

A. J. LOSEE  
EDWARD B. STEWART

LAW OFFICES  
LOSEE AND STEWART  
CARPER BUILDING - P. O. BOX 1117  
ARTESIA, NEW MEXICO

27 July 1960

Mr. John A. Anderson, Regional Supervisor  
United States Geological Survey  
P. O. Box 6721  
Roswell, New Mexico

Dear Mr. Anderson:

This will acknowledge receipt of your letter of July 20, 1960, requesting additional information to support the request of Carper Drilling Company, Inc. for permission to commingle the production from said Oil and Gas Leases Las Cruces 028805(b) and 055465(b) into a common tank battery.

Accordingly, we enclose the following:

1. A map showing the location and ownership of the leases involved.
2. A map showing the location of all wells on the lands involved, with each well being identified as to well number, producing formation and depths and, where possible, the average daily production according to last well tests, together with the location of existing and proposed flow lines and tank batteries.
3. A schematic diagram showing the manner in which each lease's production will be handled from the wellhead to pipeline.

The Carper Drilling Company, Inc., Hudson B #1 well has been drilled to total depth, but the same has not yet been placed on production and as a result we are unable to submit the average daily production on this well.

We are, by carbon copy of this letter, furnishing Mr. A. L.

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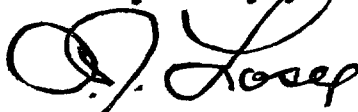
Mr. John A. Anderson, Regional Supervisor  
Page 2

27 July 1960

Porter, Secretary of the New Mexico Oil Conservation Commission, with copies of all of the above mentioned enclosures so that his files will be complete on this matter.

Thank you in advance for your consideration of this request.

Very truly yours

A handwritten signature in cursive script, appearing to read "A. J. Losee".

A. J. Losee

**Enclosures**

cc: Mr. A. L. Porter, Secretary  
New Mexico Oil Conservation Commission  
Santa Fe, New Mexico

