GOVERNOR JACK M. CAMPBELL CHAIRMAN

State of New Mexico

Bil Conservation Commission

LAND COMMISSIONER GUYTON B. HAYS MEMBER



STATE GEOLOGIST
A. L. PORTER, JR.
SECRETARY - DIRECTOR

P.O.BOX 2088 SANTA FE

December 15, 1966

Mobil Oil Corporation P. O. Box 633 Midland, Texas 79701

Attention: Mr. T. A. Payne

Administrative Order OLS-48

Gentlemen:

Reference is made to your application dated November 22, 1966, for administrative approval of off-lease storage for your State "K" Well No. 6, located in Unit L of Section 18, Township 17 South, Range 35 East, Vacuum (Grayburg-San Andres) Pool, Lea County, New Mexico. It is our understanding that you propose to locate the tank battery for said State "K" Lease on your New Mexico "O" Lease in the SW/4 SW/4 of said Section 18.

Pursuant to the provisions of Commission Rule 309-C, Mobil Oil Corporation is hereby authorized the aforesaid off-lease storage, provided that there shall be no intercommunication of the handling, separating, treating, or storage facilities designated to each lease.

Very truly yours,

A. L. PORTER, Jr. Secretary-Director

ALP/DSN/esr

Cc: Oil Conservation Commission - Hobbs
Oil & Gas Engineering Committee - Hobbs
State Land Office - Santa Fe

Mobil Oil Corporation

P.O. BOX 633 MIDLAND, TEXAS 79701

August 10, 1966

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

REQUEST FOR ADMINISTRATIVE APPROVAL, LEASE COMMINGLING

STATE K, WELL #6 & NEW MEXICO O, WELL #1 UNIT L & UNIT M, SEC. 18, T-17S, R-35E GRAYBURG-SAN ANDRES POOL LEA COUNTY, NEW MEXICO

Hold for the

Dear Mr. Porter:

It is requested that Mobil Oil Corporation be allowed to commingle the oil production from the State K, #6 Well located in Unit L, Section 18, T-17S, R-35E, with oil from the New Mexico O, #1 Well located in Unit M, Section 18, T-17S, R-35E; both wells produce from the Vacuum, Grayburg-San Andres Pool.

The royalty ownership in each well is identical; Mobil owns 100% of the working interest in each.

The State K, #6 Well has a current oil allowable of 3 BOPD and the New Mexico O, #1 Well has a current allowable of 4 BOPD.

If it is permissible, the State K #6 tank battery will be eliminated and the oil from the #6 Well will be commingled with the oil production from the New Mexico O #1 Well at the New Mexico O #1 tank battery; the oil will be credited to each lease based on monthly well tests.

Attached are a plat, a schematic diagram and a letter from the pipeline purchaser consenting to this commingling proposal.

Ira B. Stitt, Jr.

Division Operations Engineer

RLF/wt

Attachments

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