
April 30*

March 29, 1967

File: VES-100-541.112 x 400

Subject: Commingling of Production
Cato "B" Federal No. 3
Cato Storage System II
Cato Field
Chaves County, New Mexico

Handwritten initials

13 MAR 30 AM 8 13

000 301
Mr. A. L. Porter, Jr.
Secretary-Director
New Mexico Oil Conservation Commission
Post Office Box 2088
Santa Fe, New Mexico

Handwritten notes: 3/30/67

Dear Sir:

Pan American Petroleum Corporation respectfully requests an expansion to a pending commingling application of the Cato Storage System II, as requested by our letter of March 6, 1967. The combined application for administrative approval for the commingling of production consists of the following leases:

- Cato "A" Federal Lease - SW/4, Section 15, T-8-S, R-30-E, N.M.P.M., 0177511
Chaves County, New Mexico.
- Cato "B" Federal Lease - SW/4, Section 14 and NW/4, Section 23,
T-8-S, R-30-E, N.M.P.M., Chaves County, 0177512
New Mexico.
- Cato "C" Federal Lease - SE/4, Section 14, T-8-S, R-30-E, N.M.P.M., 0444211
Chaves County, New Mexico.
- Fischer Federal Lease - W/2, Section 12, T-8-S, R-30-E, N.M.P.M., 078511
Chaves County, New Mexico.

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

1. Plats of the leases showing thereon the wells and the formation in which they are completed.
2. Schematic diagram of commingling facility, called the Cato Storage System II, located in Unit J, Section 14, T-8-S, R-30-E, N.M.P.M., Chaves County, New Mexico.

Page Two
Mr. A. L. Porter, Jr.
March 29, 1967

3. Production is from a common source of supply, and the commercial value of the commingled production will be unchanged.
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. Production from the Cato "A" Federal and Cato "B" Federal Leases is common as to working interest ownership, royalty ownership, and overriding royalty ownership, and will be allocated on the basis of individual well tests.
6. Production from the Cato "C" Federal and Fischer Federal Leases, each being of different ownership, will be produced through separate metering facilities and separators from the above-mentioned Cato "A" Federal and Cato "B" Federal Leases.
7. Production will be metered and sampled separately prior to commingling, utilizing A. O. Smith T-6 temperature compensated meters.
8. The BS&W content will be determined every eight days, and the production recorded.
9. Adequate facilities will be installed to permit determination of 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

MAILING LIST

Lillian H. Coll
Post Office Box 1818
Roswell, New Mexico

Barbara J. Peterson, et vir Richard L. Peterson
Post Office Box 8
Douglas, Wyoming

Robert E. Fischer & Johana Fischer
1717 South Jasmine
Denver, Colorado

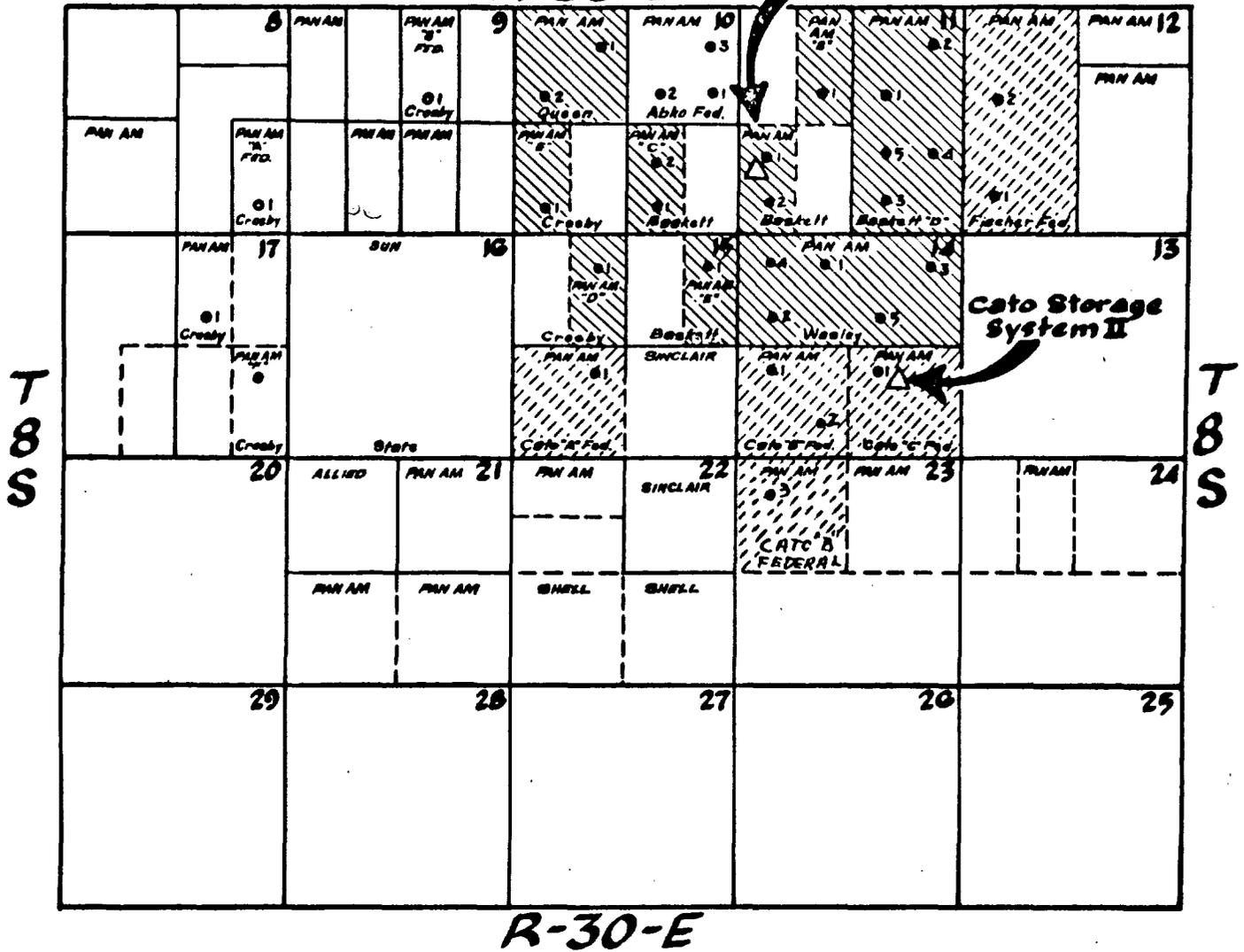
R. J. Burnside
1700 Broadway Street
Denver, Colorado

