CACTUS DRILLING COMPANY 905 South Cecil Yobbs, Now Merico.

September 5, 1962

Nr. A. L. Porter Oil Conservation Commission P.O. Box 891 Cante Fe, New Mexico

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Plan she officed and on about 40, 1902, occurs Brill-lag Company completed their Holls are Well he. 1, located on State Lagrance No. E 6419, well site being 1980 feet from the North Line and 600 feet from the West Line of Section 16, Township 158, Range 32 E. Storage Sont the 11 was erected at a point 730 feet south of the well site.

Discretember 4, 1962, Gustus Drilling Commany studded their Tobal State Well ho. 2, located on State Lease No. 5-6405, well site being 660 from from the Forth Line and 990 feet from the Feet Line, Section 16, Township 16 S, Range 32 E.

This company obtained the above mentioned state leases from Mobil Oil Company on a farmout agreement. In view of the fact that the two leases have a common royalty owner is well as everyides that are common, it is our desire that we be allowed to produce the two wells or production from the two leases into a common storage tattery. The attached plat shows the acreage that is involved in the two leases a well as the location of the tank battery.

The have discussed the shope matter with Muhil Oil Comform they are agreed his to the ass of common aborter if our proposal will meet with your approval. May we be advised in the matter.

"ours very truly,

s, Geo. W. Baker t/GEO. W. BAKER Vice-President

cc: Land Con Massion Office
Oil od Cas Department
P C Pox 791, Sente Fe, N. Her

ILLEGIBLE

The Lane

State of New Mexico



Commissioner of Public Lands

E. S. JOHNNY WALKER COMMISSIONER



P. O. BOX 791 SANTA FE, NEW MEXICO

September 6, 1962

Cactus Drilling Company P. O. Box 1826 Hobbs, New Mexico

Attn: George W. Baker, Vice-President

Gentlemen:

HOBBS OFFICE

CACTUS DRILLING COMPANY

SEP 7 1962

We have your request dated September 5 to commingle production from your Mobil State Well No. 1 located on State Lease No. E6419 in the SWANWA of Section 16, Township 16S, Range 32 E, with the production from your Mobil State Well No. 2 now drilling on Lease No. E6485 in the NWANWA of this section.

There is a problem of accounting for the production from each lease since each of these leases have only one well to date and they are running on extended terms by production. It will be necessary that this production be maintained in commercial quantities. Therefore, we feel that the production from each of these wells should be separately metered and tested before commingling. If the wells are producing from the same zones and there is no lessening of the state's roxtalty, and proper accounting of the production from each lease is maintained, we would have no objection to the proposed operation.

Very truly yours,

E. S. JOHNNY WALKER COMMISSIONER OF PUBLIC LANDS

By:

TED BILBERRY, Supervisor Oil and Gas Department

630

cc: Oil and Gas Conservation Commission (OCC)

OIL CONSERVATION COMMISSION P. O. BOX 871

SANTA FE, NEW MEXICO

September 7, 1962

Cactus Drilling Company P. O. Box 1826 Hobbs, New Mexico

Attention: Mr. Geo. W. Baker

Gentlemen:

Reference is made to your letter of September 5, 1962, wherein you have requested authority to commingle the production from your State Lease No. E-6419 and your State Lease No. E-6485 in Sections 16 and 20, Township 16 South, Range 32 East, Lea County, New Mexico.

From all appearances this request will be eligible for administrative approval; however, it will be necessary for you to make application in accordance with Rule 309-B of the Commission Rules and Regulations.

Very truly yours,

DANIEL S. NUTTER Chief Engineer

DSN/esr

905 SOUTH CECIL HOBBS, NEW MEXICO

September 5, 1962

lr. A. I. Forter
Gil Conservation Commission
F. O. Box 691
Bante Fe, New Mexico

boar Sir:

Please to advised that on August 20, 1907, Jectus Drilling Company completed their Mobil State Well no. 1, located on State Lease No. E-6419, well site being 1980 feet from the North Line and 600 feet from the West Line of Section 16, Township 16 S, Range 32 E. Storage for the well was erected at a point 330 feet south of the well site.

