

100
100
PAN AMERICAN PETROLEUM CORPORATION

Post Office Box 68
Hobbs, New Mexico

1964 AUG 5 PM 1 29

1964 AUG 6 PM 1 29

August 4, 1964

File: VES-195-400 x 541.111

Subject: Application to Commingle
Drinkard and Elinebry Production -
State "S" Lease, Lea County,
New Mexico.

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

Dear Sir:

Pan American Petroleum Corporation hereby submits application for the commingling of oil production from the following wells and oil pools:

State "S" Well No. 1, located 660 feet from the north line and 1980 feet from the west line in NE/4 NW/4 of Section 32, T-22-S, R-38-E, N.M.P.M., Lea County, New Mexico. This well is dually completed in the Elinebry and Drinkard oil pools.

State "S" Well No. 2, located 660 feet from the north line and 660 feet from the west line in NW/4 NW/4 of Section 32, T-22-S, R-38-E, N.M.P.M., Lea County, New Mexico. This well is completed in the Elinebry oil pool.

In support of our request for exception to Rule 303 (a), to permit the commingling in common facilities of the commonly owned production from two or more common sources of supply, the following is submitted:

1. The Drinkard oil production will be metered and sampled prior to commingling, and the BS&W content determined every eight days. The Elinebry oil production will be determined by the subtraction method.
2. Application filed in triplicate.

Mr. A. L. Porter, Jr.
August 4, 1964
Page 2

3. Detailed data of liquid hydrocarbons:

<u>Pool</u>	<u>Gravity (° API)</u>	<u>Value (\$/Bbl)</u>	<u>Production BOPD</u>
A. Blinebry	42.0	3.01	33
B. Drinkard	40.0	3.01	10
C. Commingled Production	41.6	3.01	43

The commercial value of the commingled production will be the same as the sum of the production from each source of supply.

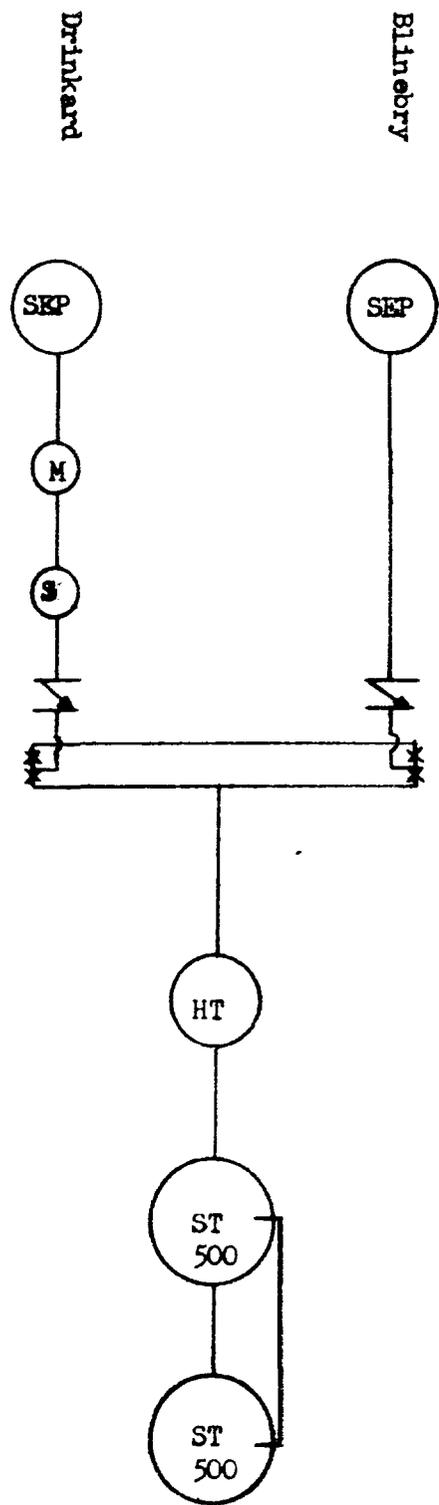
4. Schematic diagram of proposed installation attached. Tank battery facilities to be located in Unit C, Section 32, T-22-S, R-38-E, N.M.P.M., Lea County, New Mexico.
5. Plat showing the location of all wells on State "S" Lease and pools from which each well is producing.