Scurlock Oil Company
428 Mid America Building
Midland, Texas

New Mexico Oil Conservation Commission
Post Office Box 1980
Hobbs, New Mexico

United States Geological Survey
Post Office Drawer 1857
Roswell, New Mexico 88201

R-30-E Cato Storage System I



R-30-E

~ PLAT SHOWING ~
PROPOSED CATO STORAGE SYSTEM II
 Location: Unit J, Sec. 14, T-8-S, R-30-E

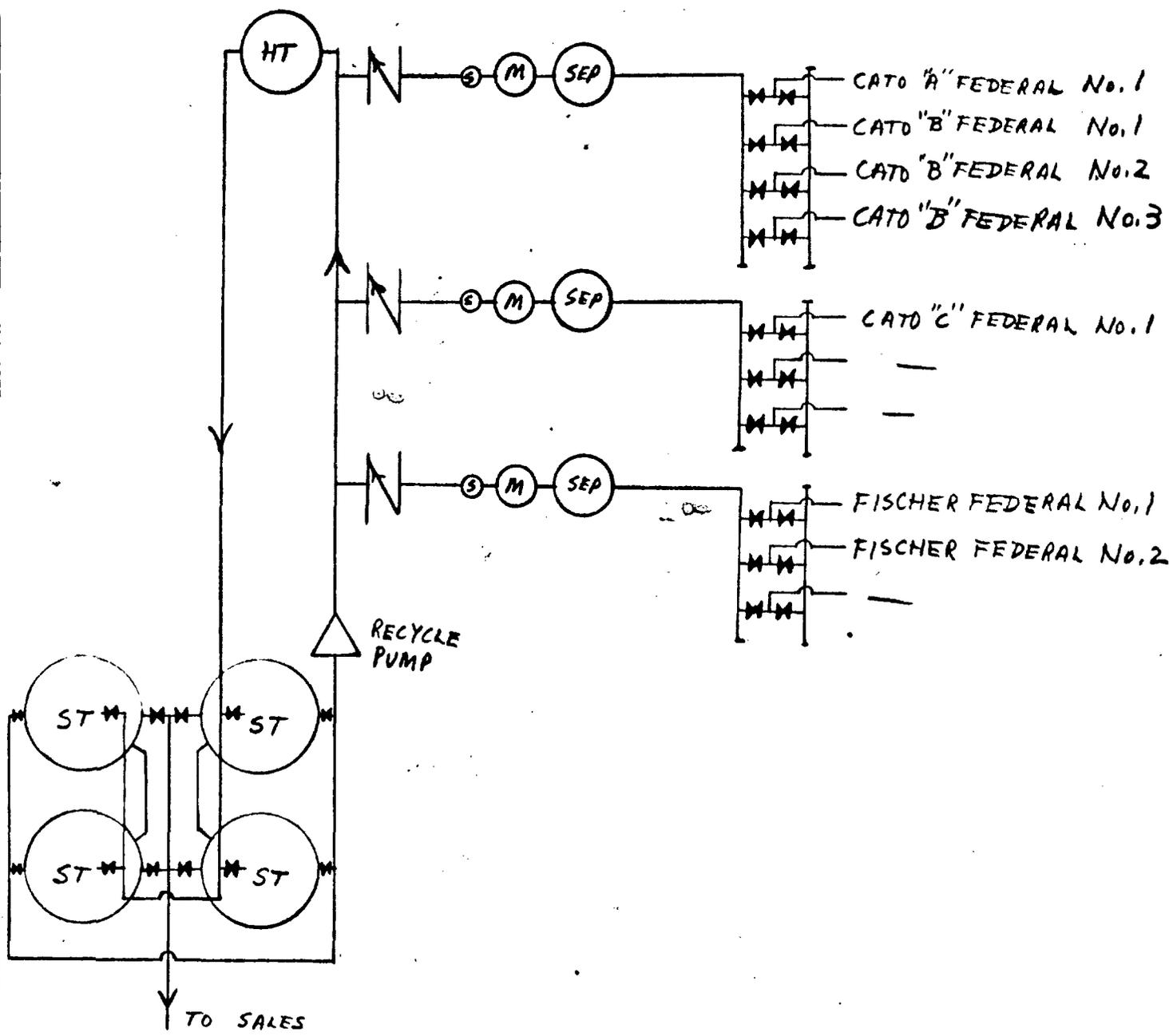
LEGEND

LEASES SERVED BY:

-  Cato Storage System I
-  Cato Storage System II

CATO-S.A.-POOL
Chaves Co, N.M.

1" = 4000'



PAN AMERICAN PETROLEUM CORPORATION

SCALE: NONE

PROPOSED COMMINGLING - CATO STORAGE SYSTEM II. LOCATION:

AK

UNIT J, SEC. 14, T-8-S, R-30-E, CHAVES COUNTY, NEW MEXICO

DRG. No.

ILLEGIBLE

MAIN OFFICE OCC

'67 APR 17 AM 8 0

Drawer 2857
Roswell, New Mexico 88201

April 14, 1967

Pan American Petroleum Corporation
P. O. Box 68
Hobbs, New Mexico 88240

Attention: Mr. V. E. Staley

Gentlemen:

Your letter of March 30, requests approval to commingle Cato Sea
Andres oil production from Federal Leases New Mexico 0177517,
0254700, and 0444628.

The method of commingling described by your letter is hereby approved.
Any addition or change in the system will require approval by this
office. Form 9-361, Lessee's Monthly Report of Sales and Royalty,
should show all computations used in the calculations of the oil
volume for each lease.

You are requested to notify our Roswell office when the installation
is completed so that a field inspection of the system can be made.