Carper Drilling Company, Inc.  
Carper Building  
Artesia, New Mexico

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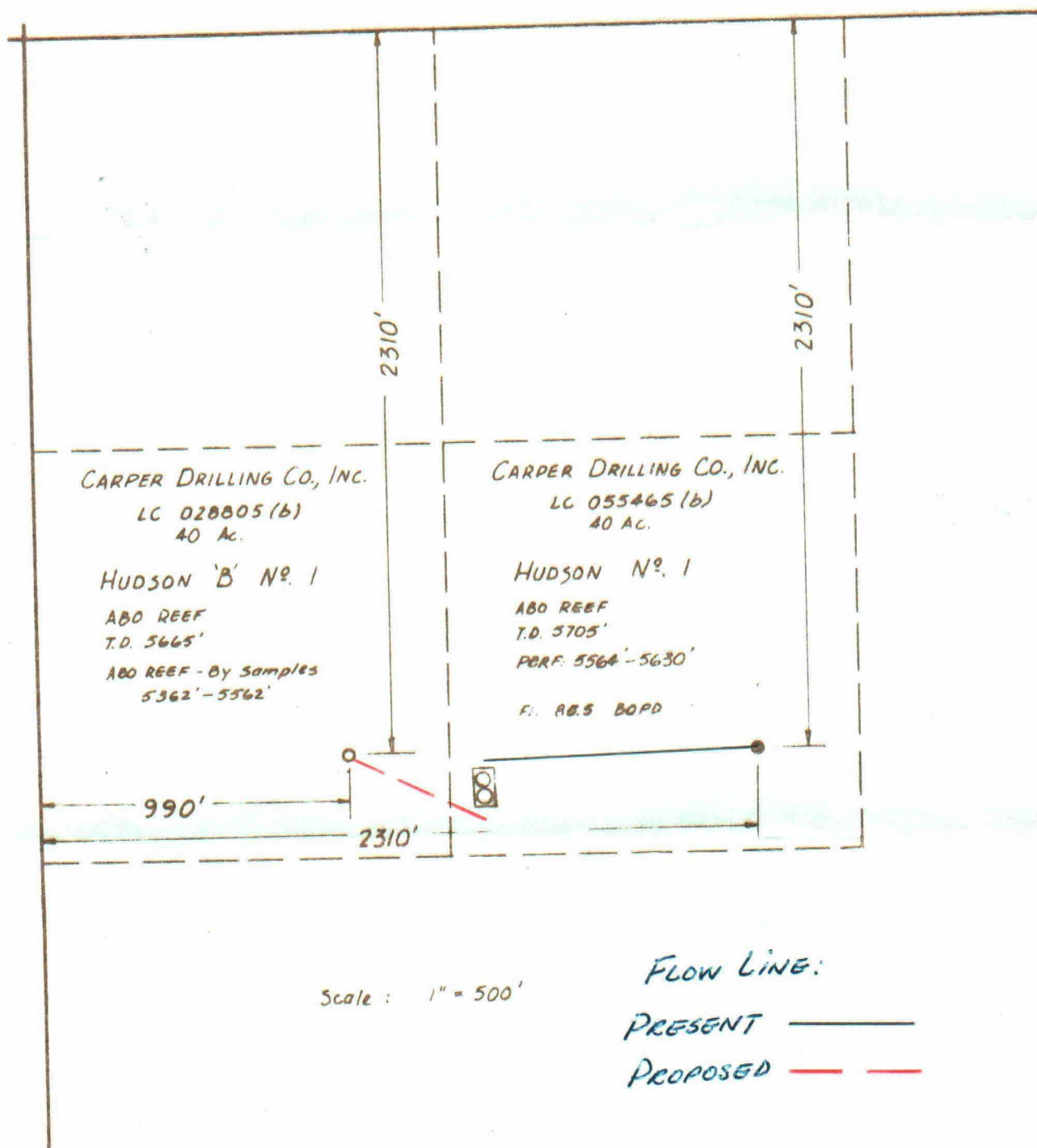
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NW/4 SECTION 3 T-18-S R-27-E  
EDDY COUNTY, NEW MEXICO

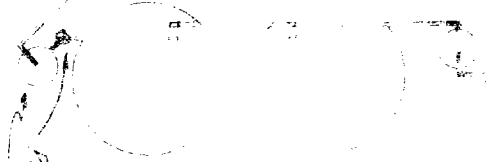


HUDSON No. 1

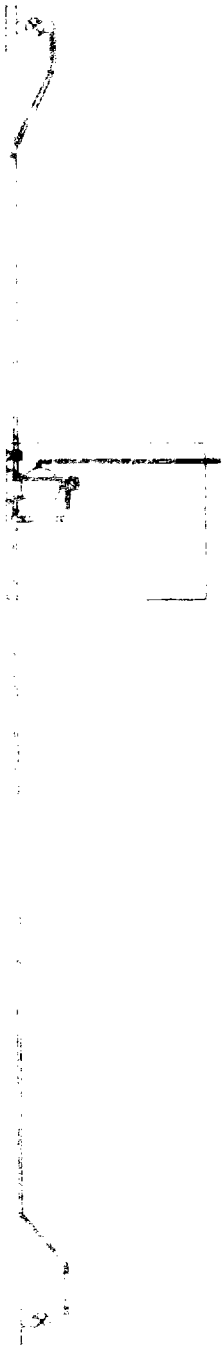
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PLAN VIEW

Positive Displacement Motor  
separator



ELEVATION VIEW



Scale N/A

HUDSON No. 1

A. J. LOSEE  
EDWARD B. STEWART

LAW OFFICES  
LOSEE AND STEWART  
CARPER BUILDING - P. O. BOX 1117  
ARTESIA, NEW MEXICO  
11 July 1960

RECEIVED  
JUL 11 1960  
FBI

Mr. A. L. Porter, Secretary  
New Mexico Oil Conservation Commission  
Mabry Hall  
Santa Fe, New Mexico

Dear Mr. Porter:

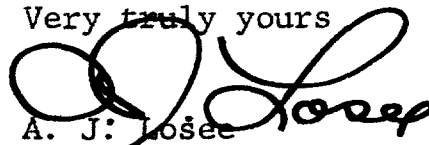
We enclose herewith duplicate copies of Application of Carper Drilling Company, Inc. for administrative approval of an exception to Rule 309 (a) of the Rules and Regulations of the New Mexico Oil Conservation Commission to permit the commingling of production of oil from the Abo Reef formation from Federal Oil and Gas Leases LC 028805(b) and LC 055465(b) into a common tank battery.

