

PHILLIPS PETROLEUM COMPANY

Exploration & Production Department

Production Division P. O. Box 2130 Hobbs, New Mexico

October 20, 1964

Mr. A. L. Porter, Jr., Secretary-Director (3) New Mexico Oil Conservation Commission P. O. Box 2088 Santa Fe, New Mexico

Dear Sir:

Phillips Petroleum Company hereby applies for Administrative exception to Rule 309-A to commingle Vacuum Grayburg-San Andres production from seven separate State Land leases into one central tank battery. These leases are described as follows, all in Township 17 South, Range 35 East, Lea County:

B-960 NW/4 NW/4 Section 25 B-1497 NW/4 and SW/4 NE/4 Section 26 B-1608 NW/4 SW/4 and NE/4 SE/4 Section 26 B-1861 SE/4 NE/4 Section 26 B-2131 S/2 SW/4 Section 26 B-2360 NE/4 SW/4 Section 26 B-2519 NW/4 Section 35

Each of the wells on these leases produce from the Vacuum San Andres Pool and are presently producing into the Santa Fe Lease Battery No. 11. All of the wells, including No. 77 which was recently completed, have been producing into this battery as authorized under Order No. R-123 which granted exception to the old Rule 309, Central Tank Batteries.

There is attached a copy of the Commissioner of Public Lands letter that approves the commingling of production from these leases. Also, there is attached a plat showing the locations of the leases, wells and battery, and a sketch of the tank battery equipment and testing facilities.

Each of these leases has a common working interest and the royalty interest is also common throughout. The allocation of production to each of the leases is on the basis of periodic well tests.

Very truly yours,

Area Superintendent

MGC:wma Attach.

State of New Mexico



Commissioner of Public Lands

E. S. JOHNNY WALKER COMMISSIONER



P. O. BOX 1148 SANTA FE, NEW MEXICO

October 16, 1964

Phillips Petroleum Company Exploration & Production Department Post Office Box 2130 Hobbs, New Mexico

Att: W. C. Rodgers

In RE: Request to commingle production from seven State leases numbers 8-960, 8-1497, 8-1608, 8-1861, 8-2131, 8-2360, and 8-2519 into Santa Fe Battery Number No. 11.

Gentlemen:

In reference to the above request, this office does hereby grant its approval to commingle from the Vacuum San Andres Pool, since Phillips had approval through Order No. R-123.

There is one change that must be made relative to your land description. You describe the $E\frac{1}{2}SE\frac{1}{2}$ of Section 26 as belonging to B-1608, and it does not belong to this lease. The $SE\frac{1}{2}SE\frac{1}{2}$ belongs to B-2073.

This approval is given on the condition that the Commissioner of Public Lands reserves the right to amend or withdraw his approval at any time should a loss of revenue occur at any time through this installation.

Very truly yours,

E. S. JOHNNY WALKER, Commissioner of Public Lands

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