

PAN AMERICAN PETROLEUM CORPORATION

Post Office Box 68
Hobbs, New Mexico

August 3, 1962

File: VES-256-400 x 541.112

Subject: Application to Commingle
Wantz Abo Oil Production
Southland Royalty Company
"A" Lease, Lea County,
New Mexico

Mr. A. L. Porter (3)
Secretary-Director
New Mexico Oil Conservation Commission
Post Office Box 871
Santa Fe, New Mexico

Dear Mr. Porter:

Pan American Petroleum Corporation hereby submits application for the commingling of oil production from Wantz Abo Pool with the oil and condensate production from the following pools:

Southland Royalty Co. "A" No. 1 located in Unit G, Section 9, T-21-S, R-37-E, NMPM, Lea County, New Mexico. This well is dually completed in the Blinebry (oil) and Drinkard (oil) pools.

Southland Royalty Co. "A" No. 2 located in Unit B, Section 9, T-21-S, R-37-E, NMPM, Lea County, New Mexico. This well is dually completed in the Drinkard (oil) and Tubb (gas) pools.

Southland Royalty Co. "A" No. 3 located in Unit V, Section 4, T-21-S, R-37-E, NMPM, Lea County, New Mexico. This well is dually completed in the Drinkard (oil) and Tubb (oil) pools.

Southland Royalty Co. "A" No. 4 located in Unit X, Section 4, T-21-S, R-37-E, NMPM, Lea County, New Mexico. This well is dually completed in the Drinkard (oil) and Tubb (gas) pools.

Southland Royalty Co. "A" No. 5 located in Unit Q, Section 4, T-21-S, R-37-E, NMPM, Lea County, New Mexico. This well is dually completed in the Drinkard (oil) and Blinebry (gas) pools.

Southland Royalty Co. "A" No. 6 located in Unit H, Section 9, T-21-S, R-37-E, NMPM, Lea County, New Mexico. This well is dually completed in the Drinkard (oil) and Blinebry (gas) pools.

Southland Royalty Co. "A" No. 7 located in Unit A, Section 9, T-21-S, R-37-E, NMPM, Lea County, New Mexico. This well upon completion will be a triple completion producing from the Blinebry (oil), Drinkard (oil) and Wantz Abo (oil) pools.

In support of our request for exception approval without notice and hearing to Rule 303(a) to permit the commingling in common facilities of

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PC-89

OK
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the commonly owned production from two or more common sources of supply, the following is submitted:

1. The oil production from each common source will be measured separately utilizing A. O. Smith T-6 temperature compensated meters. The BS&W content will be periodically determined by centrifugal testing procedures.
2. The A. O. Smith T-6 meters will be proved monthly in the existing 500 bbl. stock tanks.
3. Testing wells from each source of supply will be performed as follows: Drinkard oil wells will be tested utilizing a test separator. If more than one Blinebry (oil), Tubb (oil), or Wantz Abo (oil) well is completed, the wells will be tested by shutting-in all but one well and testing. If production losses occur when utilizing the above procedure, the test separator will be equipped as shown in Figure No. 2 of the "Manual for Installation and Operation of Commingling Facilities"; the Blinebry-Tubb condensate well test will be performed by shutting-in all but one well and testing.
4. Detailed data of liquid hydrocarbons:

	<u>Expected</u>	<u>Expected</u>	<u>Est. Annual</u>
<u>Pools</u>	<u>Gravity</u>	<u>Price/Bbl</u>	<u>Production</u>
A. Tubb (oil), Drinkard (oil), Blinebry (oil), Blinebry & Tubb (condensate)	42.5	\$3.01	110,350
B. Wantz Abo (oil)	43.8	\$3.01	6,205
C. Commingled	42.6	\$3.01	116,555