By carbon copy of this letter we are furnishing Mr. John Anderson, Supervisor, United States Geological Survey, with a copy of this Application and request, if the United States has no objection, that Mr. Anderson furnish your office with its consent and give us a copy of the same.

At the same time we are also furnishing the adjoining oil and gas lease operators with a registered carbon copy of this letter and request, if they have no objection to the Application, that they advise your office of this fact and furnish us with a copy of such consent.

We thank you in advance for your consideration of this Application.

Very truly yours

  
A. J. Losee

Enclosures

cc: Mr. John Anderson, Supervisor  
United States Geological Survey  
Pan American Petroleum Corporation  
Hondo Oil & Gas Company  
Carper Drilling Company, Inc.

Rec'd  
7/12/60

Carper

BEFORE THE OIL CONSERVATION COMMISSION

STATE OF NEW MEXICO

IN THE MATTER OF THE APPLICATION OF  
CARPER DRILLING COMPANY, INC. FOR AN  
EXCEPTION TO RULE 309 (a) OF THE NEW  
MEXICO OIL CONSERVATION COMMISSION  
RULES AND REGULATIONS TO PERMIT THE  
COMMINGLING OF PRODUCTION OF OIL FROM  
SEPARATE UNITED STATES OF AMERICA OIL  
AND GAS LEASES LAS CRUCES 028805 (b)  
AND LAS CRUCES 055465(b) INTO A COM-  
MON TANK BATTERY

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APPLICATION

COMES CARPER DRILLING COMPANY, INC., and respect-  
fully states:

1. Applicant is the operator of United States of  
America Oil and Gas Lease LC 028805(b) insofar as it covers  
all formations beneath 4,000 feet below the surface down to  
50 feet below the top of the Mississippian formation under  
the SW/4 NW/4 Section 3, Township 18 South, Range 27 East.

2. Applicant is the operator of United States of  
America Oil and Gas Lease LC 055465(b) insofar as it covers  
all formations beneath 4,000 feet below the surface down to  
50 feet below the top of the Mississippian formation under  
the SE/4 NW/4 Section 3, Township 18 South, Range 27 East.

3. That Applicant, Mildred Crane Hudson, Tracy  
Clark and Robert E. Boling are the common owners through-  
out of the working interest oil produced in the Abo  
Reef formation from their Carper-Hudson "A" well, in the

SE/4 NW/4 Section 3, and from their Carper-Hudson "B" well in the SW/4 NW/4 of Section 3. That there are no outstanding overriding royalties or production payment interests and the royalty interest under both wells are identical and are owned by the United States of America.

4. That the acreage in said leases is contiguous, that the production is from the same common source of supply and the ownership of the leases, as to the Abo Reef formation, is common throughout.

5. That Applicant proposes to produce said two units into a common tank battery and to provide adequate facilities for accurately determining production from each well at reasonable intervals.


6. That the United States Geological Survey, as the royalty owner, is being furnished with a copy of this Application and Pan American Petroleum Corporation and Hondo Oil & Gas Company, as the owners of the adjoining oil and gas leases, are being furnished with a copy of this Application by registered mail.

WHEREFORE, pursuant to Rule 309 (b) of the New Mexico Oil Conservation Commission Rules and Regulations, Applicant prays that the Secretary-Director of the New Mexico Oil Conservation Commission grant an exception to Rule 309 (a) of the New Mexico Oil Conservation Commission Rules and Regulations to permit the commingling of production of oil from separate United States of America Oil and Gas



Leases LC 028805 (b) and Las Cruces 055465(b) into a common tank battery without notice and hearing.