Yours very truly,



V. E. Staley
Area Superintendent

Attachments

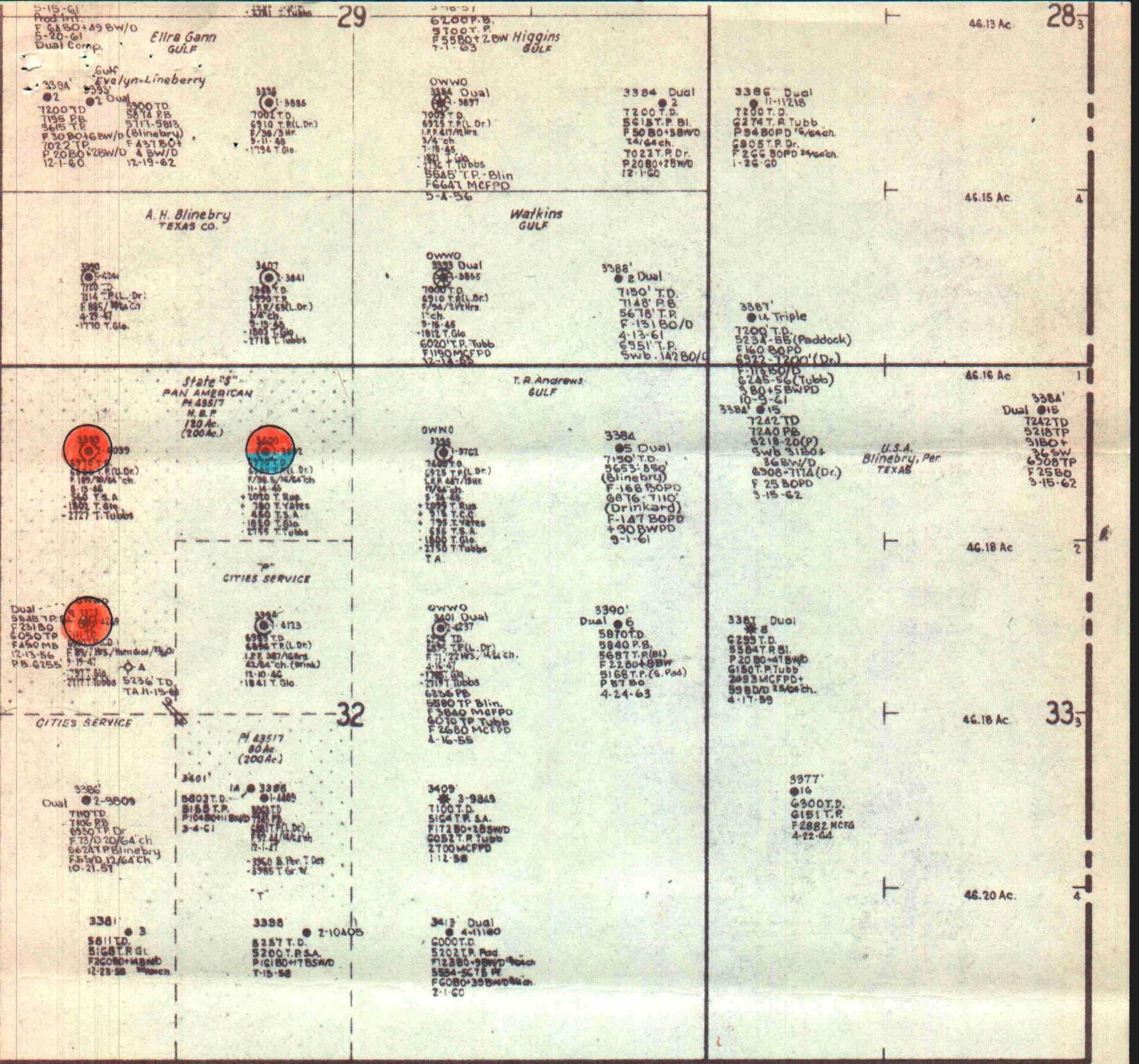


PAN AMERICAN PETROLEUM CORPORATION

Schematic diagram of proposed commingled battery installation - State "S" Lease, Unit C, Sec. 32, T-22-S, R-38-E.

SCALE:

DRG. No.



R. 38 E.

TWP 22 So.

PAN AMERICAN PETROLEUM CORP.

LUBBOCK DISTRICT
 EUNICE AREA
 LEA CO., NEW MEXICO

SCALE: 1"=1000'

- Blinebry Producer
- Drinkard Producer

PAN AMERICAN PETROLEUM CORPORATION

MAIN OFFICE
'64 SEP 11 PM 1

Post Office Box 68
Hobbs, New Mexico

September 10, 1964

File: VES-466-400 x 541.111

Subject: Application to Commingle
Drinkard and Blinebry Pro-
duction - State "S" Lease
Lea County, New Mexico

Mr. A. L. Porter, Jr.
Secretary Director
New Mexico Oil Conservation Commission
Post Office Box 871
Santa Fe, New Mexico

Dear Sir:

Reference is made to our application dated August 4, 1964, regarding the commingling of Drinkard and Blinebry production from our State "S" Lease, located in Section 32, T-22-S, R-38-E, Lea County, New Mexico.

Attached for your records, is a copy of the Commissioner of Public Lands approval to commingle as set out in our above referenced letter.

Yours very truly,



V. E. Staley
Area Superintendent

Attachment

State of New Mexico



Commissioner of Public Lands



September 2, 1964

E. S. JOHNNY WALKER
COMMISSIONER

RECEIVED	
PAN AMERICAN	
PETROLEUM CORP.	
SEP 4 1964	
HOBBS, N.M.	
AS	1
AC	2
SE	3
AP	SANTA FE, NEW MEXICO
AD	4
AT	5
FILE	

148
MEXICO

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

Att: V. E. Staley
Area Superintendent

In RE: Request to Commingle production
from Drinkard and Blinebry Pools,
State "S" Lease, Lea County,
New Mexico

Gentlemen:

The State Land Office hereby grants approval to the above request to commingle since ownership is common throughout, and since there will be no loss of royalty to the State of New Mexico.

We would, however, like to have a periodic report on the one well that is located on the NWNW since the Blinebry production consists of two wells.

Thank you for your schematic diagrams and plats.

This approval is granted with the understanding that the Commissioner of Public Lands reserves the right to amend or reject this approval, should a loss to the State of New Mexico occur in royalties.

Very truly yours,

E. S. JOHNNY WALKER,
Commissioner of Public Lands

By

ROMULO MARTINEZ,
Oil & Gas Department

ESJW/RM/kcl

w/cc to: Oil Conservation Commission
Oil and Gas Accounting Commission

*County of
Lea
C-11679*

*BRIS
DR 7*