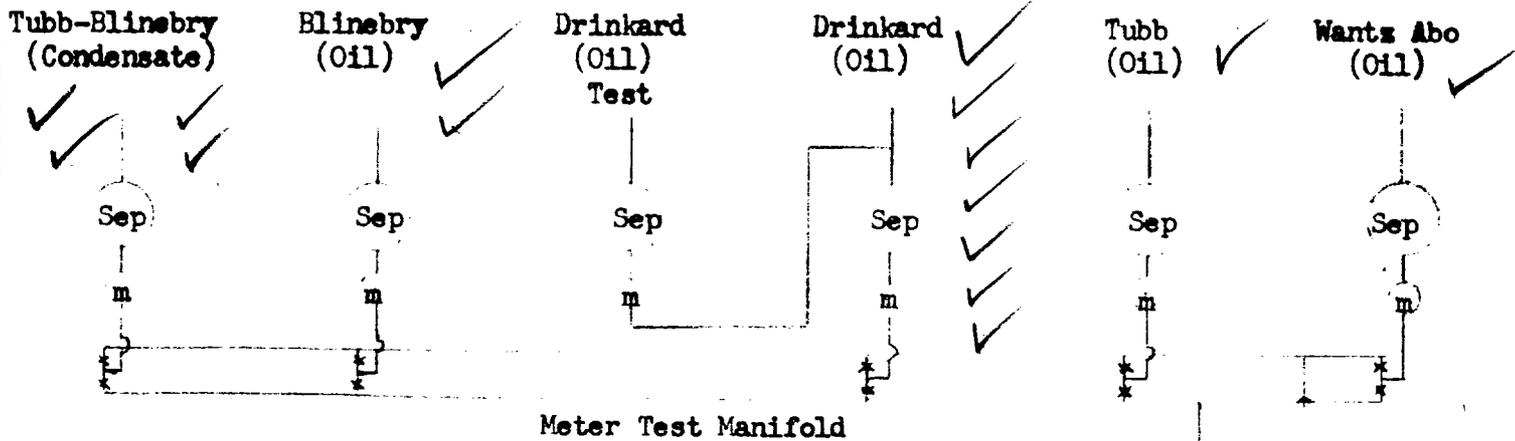
The commercial value before and after commingling is expected to be the same.

5. Schematic diagram of proposed installation is attached. Tank battery facility to be located in SW/4, NE/4, Section 9, T-21-S, R-37-E, Lea County, New Mexico.
6. Plat showing the location of all wells on the Southland Royalty Co. "A" Lease and the pools from which each well is producing is attached.

