



PHILLIPS PETROLEUM COMPANY

ODESSA, TEXAS 79760
PHILLIPS BUILDING, FOURTH & WASHINGTON

EXPLORATION & PRODUCTION DEPARTMENT

August 28, 1970

7-5, Administrative Order No.
PC 363--Exception to Rule 303,
Lea Lease, Lea County, New Mexico

File: W6-Ba-755-70

New Mexico Oil Conservation Commission (4)
P. O. Box 2088
Santa Fe, New Mexico 87501

Attention: Mr. A. L. Porter, Jr.
Secretary-Director

Gentlemen:

We respectfully request an amendment to the captioned order to allow us to commingle oil production from Vacuum (Grayburg/San Andres) and Vacuum (Wolfcamp) Fields on our Lea Lease. The original permit covered Vacuum oil production and Morrow distillate production; however, the Morrow zone has been abandoned on this lease and Wolfcamp oil production established in Well No. 23. Commingled fluids will consist of production from Wells Nos. 4, 5, 6, 11, 13, 14, 18, 20, and 21 in the Vacuum (Grayburg/San Andres) Field and from Well No. 23 in the Vacuum (Wolfcamp) Field. These wells are delegated to Battery No. 3. Installed metering facilities will measure the Wolfcamp oil production from Well No. 23 and Vacuum (Grayburg/San Andres) production will be determined by subtracting the metered volume from the total volume of the tank gauges. Test facilities for individual well testing are in place. Currently all wells are limited producers. The attached lease plat and tank battery facility sketch support this request.

Monthly production of the Grayburg/San Andres oil is estimated at 900 barrels. Gravity approximates 36° API valued at \$3.20 per barrel. Wolfcamp is estimated at 1500 barrels per month with a gravity of 41° and a price per barrel of \$3.20. The value of the commingled fluids will be equal to or greater than the values of separate streams.

Royalty interests are common to the State of New Mexico in both zones (State Lease No. B 4118) and working interests are owned solely by Phillips.

A copy of our letter to the Commissioner of Public Lands requesting their approval of this amendment is attached for your information. Your approval of this amendment at the earliest possible date will be appreciated.

Yours very truly,

PHILLIPS PETROLEUM COMPANY

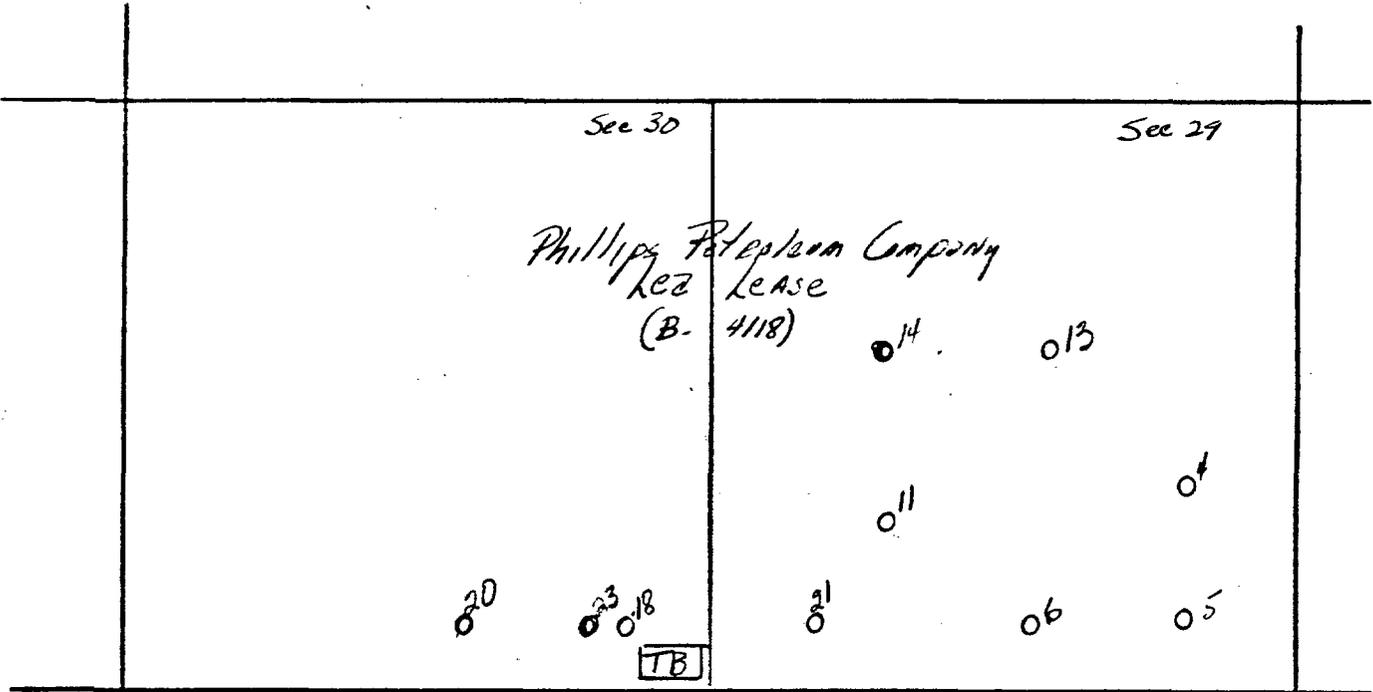
F. F. Lovering, Manager
Southwestern District