LOSEE AND STEWART

By   
A. J. Losee  
Carper Building  
Artesia, New Mexico  
Attorneys for Applicant

1960 JUL 19 PM 1:15

OIL CONSERVATION COMMISSION

BOX 2045

HOBBS, NEW MEXICO

DATE July 19, 1960

OIL CONSERVATION COMMISSION  
BOX 871  
SANTA FE, NEW MEXICO

Re: Proposed NSP \_\_\_\_\_

Proposed NSL \_\_\_\_\_

Proposed NFO \_\_\_\_\_

Proposed DC \_\_\_\_\_

Gentlemen:

JSB 57

I have examined the application dated \_\_\_\_\_  
for the Garper Grilling Co., Inc. Fed. leases LC 028805 b & LC 055465 b  
Operator Lease and Well No. S-T-R

and my recommendations are as follows:

C.K.---L.A.C.

C.K.---J.W.R.

Yours very truly,

OIL CONSERVATION COMMISSION

*Leslie A. Clements*

# Hondo Oil & Gas Company

Box 660

Roswell, New Mexico

July 14, 1960

Mr. A. L. Porter, Secretary  
New Mexico Oil Conservation Commission  
Mabry Hall  
Santa Fe, New Mexico

Dear Mr. Porter:


Reference is made to a letter dated July 11, 1960 from the Law Offices of Losee and Stewart, Artesia, New Mexico, transmitting application of Carper Drilling Company, Inc. for administrative approval of an exception to Rule 309(A) of the Rules and Regulations of the Oil and Gas Conservation Commission to permit the commingling of the production of oil from the Abo Reef formation from Federal Oil and Gas Leases LC 028805(b), SW $\frac{1}{4}$ NW $\frac{1}{4}$  Section 3, Township 18 South, Range 27 East, and LC 055465(b), SE $\frac{1}{4}$ NW $\frac{1}{4}$  Section 3, Township 18 South, Range 27 East,.

Please be advised Hondo Oil & Gas Company, as an offset operator, has no objection to the application to commingle Abo oil production from the above described units.

Yours very truly,

HONDO OIL & GAS COMPANY

By

  
S. H. Cavin,  
Resident Attorney

cc: Mr. John Anderson  
Losee and Stewart  
Carper Drilling Company, Inc.

MAIN OFFICE OCC  
P. O. Box 6721  
Roswell, New Mexico  
1960 AUG 1 AM 8:30

August 31, 1960

Loose and Stewart  
Carper Building  
P. O. Box 1117  
Artesia, New Mexico

Attention: Mr. A. J. Loose

Gentlemen:

Your letter of July 27, 1960, requests approval to commingle in common storage the oil produced from the Abo formation by your wells No. 1-B in the SE $\frac{1}{4}$  sec. 3, T. 18 S., R. 27 E., N.M.P.M., (lease No. LC 028905-b) and No. 1 in the SE $\frac{1}{4}$  sec. 3, T. 18 S., R. 27 E., N.M.P.M., (lease No. LC 035463-b).

You propose to meter the oil produced from your 1-B well and obtain the production from your No. 1 well by subtraction of the metered oil volume from the pipe line runs from the common battery.

The proposed method of measuring the oil produced from the above described wells is acceptable to this office subject to the condition that an individual meter be provided upstream from the positive displacement meter if the oil from your 1-B well requires treatment to put in merchantable condition. The fluid measured from the 1-B well through the meter should be merchantable net oil.

Necessary approval should also be obtained from the New Mexico Oil Conservation Commission.

Very truly yours,

rd.) JOHN A. ANDERSON

JOHN A. ANDERSON  
Regional Oil and Gas Supervisor

Copy to: Artesia (w/cy of exhibits)  
Accounts

\_\_\_\_ NMOC, Santa Fe, (Attn: Mr. Oliver Payne) (ltr. only)