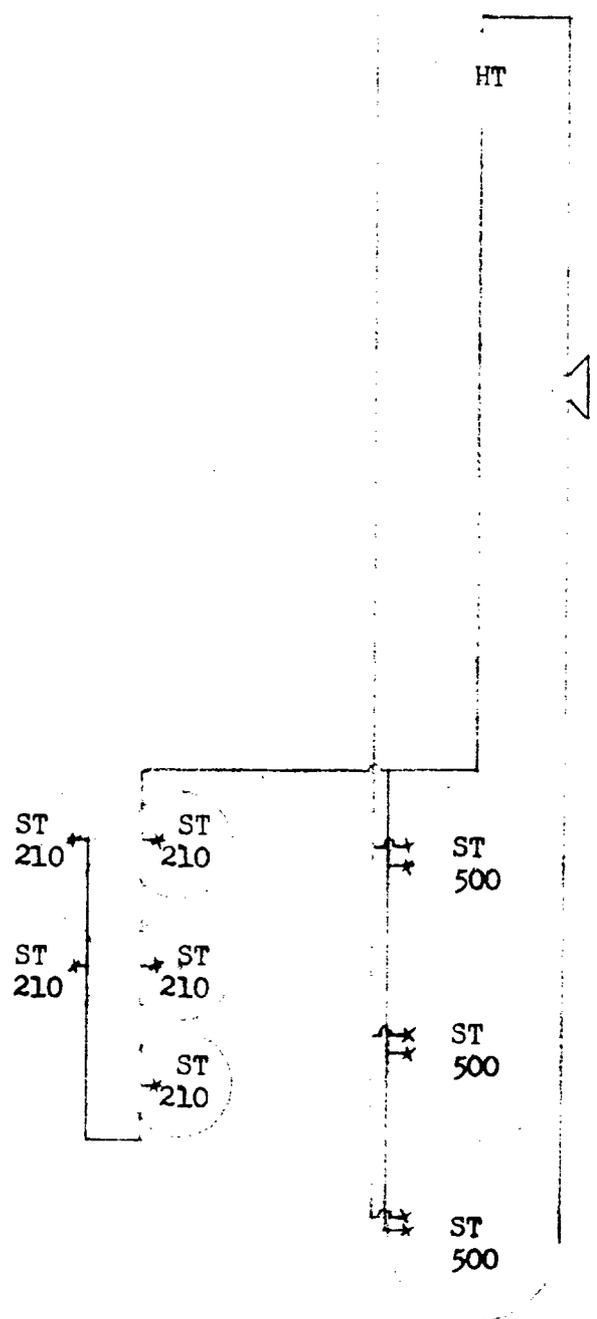
Yours very truly,


V. E. Staley
Area Superintendent

Attachments



Plan to retain on location for emergency storage until LACT Unit installed.



PAN AMERICAN PETROLEUM CORPORATION

SCALE:

Schematic diagram of proposed battery installation - Southland Royalty Co.
 "A" Lease, SW/4, NE/4, Section 9, T-21-S, R-37-E, Lea County, New Mexico.

DRG. No.

2-8751
6027 T.D.
6000 P.B.
5740 T.R. Blinebry
W 1/4 C. 2/64 ch.
4-17-56

3-8819
6010 T.D.
6004 P.B.
5740 T.R. Bline.
F 70
5-1A-56

10-6772
7436 T.D.
7624 T.R.
P 177 D

6730 T.D.
6519-6635 (Dr.)
F 163 T.D.
1-1-62
C 133-6635 (Tubb)
F 264 B.O.D. - 110 AN
1-3-62
5719-8930 (Ann)
F 29 B.O.D. 2.8 W
2-1-62

J. C. Estlack
TEXAS CO. & PHILLIPS PET.

Livingston
SHELL

BLINEBRY GAS

YESO 5500

CONT'L
Hawk "A"

WESTERN OIL FIELD

Southland Royalty Co.
STANOLIND
PI 45058 A 1/2
A 1/2 E - N.B.P.
(320 Ac.)

3467
6690 T.D.
6610 T.P. (U.Dr.)
F 33 1/4 ch
4-11-50

3435
6674 T.D.
6687 T.P. (U.Dr.)
F 187 1/4 ch
1-10-49

3481
6730 T.D.
A 17-48
7701 G/O
1780 T Tubb
P.B. 5400
6644-88 (Dr)
F 284-80 (ch) h-rod
10-9-61
6388-80 (Tubb)
F 74 B.O.D. - 14164 ch
11-1-61

3484
6610 T.D.
6610 T.P. (Dr.)
F 149/4 246 MCT/
1064 ch
11-29-51

3476
6516
6690 T.D.
6680 P.B.
6680 P.D.
6648 T.P. (U.Dr.)
P.B. 6435 58
E 105/20 64 ch
7-27-51

3469
6645
6645 T.D.
6645 T.P. (U.Dr.)
F 1016
11-12-62

CONT'L
Hawk "A"

3475

3496
6701 T.D.
6724 P.B.
6648 T.P. (U.Dr.)
P 141 A 5 W
5-15-48

3498
6750 T.D.
6730 P.B.
6695 T.P. (U.Dr.)
P 6500-6730
F 106 1/4 ch
2-18-48

3499
7500 T.D.
6508 P.D.
F 226/2
619 T.P. Tubb
F 1200 MCT+
16 W.O.D.
5-21-58

7-21-5

3502
6710 T.D.
6660 T.P. (U.Dr.)
F 1180 1/4 ch
3-22-48

3518
6710 T.D.
6690 T.P. (U.Dr.)
F 1180 1/4 ch
3-22-48

3502
6495
6710 T.D.
6660 T.P. (U.Dr.)
F 1180 1/4 ch
11-21-47

3503
6487
6648 T.P. (U.Dr.)
F 300 1/4 ch
9-11-47

3504
6487
6648 T.P. (U.Dr.)
F 300 1/4 ch
9-11-47

3489
6645
6645 T.D.
6645 T.P. (U.Dr.)
F 1016
11-12-62

3487
6674 T.D.
6687 T.P. (U.Dr.)
F 187 1/4 ch
1-10-49

PAN AM. - SOUTHLAND ROYALTY LEASE

HUMBLE
State "V"