HM:rm
Attachments

cc: NMOCC, Box 1980, Hobbs, New Mexico 88240

10 AUG 31 AM 8 11

ILLEGIBLE



Proposed Common Storage Facility

Lease: 00 - Battery #3
 - Proposed common battery facility
 Vacuum Field = Wells Nos 4, 5, 6, 11, 13, 14, 18, 20, & 21. - Oil
 VACUUM (Wolfcamp) - Ext. = Well # 23 - Oil

BARTLESVILLE, OKLAHOMA

*Lease - Lea County, New Mexico
 Sections 29 & 30, T-17-S, R-34-E
 (Various other to D)*

			DRAWN	8-1-57	AFE. NO.	DWG. NO.
			CHECKED	/	SCALE	SHEET NO.
REVISION	BY	DATE	APPROVED			



PHILLIPS PETROLEUM COMPANY

ODESSA, TEXAS 79760
PHILLIPS BUILDING, FOURTH & WASHINGTON

EXPLORATION & PRODUCTION DEPARTMENT

PHILLIPS PETROLEUM COMPANY
ODESSA, TEXAS
NOV 3 1970

December 1, 1970

7-5: Administrative Order PC-363
Exception to Rule 303, Lea Lease,
(State B-4118) Lea County, New Mexico

File: W6-Ba-967-70

New Mexico Oil Conservation Commission (4)
P. O. Box 2088
Santa Fe, New Mexico 87501

Attention: Mr. Dan Nutter

Gentlemen:

Confirming our telephone conversation of this date on the subject matter, we attach a copy of the land office letter approving the commingling of Wolfcamp and Grayburg/San Andres production on the Lea Lease, as requested in our application of August 28, 1970. We also attach a copy of our letter correcting the field designation for the Wolfcamp production.

Your early consideration and advice will be appreciated.

Yours very truly,

PHILLIPS PETROLEUM COMPANY

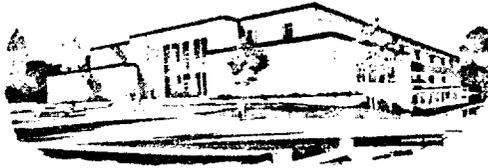
F. F. Lovering, Manager
Southwestern District

HM:ep
Attachs.

cc: New Mexico Oil Conservation Commission, Box 1980, Hobbs, N.M. 88240
Attachs.

T. H. McLaughlin

State of New Mexico



*Received
Book Office
10/1/70*



Commissioner of Public Lands

September 8, 1970

ALEX J. ARMIJO
COMMISSIONER

P. O. BOX 1148
SANTA FE, NEW MEXICO

*10/1/70
100-1118*

Phillips Petroleum Company
Phillips Building, Fourth & Washington
Odessa, Texas 79760

Re: 7-5, Lea Lease, Amendment to
LOCO No. 25, Lea County,
New Mexico

ATTENTION: Mr. F. F. Lovering

Gentlemen:

Reference is made to your application dated August 28, 1970, requesting amendment to the captioned commingling permit to allow you common storage for oil production from the Vacuum (Grayburg, San Andres) and Vacuum (Wolfcamp) Fields on your Lea Lease (State Lease B-4118), Lea County, New Mexico.

The proposed commingling will be Grayburg/San Andres oil production from Wells Nos. 4, 5, 6, 11, 13, 14, 18, 20, and 21 delegated to Tank Battery No. 3 and Wolfcamp oil production from Well No. 23.

You are hereby given approval to the above request. Any deviation from your proposed request will be reason to cancel approval.

This approval is subject to like approval by the New Mexico Oil Conservation Commission.

Your ten (\$10.00) Dollar filing fee has been received.

Very truly yours,

Gordon G. Marcum II
GORDON G. MARCUM II, Director
Oil and Gas Department

GGM/s

cc: OCC-Santa Fe, New Mexico



PHILLIPS PETROLEUM COMPANY

ODESSA, TEXAS 79760
PHILLIPS BUILDING, FOURTH & WASHINGTON

EXPLORATION & PRODUCTION DEPARTMENT

December 1, 1970

7-5: Lea Lease -- Amendment to
LOCO No. 25, Lea County, New Mexico

File: W6-Ba-966-70

The Commissioner of Public Lands
P. O. Box 1148
Santa Fe, New Mexico 87501

Attention: Mr. Gordon G. Marcum II
Director, Oil and Gas Department

Dear Sir:

Your captioned letter of September 8, 1970 granted the approval of an amendment to commingling permit No. PC-363 covering oil production from the Grayburg San Andres zone in the Vacuum Field on our Lea Lease with that from the Wolfcamp zone on the same lease (State Lease B-4118) in Lea County, New Mexico.

This is to advise that the Oil Conservation Commission has subsequently designated the Wolfcamp production as from the East Corbin (Wolfcamp) Pool. No other change is in order.

This information is submitted to update and correct your records.

Yours very truly,

PHILLIPS PETROLEUM COMPANY

F. F. Lovering, Manager
Southwestern District

HM:ep

cc: New Mexico Oil Conservation Commission, P.O. Box 2088, Santa Fe, New Mexico 87501
(Attn: Mr. Dan Nutter)
New Mexico Oil Conservation Commission, P.O. Box 1980, Hobbs, New Mexico 88240