

PAN AMERICAN PETROLEUM CORPORATION

Post Office Box 68
Hobbs, New Mexico

January 5, 1968

File: VES-12-541.112 X 400

Subject: Application for the
Commingling of Production
Harbold Federal Lease into
Empire Abo Storage System III
Eddy County, New Mexico

New Mexico Oil Conservation Commission
P. O. Box 2088
Santa Fe, New Mexico

ATTN: Mr. Dan Nutter

Gentlemen:

Reference is made to telephone conversation this date between our Mr. Roy Yoakum and your Mr. Nutter concerning our application to commingle Empire Paddock oil production from our Harbold Federal Lease with Empire Abo oil production into the Empire Abo Storage System III. Original application submitted November 17, 1967, File VES-517-541.112 X 400.

We are proceeding with the physical commingling, which will be in accordance with your Administrative Order PLC-27.

Attached for your records, is a copy of a letter from United States Department of Interior, Geological Survey's Roswell, New Mexico office, reflecting their approval of our application to commingle.

Yours very truly,



V. E. Staley
Area Superintendent

RRY/jt

Attachment

IN 6

JAN 8 AM 6 5



UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
P. O. Drawer 1857
Roswell, New Mexico 88201

IN REPLY REFER TO:

RECEIVED
PANAMA CAN
PEIRING W. COLO.
DEC 1 1967
HONOLULU

November 29, 1967

Pan American Petroleum Corporation
Post Office Box 68
Hobbs, New Mexico 88240

Gentlemen:

Your application dated November 17, 1967, requests approval to commingle Paddock oil produced from lease New Mexico 0557370 involving the SW¹/₄SE¹/₄ section 34, T. 17 S., R. 27 E., with Abo oil produced into your Empire Abo Storage System III, located in SW¹/₄SW¹/₄ section 3, T. 18 S., R. 27 E. Abo oil production is presently being commingled at the above storage system from leases Las Cruces 054205, 061783-A, 061783-B, 065478-B, 070937, New Mexico 025530, and 025604, T. 17 and 18 S., R. 27 E., all N.M.P.M., Eddy County, New Mexico.

The method of commingling described by your application is hereby approved subject to like approval by the New Mexico Oil Conservation Commission.

Please notify the District Engineer, U. S. Geological Survey, Post Office Drawer U, Artesia, New Mexico 88210, when the installation is completed and operative so that an inspection can be made.

Sincerely yours,

Carl O. Typpich

CARL C. TRAYWICK
Acting Oil and Gas Supervisor

NEW MEXICO OIL CONSERVATION COMMISSION
WAS OFFICE FOR THE
RECEIVED THE ORDER

November 17, 1927

728-513-541,112 x 400

ILLEGIBLE

Commingling of Production
Harbold Federal Lease into
Empire Abo Storage System III
Empire Abo Oil Pool
Empire Paddock Oil Pool
Eddy County, New Mexico

New Mexico Oil Conservation Commission (NCOCC)
Post Office Box 2088
Santa Fe, New Mexico 87501

Gentlemen:

This is a request that consideration be given to amend Administrative Order CTE-118 to provide for the commingling of Empire Paddock oil production from our Harbold Federal lease (Fed. #NM-0357375) located SW/4 SW/4 Section 34, T-17-S, R-27-E, Eddy County, New Mexico, into the Empire Abo Storage System III located SW/4 SW/4 of Section 1, T-18-S, R-27-E.

The Empire Abo Storage System presently covers other Federal leases producing from the Empire Abo Pool as follows:

- Chalk Bluffs Draw (F) Federal (Fed. #NM-031201) SE/4 NE/4 8-13-27
- Simon Federal (Fed. #NM-070722) SW/4 NE/4 4-17-27
- Malco I Federal (Fed. #NM-031553) SW/4 NW/4 4-17-27
- Windfour Federal (Fed. #NM-031733-1) SE/4 4-13-27
- Mann Federal (Fed. #NM-031782-1) E/4 SW/4 4-17-27
- Malco II Federal (Fed. #NM-031734-2) NE/4, SE/4 NW/4, E/4 SW/4, NW/4 SE/4, 3-17-27
- Malco III Federal (Fed. #NM-035504) SE/4 E/4 NE/4, 9-18-27, NW/4, E/4 SE/4, SW/4 SE/4 10-18-27
- Malco IV Federal (Fed. #NM-034733-1) E/4 SE/4 9-18-27

Production from the Harbold Federal lease will be metered and sampled prior to commingling as to all production from each lease producing into this storage system.

Commingling shall be made in accordance with the provisions of the Commission's "Manual for the Installation and Operation of Commingling Facilities" including the requirements for temperature compensated meters, samplers, non-reset counters, and adequate venting facilities.

3 Nov 20 1927

Another reason the Harold Federal Well No. 1 has declined to 5 barrels oil per day and 10 barrels of water per day is that approximately the economic limit for this well should separate and some special facilities be required. By commingling production into Empire Abo Storage System III the well will be served by our existing Empire Abo Well No. 1 or Disposal System. Although there is a slight difference in the gain by between Reddock production and Empire Abo production the extra barrels of oil gained by placing the Harold Federal Well No. 1 amounts to one fourth of the amount of the production in Empire Abo Storage System III.

All parties owning an interest in the well and the purchaser of the commingled production have been notified by Certified Mail of our intentions.

Attached are:

1. Schematic Diagram of Empire Abo Storage System III.
2. Photo of the source and of the well into the commingled system.