3508
6715 T.D.
6715 P.B.
6690 T.P. (U.Dr.)
F 1675-1706
F 384 1/4 ch
1-6-50

3502
6690 T.D.
6601 T.P. (U.Dr.)
P 6601-48
F 458 1/4 ch
5-10-58

3508
6707 T.D.
6696 T.P. (U.Dr.)
P 6696-4706
F 275 1/4 ch
6-22-48
1892 T.G/O
2692 T Tubb

CONT'L
U.S.A.
W.C. Hawk - B
STANOLIND 1/4
CONT'L 1/4
ATLANTIC 1/4
S.T.O. OF TEXAS 1/4
P. 3139
1-13-58
1705 92 Ac.
1/2 Ray Accl'R

3495
6695 T.D.
6695 P.B.
6681 T.P. (U.Dr.)
F 6681-33
F 1700 1/4 ch
1-16-48

3487
6674 T.D.
6687 T.P. (U.Dr.)
F 187 1/4 ch
1-10-49

CONT'L
Hawk "B"

3514
6710 T.D.
6670 T.P. (U.Dr.)
F 748 P.B.
F 352 1/4 ch
7-21-49
6601 T.S.A.
1701 T. Tubb

3507
6710 T.D.
6618 T.P. (U.Dr.)
F 1192 1/4 ch
1-6-49
2653 T Tubb

3512
6790 T.D.
6680 T.P. (U.Dr.)
P 6680-4456
F 674 1/4 ch
1-17-49

3495
6710 T.D.
6485 T.P. (U.Dr.)
P 6485-4456
F 674 1/4 ch
1-31-45

3481
6750 T.D.
6695 T.P. (U.Dr.)
P 6695-47
F 674 1/4 ch
P 4,350,000 C.F.P.O.
11-30-48

3488
6710 T.D.
6696 P.B.
6696 P.D.
6648 T.P. (U.Dr.)
P.B. 6435 58
E 105/20 64 ch
7-27-51

3487
6674 T.D.
6687 T.P. (U.Dr.)
F 187 1/4 ch
1-10-49

CONT'L
Lockhart

3490
6710 T.D.
6611 T.P. (U.Dr.)
F 706 1/4 ch
1-2-48
2722 Tubb
U.S.A.
M Lockhart - A
STANOLIND 1/4
CONT'L 1/4
ATLANTIC 1/4
S.T.O. OF TEXAS 1/4
P. 29068
7-18-57
(60 Ac.)

3490
6690 T.D.
6600 T.P. (U.Dr.)
F 390 1/4 ch
8-1-48
6601 T.S.A.
1701 T. Tubb

PAN AM.
State "C"
STANOLIND
P. 13790
N.B.P.
180 Ac.
(720 Ac.)

3500
6707 T.D.
6696 T.P. (U.Dr.)
P 6696-4706
F 275 1/4 ch
6-22-48
1892 T.G/O
2692 T Tubb

3487
6710 T.D.
6670 T.P. (U.Dr.)
F 748 P.B.
F 352 1/4 ch
7-21-49
6601 T.S.A.
1701 T. Tubb

TIDEWATER
State "S"

3485
6674 T.D.
6687 T.P. (U.Dr.)
F 187 1/4 ch
1-10-49

WELL LEGEND

-  BLINEBRY GAS WELL
-  BLINEBRY OIL WELL
-  TUBB GAS WELL
-  TUBB OIL WELL
- DRINKARD OIL WELL

R-37-E