Sincerely yours,

(ORIG. SGD.) JOHN A. ANDERSON

JOHN A. ANDERSON
Regional Oil and Gas Supervisor

cc:
File (3)
Roswell
Accounts
NMOCC, Santa Fe - Attn: Mr. A. L. Porter, Jr. ✓

Post Office Box 68
Hobbs, New Mexico

March 29, 1967

File: VES-100-541.112 x 400

Subject: Commingling of Production
Cato "B" Federal No. 3
Cato Storage System II
Cato Field
Chaves County, New Mexico

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

Dear Sir:

Pan American Petroleum Corporation respectfully requests an expansion to a pending commingling application of the Cato Storage System II, as requested by our letter of March 6, 1967. The combined application for administrative approval for the commingling of production consists of the following leases:

- Cato "A" Federal Lease - SW/4, Section 15, T-8-S, R-30-E, N.M.P.M.,
Chaves County, New Mexico.
- Cato "B" Federal Lease - SW/4, Section 14 and NW/4, Section 23,
T-8-S, R-30-E, N.M.P.M., Chaves County,
New Mexico.
- Cato "C" Federal Lease - SE/4, Section 14, T-8-S, R-30-E, N.M.P.M.,
Chaves County, New Mexico.
- Fischer Federal Lease - W/2, Section 12, T-8-S, R-30-E, N.M.P.M.,
Chaves County, New Mexico.

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

1. Plats of the leases showing thereon the wells and the formation in which they are completed.
2. Schematic diagram of commingling facility, called the Cato Storage System II, located in Unit J, Section 14, T-8-S, R-30-E, N.M.P.M., Chaves County, New Mexico.

8 AM 30 MAR 1967
MAIN OFFICE 01

Page Two

Mr. A. L. Porter, Jr.

March 29, 1967

3. Production is from a common source of supply, and the commercial value of the commingled production will be unchanged.
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. Production from the Cato "A" Federal and Cato "B" Federal Leases is common as to working interest ownership, royalty ownership, and overriding royalty ownership, and will be allocated on the basis of individual well tests.
6. Production from the Cato "C" Federal and Hischer Federal Leases, each being of different ownership, will be produced through separate metering facilities and separators from the above-mentioned Cato "A" Federal and Cato "B" Federal leases.
7. Production will be metered and sampled separately prior to commingling, utilizing A. O. Smith T-6 temperature compensated meters.
8. The BS&M content will be determined every eight days, and the production recorded.
9. Adequate facilities will be installed to permit determination of 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

MAILING LIST

Lillian E. Coll
Post Office Box 1818
Roswell, New Mexico

Barbara J. Peterson, et vir Richard A. Peterson
Post Office Box 8
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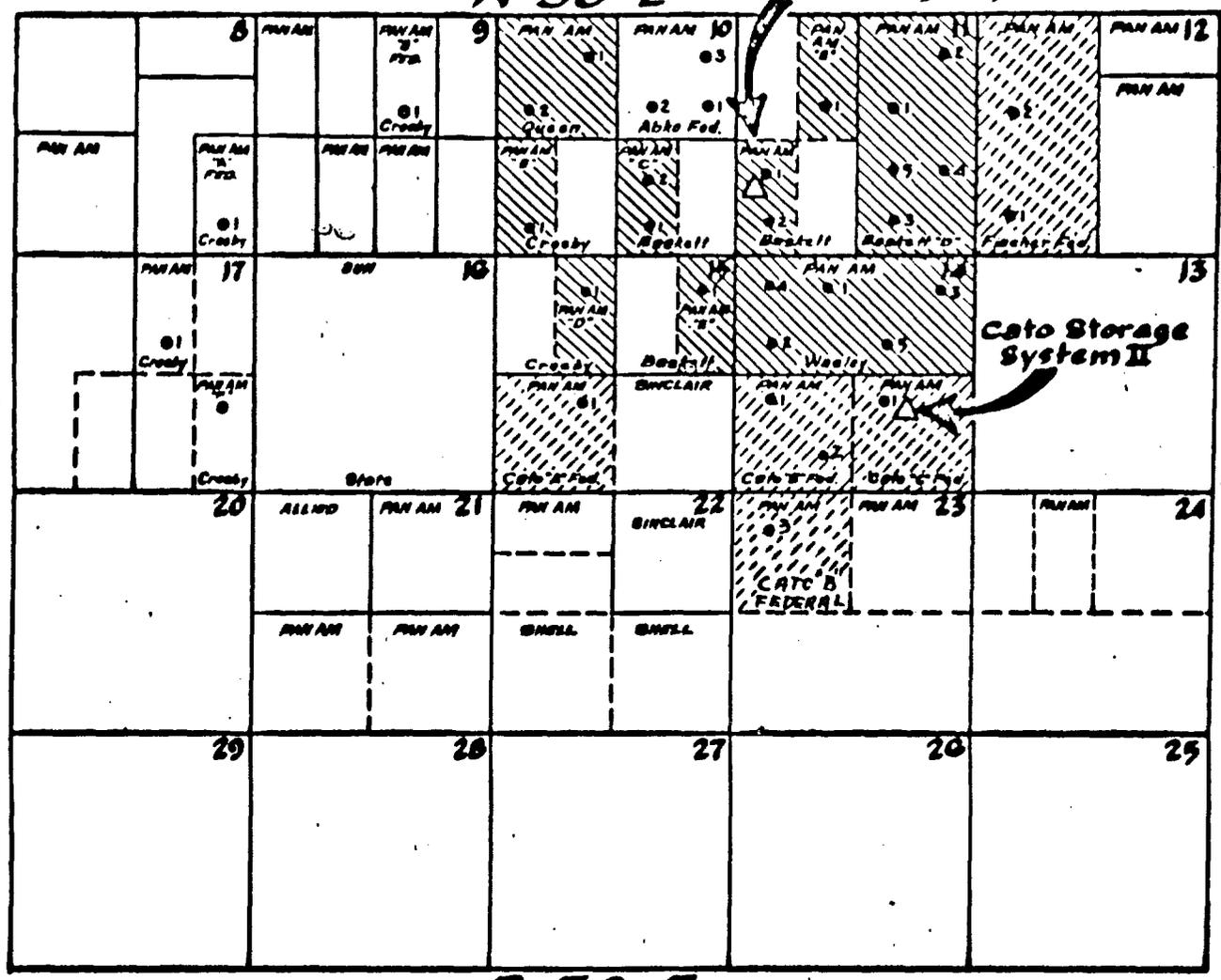
R. J. Burnside
1700 Broadway Street
Denver, Colorado

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428 Mid America Building
Midland, Texas

