

Elliott Oil Company
Box 1355
Roswell, New Mexico 88201

FRANK O. ELLIOTT

505/622-5840

September 30, 1970

RECEIVED
OCT 1 12 54 PM '70

Mr. A. L. Porter
New Mexico Oil Conservation Commission
P. O. Box 871
Santa Fe, New Mexico 87501

Dear Mr. Porter:

Enclosed is a copy of a letter to the United States Geological Survey setting forth the proposal to commingle three Federal leases and one State lease which will allow us to continue producing the Littman San Andres wells on the New Mexico side, following the termination of the Unit October 1, 1970.

This proposal has previously been discussed with your office and with Mr. Bilberry and Mr. Malcolm of the State Land Office.

We respectfully request your approval of this procedure so as to prevent premature abandonment of these wells.

Very truly yours,

ELLIOTT OIL COMPANY



Frank O. Elliott

FOE:bm

Enc.



UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

Drawer 1857
Roswell, New Mexico 88201

October 28, 1970

Elliott Oil Company
P.O. Box 1355
Roswell, New Mexico 88201

Attention: Mr. Frank O. Elliott

Gentlemen:

Your letter of September 30 requests approval to commingle San Andres production from well No. 1 lease Las Cruces 057443 (a), well No. 3, lease Las Cruces 062170 (a), wells Nos. 1 and 2, lease Las Cruces 069048, and well No. 1 on State lease B-11232, secs. 8, 9, 16, and 17, T. 21 S., R. 38 E., Lea County, New Mexico.

The system for commingling described in your letter and by the diagram attached thereto is hereby approved subject to an additional meter being installed to measure the oil from the treater serving the three Federal leases prior to commingling with State of New Mexico oil. Quarterly individual well tests on the wells located on Federal lands will still be necessary to allocate production to the separate Federal leases. Your Lessee's Monthly Report of Sales and Royalty, Form 9-361, should show all computations used in allocating production to each lease.

New Mexico Oil Conservation Commission approval of the proposed commingling system is also required.

Please notify this office when the installation is completed so that a field inspection of the system can be made.

Sincerely yours,

(SIGNED)
N. O. FREDERICK
Regional Oil and Gas Supervisor

cc:
N.M.O.C.C. ✓
Hobbs (3)
Roswell (3)
Accounts

File 216

70 Oct 30 PM 10

IN REPLY REFER TO:

Elliott Oil Company
Box 1355
Roswell, New Mexico 88201

FRANK D. ELLIOTT

505/622-5840

September 30, 1970

Supervisor
United States Geological Survey
Federal Building
Roswell, New Mexico 88201

Re: Federal Oil & Gas Lease LC 069048,
LC 062170-A, LC 057443-A, and
State of New Mexico Lease B-11232

Gentlemen:

As you are aware, effective October 1, 1970, the Littman San Andres Unit will be terminated with the operation of the respective leases returning to the original operator. Our concern is confined to that portion of the Littman Unit on the New Mexico side, and involving the above referenced leases. Under Unit operation, the wells on these leases have been produced into a common tank battery located on Lot 4, Section 9, Township 21S, Range 38E, and to justify continued operation of these leases, it is absolutely essential that approval be obtained to continue to produce into a centralized tank battery.

Effective October 1, 1970, we will take over the operation of LC 062170-A and LC 069048, and effective November 1, 1970, we will take over the operation of the other two leases.

The status of the eight wells involved is as follows: 3-1 temporarily abandoned (estimated production capability 5 BOPD), 3-2, 6 BOPD, 3-3 water injection well, 2-2 water injection well, 2-3 temporarily abandoned (estimated producing capability 3 BOPD), 1-1, 5 BOPD, 4-1 7 BOPD, and 4-2 water injection well.

We propose to continue to produce these wells into the present central tank battery, setting a separate heater treater to handle the fluid produced from well #4-1 (State Lease B-11232), metering the oil from this separate treater into the tank battery, thereby having a separate measurement for the State of New Mexico oil. We would further propose to run individual well tests on the wells located on the Federal lands quarterly for settlement purposes.

Supervisor
United States Geological Survey

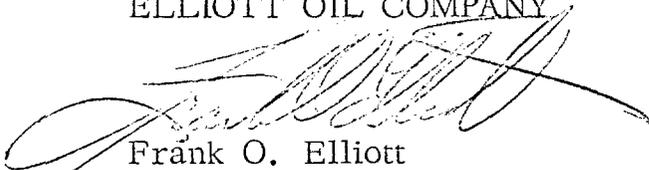
page 2

All of the above wells are completed in the same zone (San Andres) and all are in their last stages of depletion. However, the San Andres production historically has produced a considerable amount of oil at these very low rates, provided they can be combined into a low cost operation.

We respectfully request your approval of the above commingling procedure and request that you furnish the New Mexico Oil Conservation Commission with a copy of your determination.

Respectfully,

ELLIOTT OIL COMPANY

A handwritten signature in cursive script, appearing to read "Frank O. Elliott", written over the typed name.

Frank O. Elliott

FOE:bm

R 38 E

NEW MEXICO
TEXAS

Leonard Oil Co.

H. A. Keinath

5

Elliott, Inc.

4

Amarado

Amero

Will Terry
U. S.

H. A. Keinath
U. S.

Elliott, Inc.

8

Elliott, Inc.

9

"F"

WSW

H. A. Keinath

Monarch

Sohio

Sohio

Sohio

T
21
S

M. W. J. Production
Company

Elliott, Inc.

Elliott, Inc.

Schedule C

Schedule B

Tank Battery

LC-062170-A

LC-065405

C. W. Parcell

Wylie
U. S.

Lillman

Sohio

Elliott, Inc.

Shell

Sohio

Sohio

Sohio

"NEW MEXICO SUBDIVISION OF THE UNIT AREA"

Schedule C

LC-057443-A

S-11232

C. W. Parcell

Ohio-Fed.

Lillman

G. M. Cone

P.L. Crandell Elliott, Inc.

Sohio

N.G. Penrose, Inc.

Humble

Aztec Oil & Gas

U. S.

NuMax

State

Elliott Oil Company
Box 1555
Roswell, New Mexico 88201

70 OCT 30 PM 1 02

FRANK O. ELLIOTT

505/522-5540

October 20, 1970

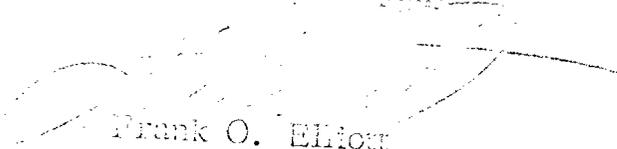
Mr. Arthur Brown
United States Geological Survey
P. O. Box 1157
Hobbs, New Mexico 88240

Dear Mr. Brown:

At the request of your Roswell office, we enclose three copies of a flow diagram relative to our Littman San Andres Sealing proposal.

Very truly yours,

Elliott Oil Company


Frank O. Elliott

FOE:bm
Enc.

Elliott Oil Company
 Pittman San Andreas
 .C. 057473-A Well #1-1
 .C. 062170-A Well #2-3
 .C. 069098 Well #3-1, 3-2, 3-3
 3-11232 Well #4-1