Yours very truly,

ILLEGIBLE

V. E. Stanley
Area Superintendent

Copies of this application were to:

Hopewell Corporation
Chase Manhattan Bank
New York 17, New York

E. B. Wright
1006 East Flower St.
Phoenix, Arizona 85006

Hondo Oil and Gas Company
Post Office Box 1970
Roswell, New Mexico 88201

Southern Oil Field, Inc.
1200 Denver Club Building
Denver, Colorado 80201

Service Pipe Line Company
3411 Broadway, N.W.
Lubbock, Texas 79401

Alfred Crane Hudson
Denver 1
Artesia, New Mexico 88210

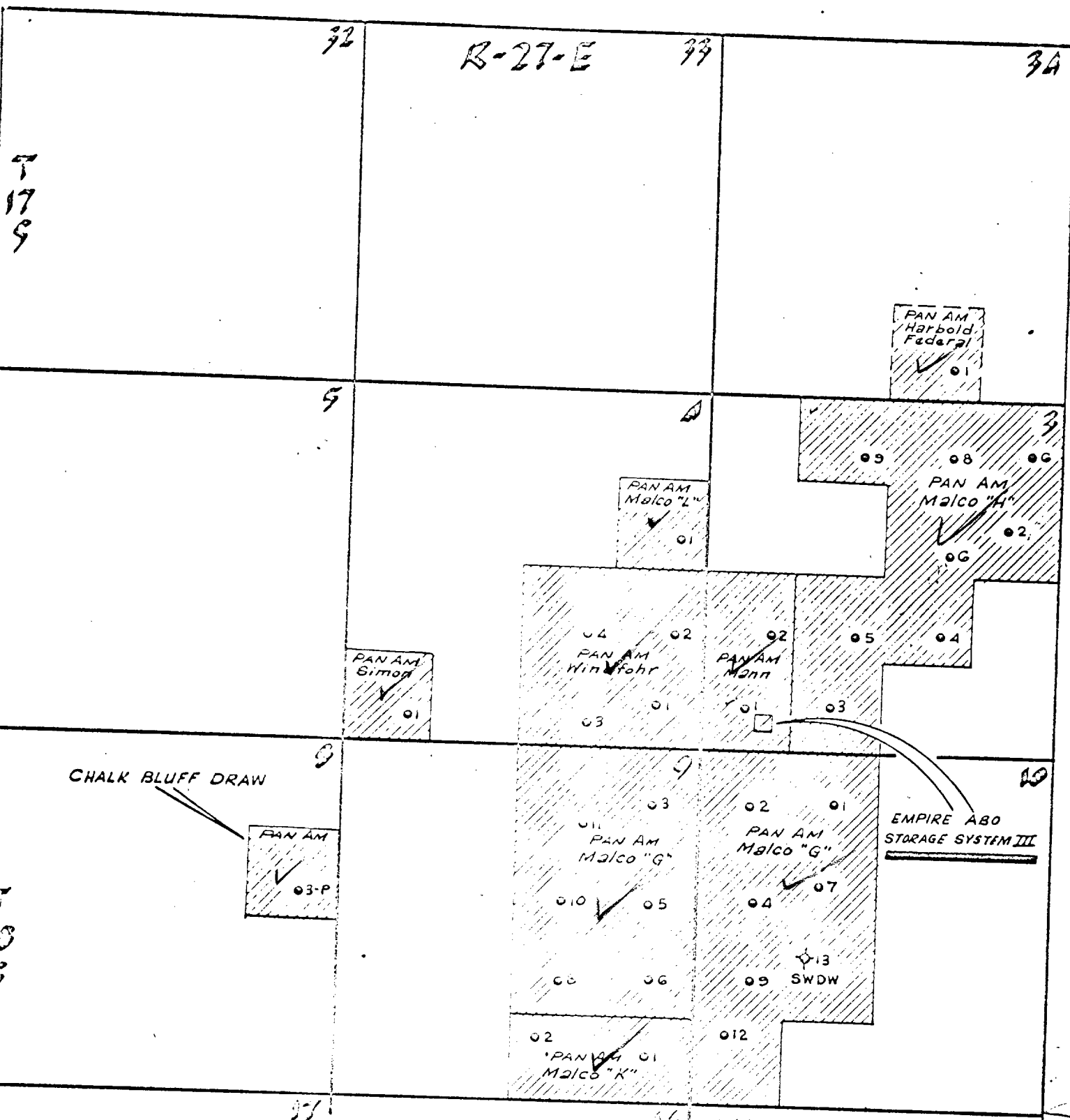
Pan American Petroleum Corporation
Oil Purchasing Division
Post Office Box 1720
Midland, Texas 79701

John E. Turbville
190 Roberts Dr.
Las Cruces, New Mexico 88001

Mrs. Pearl Miller, Clerk
904 Bullock Ave. Central
Artesia, New Mexico 88210

New Mexico Oil Conservation Commission
Post Office Denver 22
Artesia, New Mexico 88210

U. S. Geological Survey (2)
Post Office Denver 11
Artesia, New Mexico 88210



EMPIRE ABO POOL

PAN AMERICAN PETROLEUM CORP.

~ proposed addition ~

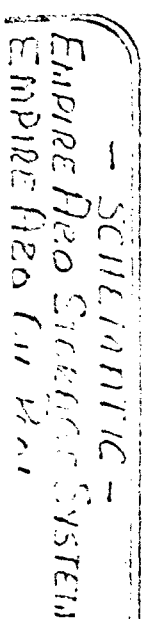
Leases Served by Empire Abo Storage System III

EMPIRE ABO STORAGE SYSTEM III SW 1/4 SW 1/4 3-13-27

Eddy Co, N.M.

1" = 2000'

2



EMPIRE Aero Stick® SYSTEM

EMPIRE FIRE Co. No. 1