New Mexico Oil Conservation Commission
Post Office Box 1980
Hobbs, New Mexico

United States Geological Survey
Post Office Drawer 1857
Roswell, New Mexico 88201

R-30-E Cato Storage System I



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R-30-E

~ PLAT SHOWING ~
PROPOSED CATO STORAGE SYSTEM II
 Location: Unit J, Sec. 14, T-8-S, R-30-E

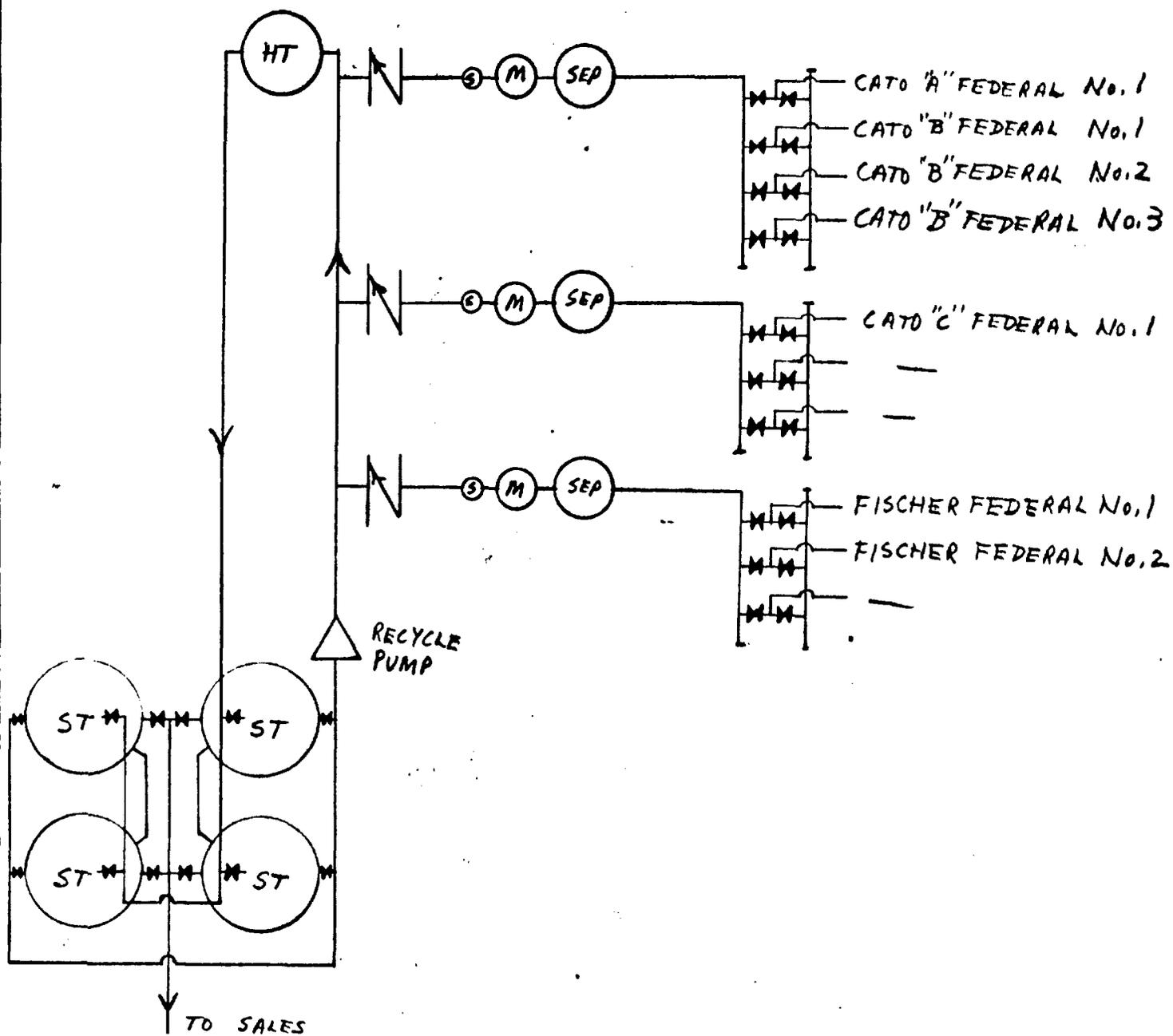
LEGEND

LEASES SERVED BY:

-  Cato Storage System I
-  Cato Storage System II

CATO-S.A.-POOL
Chaves Co, N.M.

1" = 4000'



PAN AMERICAN PETROLEUM CORPORATION

SCALE: *NONE*

PROPOSED COMMINGLING - CATO STORAGE SYSTEM II. LOCATION:

AK

UNIT J, SEC. 14, T-8-S, R-30-E, CHAVES COUNTY, NEW MEXICO

DRG. NO.

OIL CONSERVATION COMMISSION

P. O. BOX 2088

SANTA FE, NEW MEXICO

June 9, 1967

C Pan American Petroleum Corporation
P. O. Box 68
Hobbs, New Mexico 88240

Attention: Mr. V. E. Staley

AMENDMENT

ADMINISTRATIVE ORDER CTB-171

O
Gentlemen:

P
Y
Reference is made to your application dated May 4, 1967, for an amendment to Administrative Order CTB-171 which authorizes the commingling of Cato-San Andres production from your Cato "A" Federal Lease, your Cato "B" Federal Lease, your Cato "C" Federal Lease, and your Fischer Federal Lease in your Cato Storage System II, Chaves County, New Mexico. It is our understanding that you now wish to include the Cato "D" Federal Lease which comprises the NE/4 of Section 23, Township 8 South, Range 30 East, Chaves County, New Mexico, in the installation after separately metering and sampling the production from said lease.

Administrative Order CTB-171 is hereby amended to permit the commingling of the aforesaid Cato "D" Federal Lease in the previously authorized commingling installation, provided that production from said lease shall be continuously sampled and metered by means of a temperature-compensated positive displacement meter with a non-reset counter.

