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1964 AUG 10 PM 3 32

July 31, 1964

CTF-121

Mr. Don Helm
Standard Oil Company of Texas
Box 579
Hobbs, New Mexico

Re: Request to Commingle production
from San Andres, Paddeok and
Yates pools on State Leases
5-27 (B-1839) 4-27 (B-1840)
Sec. 27, Twp. 17S, Rge 35E.
Lea County.

Gentlemen:

Since ownership is common throughout the proposed operation and since the State will not lose any royalty through commingling, this office approves your request.

The Commissioner of Public Lands, however reserves the right to amend or withdraw this approval should there be any change in which the State would lose in royalty.

Very truly yours,

L. S. JOHNNY WALKER
COMMISSIONER OF PUBLIC LANDS

BY:

RONALD MARTINEZ
OIL & GAS DIVISION

cc: Oil Conservation Commission
Oil & Gas Accounting Commission

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MAIN OFFICE 000

1964 AUG 5 AM 11:52

July 30, 1964

Mr. Don Helms
Standard Oil Company of Texas
Box 579
Hobbs, New Mexico

Re: Request to commingle production
from undesignated (Paddock)
on lease State 4-27(B-1840) and
State 5-27 (B-1839)

Gentlemen:

Refer to your letter of April 27, 1964.

Standard Oil Company of Texas is hereby granted permission from this office to commingle production from Und. (Paddock) pools on the two state leases shown above.

This is granted on the condition that the Commissioner of Public Lands reserves the right to amend or withdraw approval if the State has a loss of royalty through this commingling operation.

Also we would like to have a schematic diagram showing lines, meters and tanks for this operation.

Yours very truly,

E. S. JOHNNY WALKER
COMMISSIONER OF PUBLIC LANDS

BY:

ROMULO MARTINEZ
OIL & GAS DIVISION

ESJW/RM/me

cc: Oil Conservation Commission
Oil & Gas Accounting Commission

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STANDARD OIL COMPANY OF TEXAS

Drawer "S"
Monahans, Texas
April 27, 1964

APR 28 10 26 AM '64

CTB-121

New Mexico Oil Conservation Commission
P. O. Box 1980
Hobbs, New Mexico

Gentlemen:

Standard Oil Company of Texas, A Division of California Oil Company,¹ respectfully requests administrative approval to commingle Undesignated (Paddock) production from its State 4-27 (B-1840) Lease with Undesignated (Paddock) production from the State 5-27 (B-1839) Lease. All of this production has the same formation origin with identical working interest and royalty interest. Production will be via an existing tank battery in Unit Letter K or approximately 2600' FWL and 1980' FSL of Section 27, Range 35 East, Township 17 South, Lea County, New Mexico. This battery at present contains 2-500 barrel tanks, a three phase metering separator and heater.

The State 5-27 Lease at present contains only one Paddock well. The well is in the process of completion but from logs is anticipated to be top allowable. This lease will probably ultimately contain three additional producers.

The State 4-27 Lease contains three top allowable producers with the final well on the lease, well number 10, now being drilled.

Production will be prorated to the State 5-27 producer(s) through periodic well tests utilizing the three phase metering separator at the State 4-27 battery.

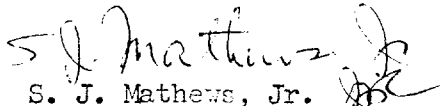
Attached is a copy of the purchaser's waiver being sent to Texas-New Mexico Pipeline Company and a lease plat showing existing wells along with the one currently being drilled. This is being sent for your consideration to expedite this proposal. We anticipate early approval of the attached waiver and will transmit another copy as soon as executed.

A copy of this application is being sent to the Commissioner of Public Lands for the State of New Mexico for his approval.

New Mexico Oil Conservation Commission
Page 2
April 27, 1964

Please advise if we can supply additional information in regard to this proposal.