On September 4, 1962, Cactus Drilling Company spudded their Mobil State Well No. 2, located on State Lease No. E-6485, well site being 660 feet from the North line and 990 feet from the West Line, Section 16, Township 16 S, hange 32 E.

This company obtained the above mentioned state leases from Nobil Oil Company on a farmout agreement. In view of the fact that the two leases have a common royalty owner as well as overrides that are common, it is our desire that we be allowed to produce the two wells or production from the two leases into a common storage battery. The attached plat shows the acreage that is involved in the two leases as well as the location of the tank battery.

We have discussed the above matter with Mobil oil Company and they are agreeable to the use of common storage if such proposal will meet with your approval. May we be advised in the matter.

Yours very truly

Neo. W. Baker

GEO. W. BAKLR Vice-President

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| County Lea | State _ | New Mexico | |
|-------------------|---------------|------------|------|
| Section 16 and 20 | Township 16 S | Range | 32 E |

Remarks:

Scale: No Scale

Mobil State Lse E6419--->

Mobil State Lse \$6485--->

October 2, 1962

REGISTERED MAIL

Subject: Apolication under

Rule 309-B to Commingle. Mobil State Leases E-6419, E-6485, 16-16-32 Lea County. N. Mex

Rumble (il and lafining Company P. C. Sox 1600, Sidland, Toyas

Gentlemen:

For your information, under a farmout agreement made between Cactus Brilling Company and Mobil Oil Company, Roswell, New Mexico, Cactus secured operating rights in two New Mexico State Leases, Nos. E-6419 and E-6485. We have completed one producing well on Lease No. E-6419 and we are in the process of drilling another well on Lease No. E-6485.

In view of the fact that the two leases have a common royalty owner as well as common overrides, it would be economically advantageous to Cactus Drilling Company if they could be allowed to produce from both these leases into a common storage battery, and it is our intention to make such application to the Regulatory body of the State of New Mexico for their review and approval. Acreages that would be involved in this proposal and which are covered by the above numbered state leases are as follows:

NW/4NW/b, SW/4NW/4, E/2SW/4, SW/4SE/4, NE/4SE/4, SW/4NE/4, all of such acreage being in section 16, Township 16 South, kange 32 East.

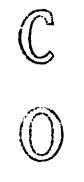
We are furnishing this notice in compliance with Rule 309-B, Paragraph 4. We are sure that you will concur with us in the matter.

Yours very truly,

GEORGE W. BAKER Vice-President

cc: Mr. L. E. Nilsson

c/c







October 2, 1962

RECEIT RED BAIL

Subject: A will dien Under

Rule 309-B to

Commingle. Modil State Leaces E-5419,

E-6485, 16-16-32

Lea County, W. Hex.

Smell dil de many I. J. Box 1356 Roswell, New Harton

Centler on:

For your information, under a farmout a rement made between Cactus Brilling Company and Nobil Cil Company, Hoswell, New Mexico, Cactus recured operating rights in two New Mexico Itate Leases, Nos. E-6419 and E-6485. We have completed one producing well on Lease No. E-6419 and we are in the process of drilling another well on Lease No. E-6485.

In view of the fact that the two leases have a common royalty owner as well as common overrides, it would be economically advantageous to Cactus Drilling Company if they could be allowed to produce from both these wells and both leases into a common storage battery, and it is our intention to make such application to the Regulatory Body of the State of New Lexico for their approval. Acreages that would be involved in this proposal and which are covered by the above numbered state leases are as follows:

ATT/LNW/4, ST/LNW/4, E/2SW/4, SW/4SE/4, NE/49E/4, SW/4NE/4, all of such acreage being in Section 16, Township 16 South, Range 32 Dast.

We are furnishing this notice in compliance with Rule 309-B, Paragraph 4. We are sure that you will concur with us in the matter.

Yours very truly,

GRORGE W. BAKER Vice-President

ec: Mr. 1. 3. Milsson

c/c







October 2, 1962

REGISTERED MAIL

Subject: Application under

Rule 309-B to Commingle.Mobil State Leases E-6419 E-6485, 16-16-32 Lea County, N. Mex.