Very truly yours,

A. L. PORTER, Jr.
Secretary-Director

ALP/DSN/esr

cc: Oil Conservation Commission (with enclosure) - Hobbs
Oil & Gas Engineering Committee - Hobbs
United States Geological Survey - Roswell

OIL CONSERVATION COMMISSION

P. O. BOX 2088

SANTA FE, NEW MEXICO

June 9, 1957

Pan American Petroleum Corporation
P. O. Box 66
Arling, New Mexico 88240

Attention: Mr. W. E. Staley

MEMORANDUM

ADMINISTRATIVE ORDER 57-17

General:

Reference is made to your letter dated May 4, 1957, for an application for Administrative Order 57-17 which authorizes the granting of 30-day advance production from your Class "A" Federal Lease, your Class "B" Federal Lease, your Class "C" Federal Lease, and your other Federal Lease in your Class 20 rate System 11, County, New Mexico. It is our understanding that you now wish to include one Class "D" Federal Lease which comprises the 50% of the 100% ownership of the lease, Class 20 rate System 11, County, New Mexico. It is our understanding that you wish to include this lease in your Class 20 rate System 11, County, New Mexico.

Administrative Order 57-17 is hereby amended to require the inclusion of the additional Class "D" Federal Lease in the review of the application. In order to be eligible for review, the application must be filed with the Commission on or before June 10, 1957. The application must be filed with the Commission on or before June 10, 1957. The application must be filed with the Commission on or before June 10, 1957.

Very truly yours,

W. I. TORRES, Jr.
Secretary

ALP/AN/ear

cc: Oil Conservation Commission (with enclosure) - Henry
Oil & Gas Engineering Committee - Bobbe
United States Geological Survey - Rowell

PAN AMERICAN PETROLEUM CORPORATION

Post Office Box 68
Hobbs, New Mexico

May 4, 1967

File: VES-173-541.112 x 400

Subject: Commingling of Production
CATO "D" Federal Lease into
CATO Storage System II
CATO San Andres Oil Pool
Chaves County, New Mexico

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

Dear Sir:

Reference is made to previous correspondence ending with our letter dated March 29, 1967, File: VES-100-541.112 x 400, requesting authority to permit the commingling of San Andres oil production from various leases located in T-8-S, R-30-E, N.M.P.M., Chaves County, New Mexico, as follows:

CATO "A" Federal Lease, SW/4 Section 15
CATO "B" Federal Lease, SW/4 Section 14 and NW/4 Section 23
CATO "C" Federal Lease, SE/4 Section 14
FISCHER Federal Lease, W/2 Section 12

Since submission of the above, we have completed our CATO "D" Federal Well No. 1 as a flowing, top allowable, CATO San Andres oil well.

We now desire and submit this application for the inclusion of the CATO "D" Federal Lease, NE/4 of Section 23, T-8-S, R-30-E, N.M.P.M., as one of the leases permitted to be produced and commingled into the CATO Storage System II.

In support of this application, 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 commingling facility, the CATO Storage System II, located in Unit J, Section 14, T-8-S, R-30-E, N.M.P.M., Chaves County, New Mexico.

Page Two

Mr. A. L. Porter, Jr.

May 4, 1967

3. Production is from a common source of supply and value of the commingled production will be unchanged.
4. All parties owning an interest in the leases and the purchaser of the commingled production have been notified, by certified mail, of our intentions to commingle.
5. Production from the CATO "D" Federal Lease will be metered and sampled separately prior to commingling, utilizing an A. O. Smith T-6, temperature compensated, meter.
6. BS&W content will be determined every ten days.
7. Adequate testing facilities will be installed to permit the determination of producing capacity of each well on each lease at least once each month.

All installations to be made in accordance with the Manual for the Installation and Operation of Commingling Facilities.

Yours very truly,



V. E. Staley
Area Superintendent

Attachments

MAILING LIST

Lillian H. Coll
Post Office Box 1818
Roswell, New Mexico

Barbara J. Peterson, et vir Richard L. Peterson
Post Office Box 8
Douglas, Wyoming

Robert E. Fischer & Johana Fischer
1717 South Jasmine
Denver, Colorado

R. J. Burnside
1700 Broadway Street
Denver, Colorado

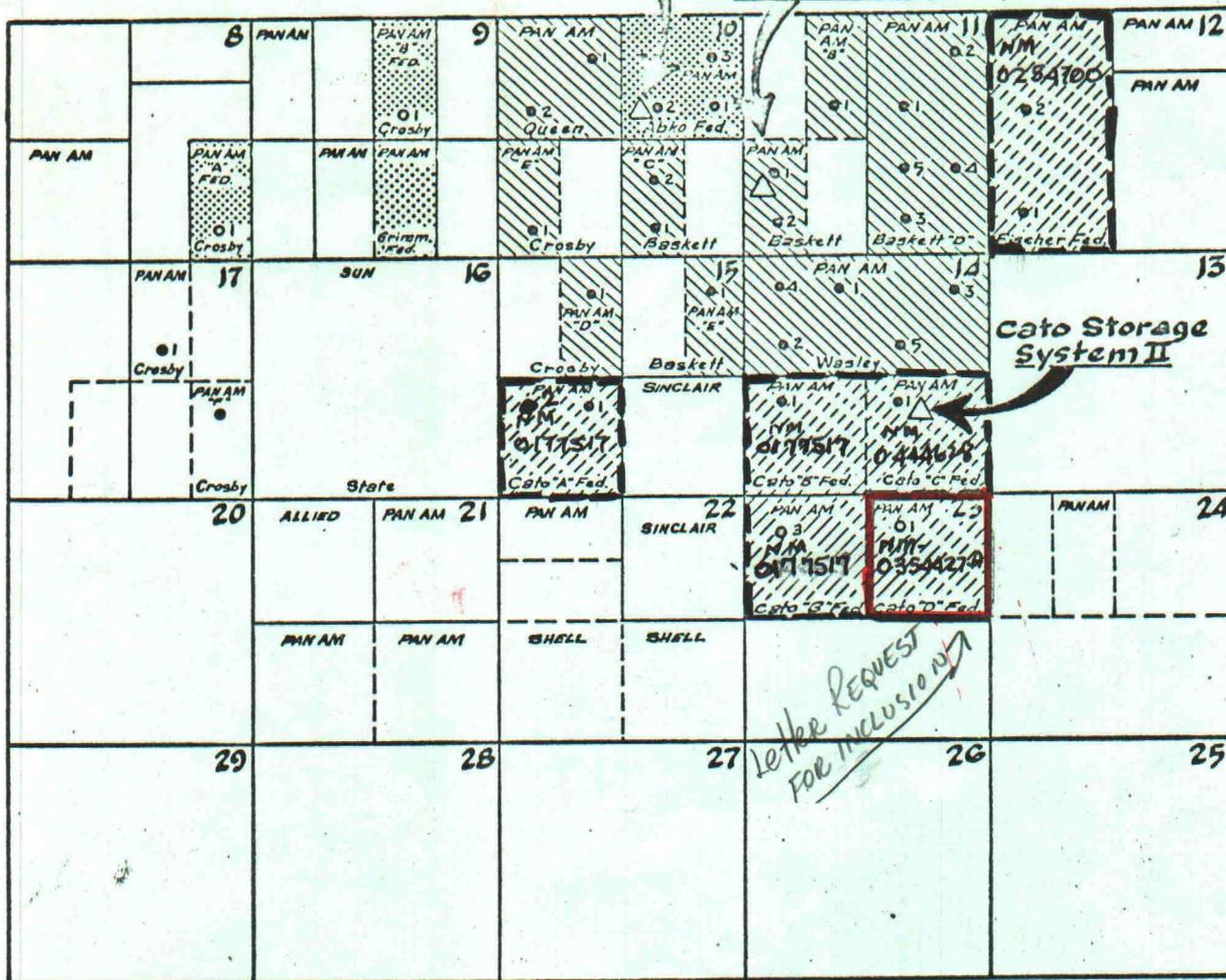
Scurlock Oil Company
428 Mid America Building
Midland, Texas

