

Case No.

1662

Large Exhibits

PAN AMERICAN PETROLEUM CORPORATION

P. O. Box 588
Lubbock, Texas
April 14, 1959
File: 102-4134-904, 510.1
Subject: Consolidating of Production
Between the Field
Jolly County, New Mexico

New Mexico Oil Conservation Commission (7)
P. O. Box 871
Santa Fe, New Mexico

Attention: Mr. A. L. Foster, Jr.

Gentlemen:

The American Petroleum Corporation respectfully requests a hearing for the purpose of obtaining an order approving the consolidating of the production obtained from wells now complete or later completed on the acreage described herein, and permitting the production of more than 16 wells into a common tank battery. This acreage is in and around the same one designated as the Jolly Acre Pool and is comprised of all or a portion of some Federal leases. The acreage covered is located in Sections 3, 4, 5 and 10, T-14-S, R-22-E, Jolly County, New Mexico, and is described as follows:

Federal Lease	Description
10-613625	1/2 NE 1/4, NE 1/4 NE 1/4 Section 4-10-24
10-613538	NE 1/4 NE 1/4 Section 4-10-27E
10-61370-A	NE 1/4 Section 4-10-27E
10-613494	1/2 NE 1/4, NE 1/4 Section 3-10-27E
10-613478-B	1/2 NE 1/4 Section 3-10-27E 1/2 NE 1/4 Section 3-10-27E
10-61373-B	1/2 NE 1/4 Section 3-10-27E
10-613494	1/2 Section 10-10-27E

As you will recall, Order 10-1295 dated December 24, 1952, approved our application to consolidate the production from wells then existing

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and wells to be drilled on leases then approved by the American Petroleum Corporation in Sections 3, 10 and 11, T-14-S, R-22-E, Jolly County, New Mexico. A portion of the acreage involved in this application was included in Order 10-1295, specifically, the NE 1/4 Section 10 and the NE 1/4 and 1/2 of the NE 1/4 of Section 7. As you are aware, development has moved on the tract and it now appears that several additional the completions will be obtained on the acreage covered by this application, making it desirable to consolidate production from all of the abo wells now completed or later completed on the acreage described above.

In addition to the above, as the development progresses in this area, we may find it desirable from the standpoint of the most efficient use of operations to include wells located on other acreage covered by Order 10-1295 in the battery that is proposed to serve the acreage described above. Therefore, we would also like to have approval to consolidate production from any or all of the abo wells completed now or at a later time on the acreage described below with other the production obtained from the acreage described above.

Federal Lease	Description
10-613478-C	NE 1/4 Section 3-10-27E 1/2 NE 1/4 Section 3-10-27E

We would, however, under the option to operate these wells (a section of six) under the provisions of Order 10-1295 or under the provisions of an order that we might obtain approving the consolidating plan outlined in preceding paragraphs.

Separate metering facilities will be used to meter production from each individual lease prior to the time that production is consolidated with oil produced from other leases.

It is suggested that this case be called at the earliest possible convenient hearing. Attached is a plat illustrating the acreage involved in this application.

Yours very truly,
C. L. Foster, Jr.
Oil & Gas Division
District Superintendent

ENC: 3
Attachment