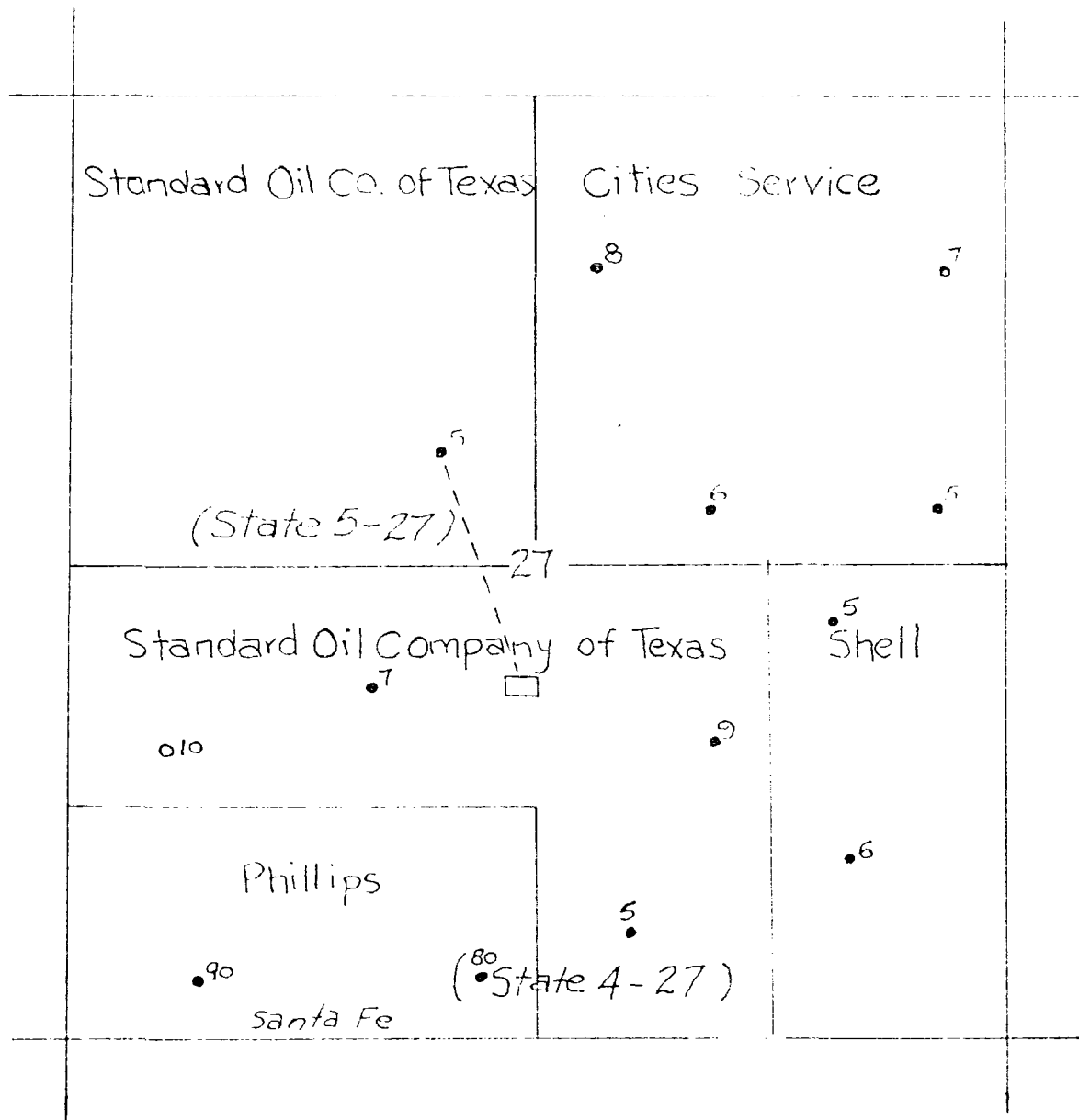
Very truly yours,


S. J. Mathews, Jr.
District Superintendent

JEP:jd

Attachments

cc: Commissioner of Public Lands, P. O. Box 791, Santa Fe, New Mexico
Texas-New Mexico Pipeline Company, P. O. Box 1510, Midland, Texas



**WAIVER OF OBJECTIONS BY PURCHASER
TO COMMINGLING OF OIL PRODUCTION**

TO: New Mexico Oil Conservation Commission

This is to state that the undersigned has been advised of the proposal by Standard Oil Company of Texas, A Division of California Oil Company, for commingling of produced oil from the Padlock formation of their State 4-27 (B-1840) Lease with Padlock production from their State 5-27 (B-1839) Lease. All wells are located in the Undesignated (Padlock) Field of Lea County, New Mexico.

It is understood that Padlock production from the State 5-27 Lease will be commingled with Padlock production on the State 4-27 Lease and sold through the existing facilities. Production from the State 5-27 Lease (at present one well with maximum of four wells) will be prevented by utilizing periodic well tests through a metering separator at the tank battery.

The undersigned waives any objections to the carrying out of such commingling practices as stated above.

SIGNED: _____

FOR: Texas-New Mexico Pipeline Company

DATE: _____