New Mexico Oil Conservation Commission
Post Office Box 1980
Hobbs, New Mexico

United States Geological Survey (2)
Post Office Drawer 1857
Roswell, New Mexico 88201

Bell Petroleum Company
Suite 400
700 Wilshire Blvd.
Los Angeles, California

Cato Storage System III
Cato Storage System I



T
8
S

T
8
S

R-30-E

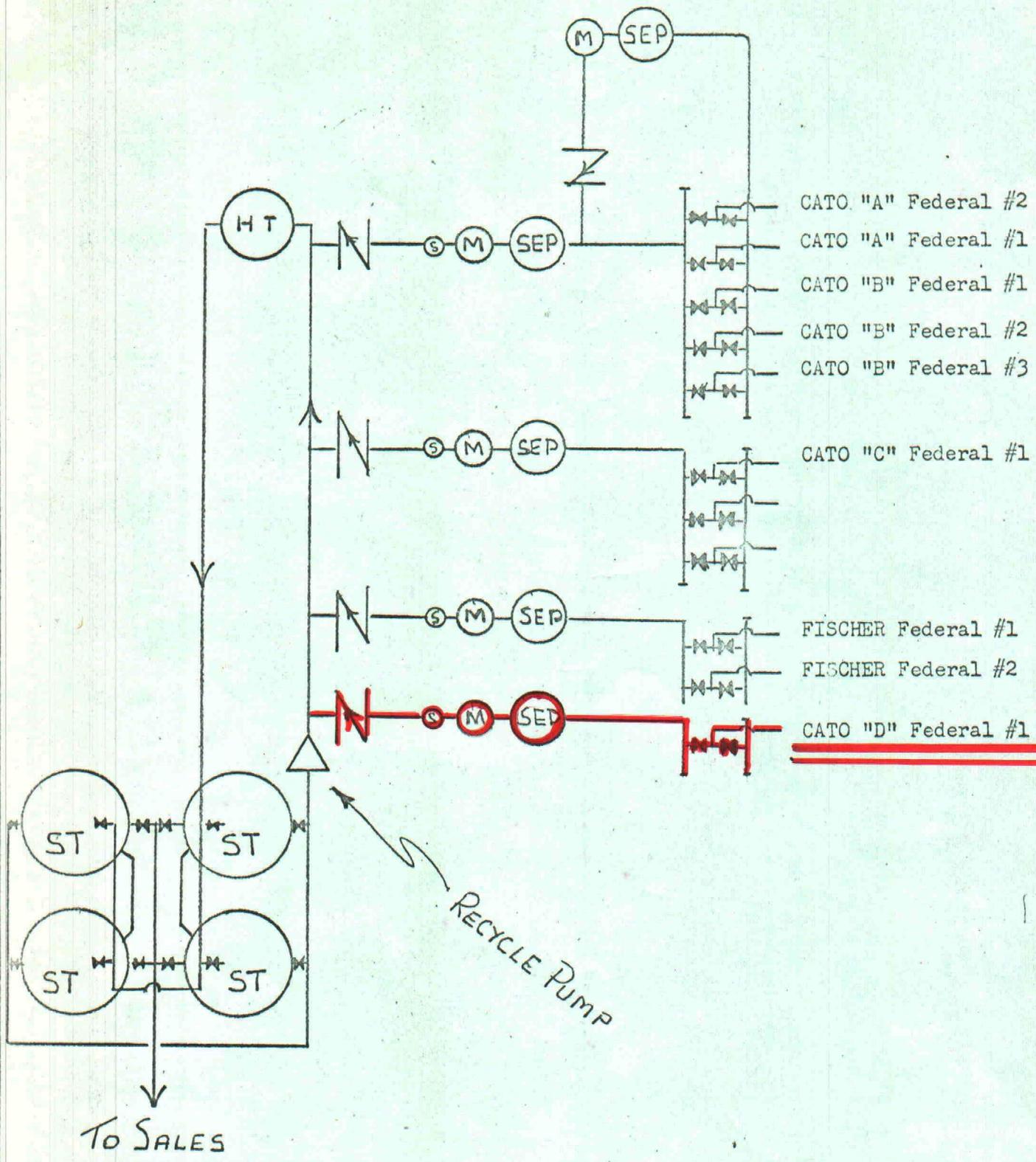
CATO STORAGE SYSTEM II
(UNIT J, SEC 14, T-8-S, R-30-E)
CATO SAN ANDRES OIL POOL
CHAVES COUNTY N.M.

LEGEND

LEASES SERVED BY:

-  Cato Storage System I
-  Cato Storage System II
-  Cato Storage System III

1" = 4000'



PAN AMERICAN PETROLEUM CORPORATION

CATO STORAGE SYSTEM II, CATO San Andres Oil Pool, CHAVES County N.M.
 (Unit J(NW/4 SE/4) Section 14, T-8-S, R-30-E)

SCALE:

DRG.
 No.

