

PHILLIPS PETROLEUM COMPANY

Exploration & Production Department

P. O. Box 2130 Hobbs, New Mexico

October 21, 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 Abo Reef 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
	and $S/2 SW/4 Section 27$
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	NE/4 Section 34 and NW/4 Section 35

Each of the wells on these leases produce from the Vacuum Abo Reef Pool and are presently producing into the Santa Fe Lease Battery No. 14. All of the wells have been producing into this battery as authorized under Order No. R-2628 which granted exception to Rule 309-A; however, because our original application did not include commingling between State leases, we now request administrative approval for this commingling.

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 Production Division

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 B-960, B-1497, B-1608, B-1861, B-2131, B-2360, and B-2519 into Santa Fe Battery No. 14.

Gentlemen:

The Oil and Gas Department of the State Land Office hereby approves the above request to commingle production from the Vacuum Abo Reef Pool since Phillips had previous permission through Order No. R-2628, and since ownership is common throughout.

One change must be made on your land description. You are describing the Et SEX of Section 26 as belonging to B-1608, and in actuality, the SEXSEX 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 through this operation.

> Very truly yours, E. S. JOHNNY WALKER, Commissioner of Public Lands

TED BILBERRY, Director,

Oil and Gas Department

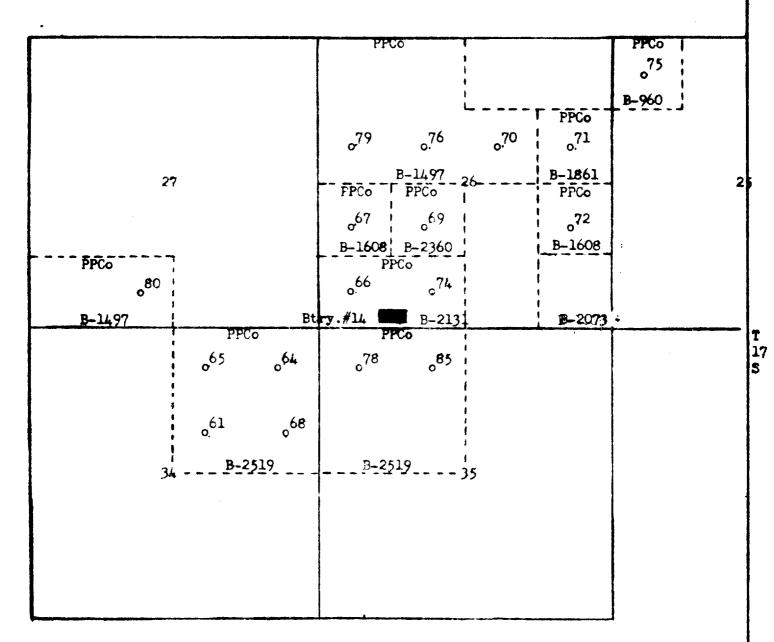
ESJW/RGM/TB/kcl

w/cc to:

Oil Conservation Commission

Oil and Gas Accounting Commission

Phillips Petroleum Company Santa Fe Lease Lea County, New Mexico



R-35-E

Vacuum Abo Reef Pool