Sinclair Oil and Gas Company P.O. Box 809 Roswell, New Mexico

Centlamen:

For y ur information, under a tarmout agreement made between Cactum Brilling Company and Mobil Cil Company, Roswell, New Mexico, Cactus secured operating rights in two Hew Mexico State Leases, Nos. E-6419 and E-6485. We have completed one producing well on Lease No. E-6419 and we are in the process of drilling another well on Lease No. E-6485.

In view of the fact that the two leases have a common royalty owner as well as common overrides, it would be economically advantageous to Cactus Drilling Company if they could be allowed to produce from both these leases into a common storage battery, and it is our intention to make such application to the Regulatory Body of the State of New Mexico for their review and approval. Acreages that would be involved in this proposal and which are covered by the above numbered state leases are as follows:

NW/4NV/4, SW/4NW/4, D/2SW/4, SW/4SE/4, NE/4SE/4, SW/4NE/4, all of such acreage being in Section 16, Township 16 South, Range 32 East.

We are furnishing this notice in compliance with Rule 309 B, Paragraph 4. We are sure that you will concur with us in the matter.

Yours very truly,

GEORGE W. BAKER Vice-President

V. 1 12 1 2 111

cc: Mr. L. E. Nilsson

October 2, 1962

HOW THED MAIL

Subject: Application under

Mile Juy-B to Commingle. Mobil Duate Leakes E-5419, E-6485, 10-16-32 Lea County, N. Mex

Continental Dil Company I. . Now 1977 Rosvell, new Textoo

Ger deser:

For your information, wheer a farment all element made between ductum Drilling Company and Mobil Wil Company, Roswell, New Lexico, Cactus secured operating rights in two New Mexico Tulte 12 ases, Nos. 1-6419 and 2-6489. The have completed one producing well on Lease No. E-6419 and we are in the process of crilling another well on Lease No. E-6409.

In view of the fact that the two I does have a common royalty owner as well as common overrides, it would beeconomically advantageout to Cactus Brilling Congany if they could be allowed so produce from both these leases into a common storage bettery, and it is our intention to make such application to the Revolutory Body of the State of No. Toxico for their review and approval. Acreages that would be involved in this proposal and which are covered by the above numbered state leases are as follows:

PW/LIM/4, TW/LMI/h, F/25M/h, SW/4SE/4, NB/453/4, SW/LMD/4, all of the acreage being in Section 16, Township 16 fouth, hange 32 dust.

We are fareishing this notice in conditance with Rule 309+1, Alagraph 4. He are sure that you will concur with us in the matter.

Yours very truly,

GEORGE W. BAKER Vice-Fresident

cc: Mr. L. . Bilsson

October 4, 1952

WILL HAD MILL

Re: Application under Pule 309-B to Commingle. Mobil State Leases E-5419, E-6485 16-16-32 Lea County, New Mexico

Alco Oil and Gas Company C. O. Box 2027 LaFayette, Louisiana

Centlemen:

For your information, under a farmout agreement made between Cactus Drilling Company and Movil Oil Company, Roswell, New Mexico, Cactus secured operating rights in two New Mexico Late Leases, Nos. E-6419 and E-6485. We have completed one producing well on Lease No. E-6419 and we are in the process of drilling another well on Lease No. E-6485.

In view of the fact that the two leases have a common royalty owner as well as common overrides, it would be economically advantageous to Cactus Drilling Company if they could be allowed to produce from both these leases into a common storage battery, and it is our intention to make such application to the Fegulatory Body of the State of New Mexico for their review and approval. Acreage that would be involved in this proposal and which is covered by the above numbered state leases is as follows:

MM/4NW/4, SW/4NW/4, E/20W/4, OW/4SE/4, NE/4SE/4, DW/4NE/4, all of such acreage being in Section 10, Yownship 16 Couth, hange 32 East, Lea County, New Merico.

We are furnishing this notice in compliance with Rule 309-B, Paragraph 4. He are sure that you will concur with us in the matter.

Yours very truly,

GEORGE W. BAKER Vice-President

cc: Mr. L. A. Milsson