ILLEGIBLE

MAIN OFFICE

267 MAY 12 PM 1 28

Drawer 1857
Roswell, New Mexico 88201

May 4, 1967

Pan American Petroleum Corporation
P. O. Box 88
Roswell, New Mexico 88240

Attention: Mr. E. V. Staley

Gentlemen:

Your letter of May 4 requests approval to commingle San Andres oil production from the NE $\frac{1}{4}$ sec. 23, T. 8 S., R. 30 E., N.M.P.M., Federal lease New Mexico 0354427-A with your Cato Storage System II. The Cato Storage System II presently includes the following lands:

Federal Lease

Land Involved

T. 8 S., R. 30 E., N.M.P.M.

NE 0177517

sec. 14: 0%
sec. 15: 5%
sec. 23: 8%

NE 0254700

sec. 12: 0%

NE 0444628

sec. 14: 5%

Our letter of April 13 approved the commingling of San Andres oil production from the NE $\frac{1}{4}$ sec. 9, T. 8 S., R. 30 E., N.M.P.M., lease New Mexico 0354427-A, with certain portions of leases New Mexico 0142233, 0155494, and 0403706, into your Cato Storage System III.

The method of commingling the San Andres oil production from the NE $\frac{1}{4}$ sec. 23, T. 8 S., R. 30 E., N.M.P.M., lease New Mexico 0354427-A, into your Cato II Storage System as described by your letter of May 4, is hereby approved. Any additional or change in the system will require approval by this office. Form 9-361, Lessee's Monthly Report of Sales and Royalty, should show all computations used in the calculations of the oil volume for each lease.

SECRET

TOP SECRET

[The following text is extremely faint and largely illegible. It appears to be a multi-paragraph document, possibly a report or a set of instructions. The text is organized into several distinct sections, likely separated by headings or sub-headings. The content is too light to transcribe accurately, but it seems to contain technical or administrative information.]

ILLEGIBLE

You are requested to notify our Roswell office when the installation is completed so that a field inspection of the system can be made.

Sincerely yours,

(Orig.Sgd.) CARL C. TRAYWICK

CARL C. TRAYWICK
Active Oil and Gas Supervisor

cc:
Roswell
Accounts
NMOCC, Santa Fe ✓
File

PAN AMERICAN PETROLEUM CORPORATION

Post Office Box 68
Hobbs, New Mexico

May 4, 1967

File: VES-173-541.112 x 400

Subject: Commingling of Production
CATO "D" Federal Lease into
CATO Storage System II
CATO San Andres Oil Pool
Chaves County, New Mexico

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

Dear Sir:

Reference is made to previous correspondence ending with our letter dated March 29, 1967, File: VES-100-541.112 x 400, requesting authority to permit the commingling of San Andres oil production from various leases located in T-8-S, R-30-E, N.M.P.M., Chaves County, New Mexico, as follows:

CATO "A" Federal Lease, SW/4 Section 15
CATO "B" Federal Lease, SW/4 Section 14 and NW/4 Section 23
CATO "C" Federal Lease, SE/4 Section 14
FISCHER Federal Lease, W/2 Section 12

Since submission of the above, we have completed our CATO "D" Federal Well No. 1 as a flowing, top allowable, CATO San Andres oil well.

We now desire and submit this application for the inclusion of the CATO "D" Federal Lease, NE/4 of Section 23, T-8-S, R-30-E, N.M.P.M., as one of the leases permitted to be produced and commingled into the CATO Storage System II.

In support of this application, 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 commingling facility, the CATO Storage System II, located in Unit J, Section 14, T-8-S, R-30-E, N.M.P.M., Chaves County, New Mexico.

Page Two

Mr. A. L. Porter, Jr.

May 4, 1967

3. Production is from a common source of supply and value of the commingled production will be unchanged.
4. All parties owning an interest in the leases and the purchaser of the commingled production have been notified, by certified mail, of our intentions to commingle.
5. Production from the CATO "D" Federal Lease will be metered and sampled separately prior to commingling, utilizing an A. O. Smith T-6, temperature compensated, meter.
6. BS&W content will be determined every ten days.
7. Adequate testing facilities will be installed to permit the determination of producing capacity of each well on each lease at least once each month.

All installations to be made in accordance with the Manual for the Installation and Operation of Commingling Facilities.

Yours very truly,



V. E. Staley
Area Superintendent

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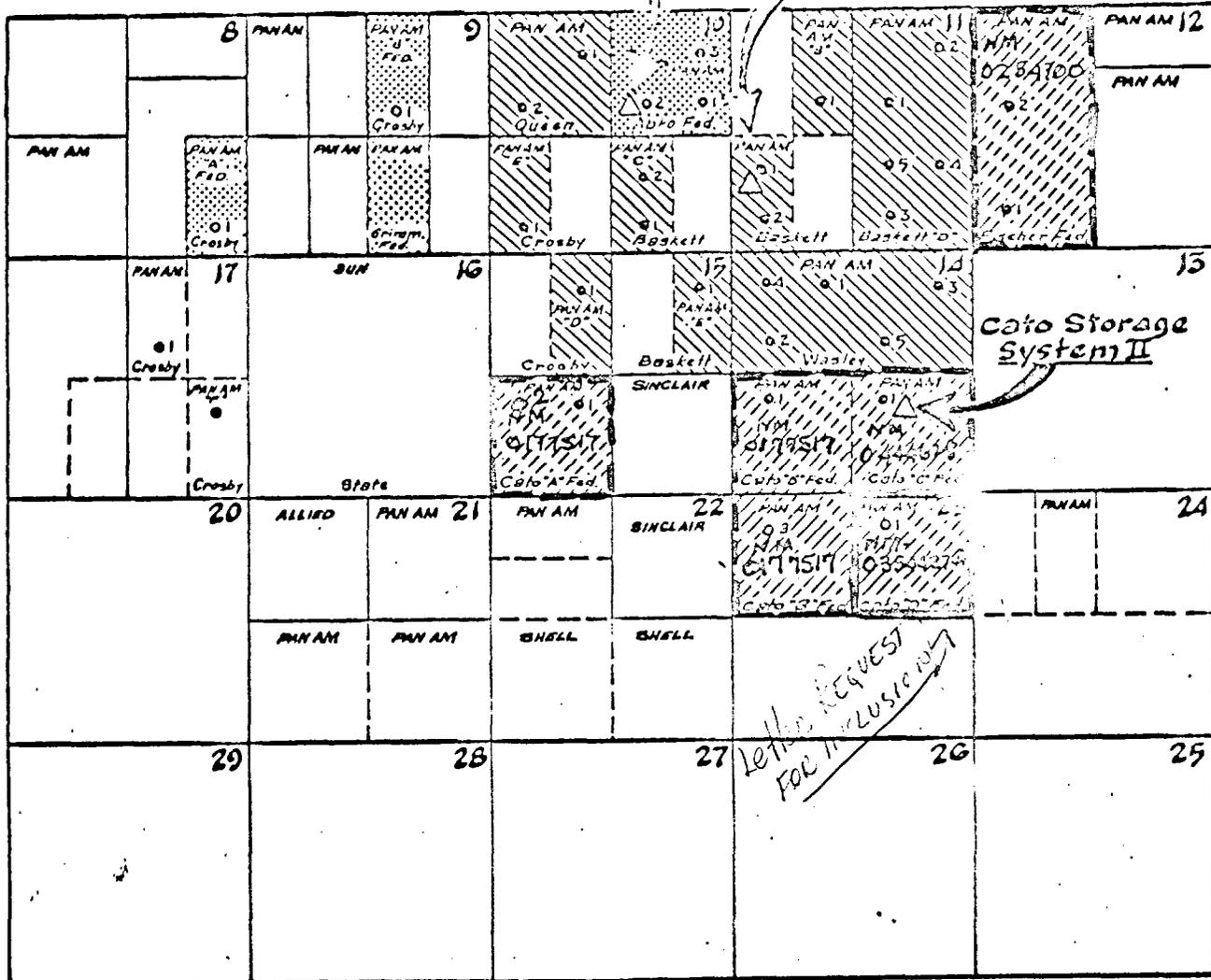
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Cato Storage System III
Cato Storage System I



R-30-E

CATO STORAGE SYSTEM II
(UNIT J, SEC 14, T-8-S, R-30-E)
CATO SAN ANDRES OIL POOL

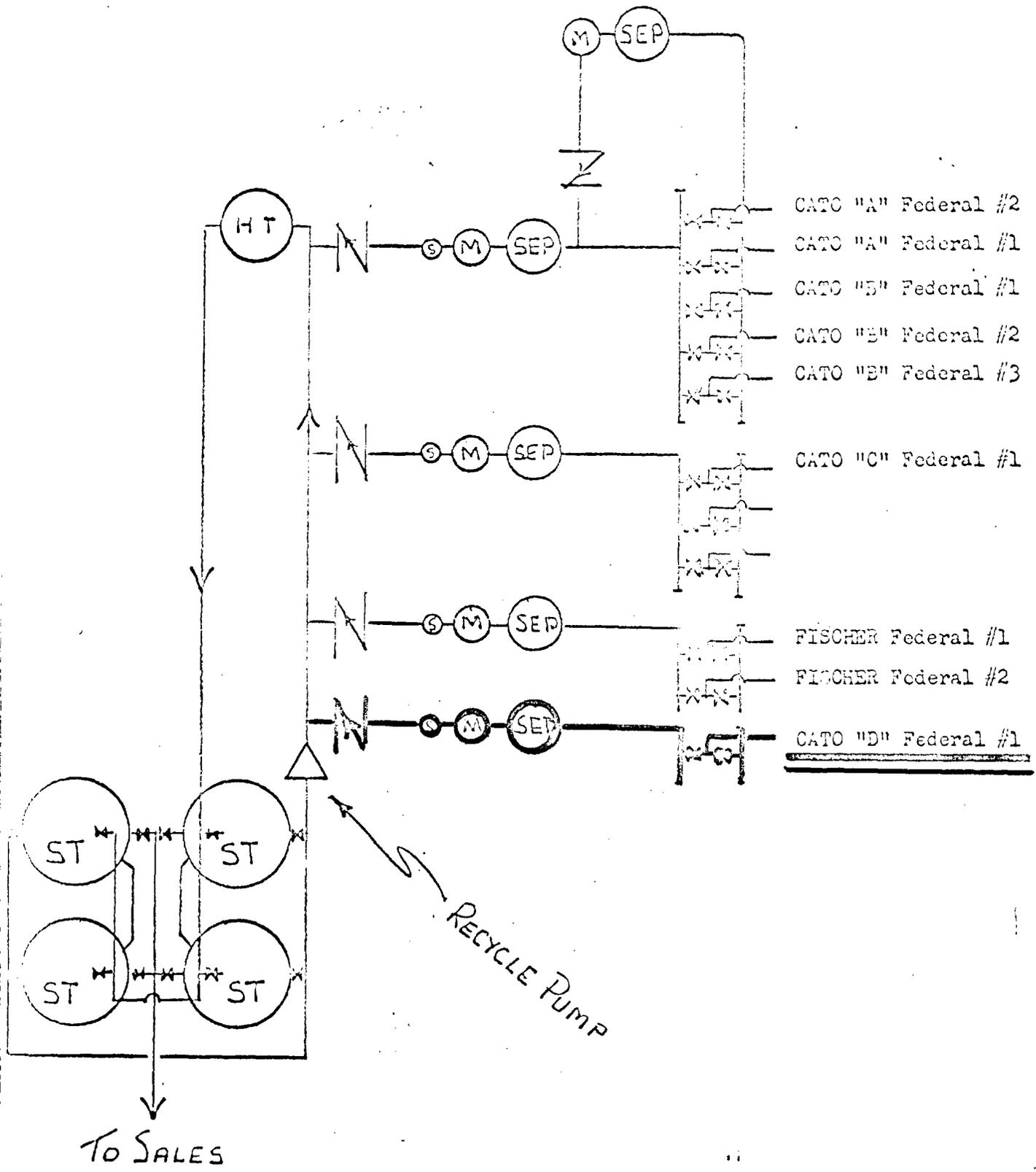
CHAVES COUNTY N.M.

LEGEND

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1" = 4000'



PAN AMERICAN PETROLEUM CORPORATION

SCALE:

CATO STORAGE SYSTEM II, CATO San Andres Oil Pool, CHAVES County N.M.
 (Unit J(NW/4 SE/4) Section 14, T-8-S, R-30-E)

DRG.
 No.