

PAN AMERICAN PETROLEUM CORPORATION

Post Office Box 68
Hobbs, New Mexico

April 28, 1961

File: VES-232-400 x 986.510.1

Subject: Application To Commingle
Oil Production - Greenwood
Unit Lease, Eddy County,
New Mexico

Mr. A. L. Porter (3)
Secretary-Director
New Mexico Oil Conservation Commission
Post Office Box 871
Santa Fe, New Mexico

Dear Mr. Porter:

Pan American Petroleum Corporation hereby submits application for the commingling of oil production from the following wells and oil pools:

Greenwood Unit Well No. 3, located 1984.5 feet from the north line and 660 feet from the east line in the SE/4 NE/4 of Section 27, T-18-S, R-31-E, NMPM, Eddy County, New Mexico. This well is dually completed in the Undesignated Bone Springs and Undesignated Wolfcamp Oil Pools.

Greenwood Unit Well No. 4, located 660 feet from the north line and 660 feet from the west line in the NE/4 NE/4 of Section 27, T-18-S, R-31-E, NMPM, Eddy County, New Mexico. This well is completed in the Shugart Delaware Oil Pool.

In support of our request for exception approval without notice and hearing to Rule 303(a) to permit the commingling in common facilities of the commonly owned production from two or more common sources of supply, the following is submitted:

1. The oil production from each common source will be accurately measured and determined prior to commingling.
2. Application filed in triplicate.
3. Detailed data of liquid hydrocarbons:

Pool	Gravity °API	Value/Bbl.	Production, BOPD
Wolfcamp	43	2.95	132
Bone Springs	41	2.95	105
Delaware	36.5	2.89	35
Commingled Production	41.7	2.95	272

P.C. - 31
waiting period

due May 21

The commercial value of the commingled production will be more than the sum of the production from each common source of supply by approximately \$2.10/day or \$766.50 per year.

4. Schematic diagram of proposed installation attached. Tank battery facilities to be located in SE/4 SE/4 NE/4 of Section 27, T-18-S, R-31-E, NMPM, Eddy County, New Mexico.
5. Plat showing the location of all wells on Greenwood Unit Lease and pools from which each well is producing.
6. By registered mail copies of this letter are being mailed to all persons owning any interest of record in subject acreage. Record owners' names appear on attachment to this letter.

Yours very truly,



V. E. Staley
Area Superintendent

ATTACHMENT

LIST OF OWNERS

Continental Oil Company
P. O. Box 5565
Dallas 22, Texas

Mercury Oil Company
P. O. Box 426
Artesia, New Mexico

B. M. Keohane and Margie T. Keohane
P. O. Box 522
Roswell, New Mexico

S. J. Iverson
1503 Oil & Gas Bldg.
Fort Worth, Texas

V. S. Welch
Booker Building
Artesia, New Mexico

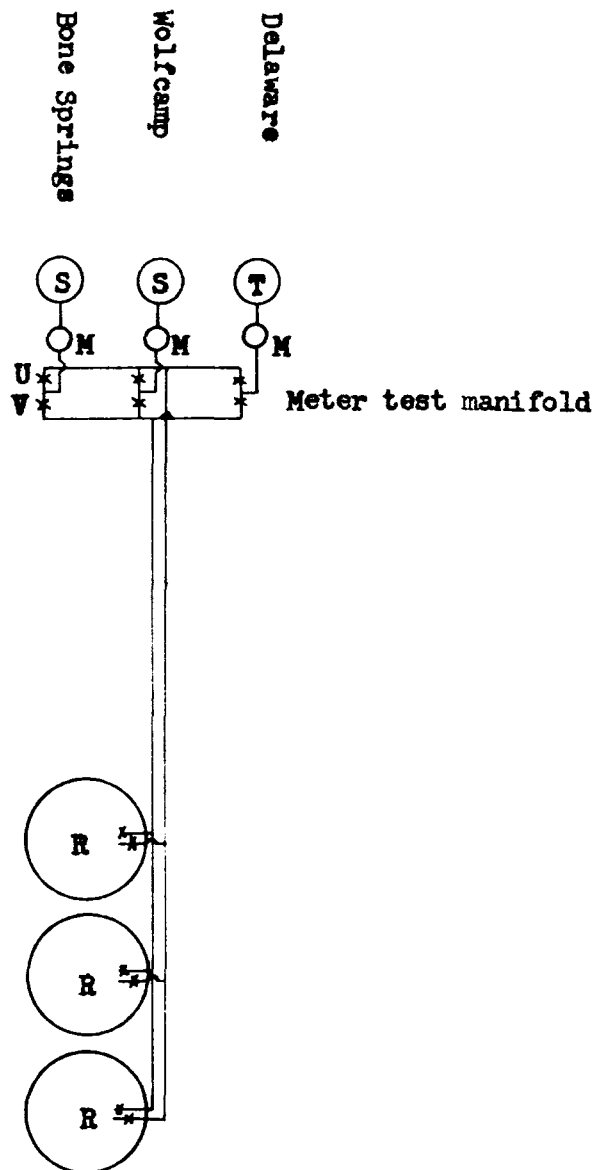
Sue Sanders Graham
P. O. Box 172
Salt Lake City 10, Utah

Elyse Saunders Patterson
6444 Indian Lane
Prairie Village 15, Kansas

Sally Saunders Toles
P. O. Box 1144
Roswell, New Mexico

United States Geological Survey
P. O. Drawer 1857
Roswell, New Mexico

New Mexico Oil Conservation Commission
Post Office Drawer DD
Artesia, New Mexico



PAN AMERICAN PETROLEUM CORPORATION

Schematic Diagram Of Proposed Greenwood Unit Commingling Installation
located SE/4 SE/4 NE/4 Sec. 7, T-18-S, R-31-E, Bddy County, New Mexico

SCALE:

DRG.
NO.

LARGE FORMAT
EXHIBIT HAS
BEEN REMOVED
AND IS LOCATED
IN THE NEXT FILE

PAN AMERICAN PETROLEUM CORPORATION

Post Office Box 68
Hobbs, New Mexico

September 20, 1961

File: VES-473-541.112 x 400

Subject: Commingling Oil Production
Greenwood Unit, Eddy County,
New Mexico

Mr. A. L. Porter
Secretary Director
New Mexico Oil Conservation Commission
Santa Fe, New Mexico

Dear Sir:

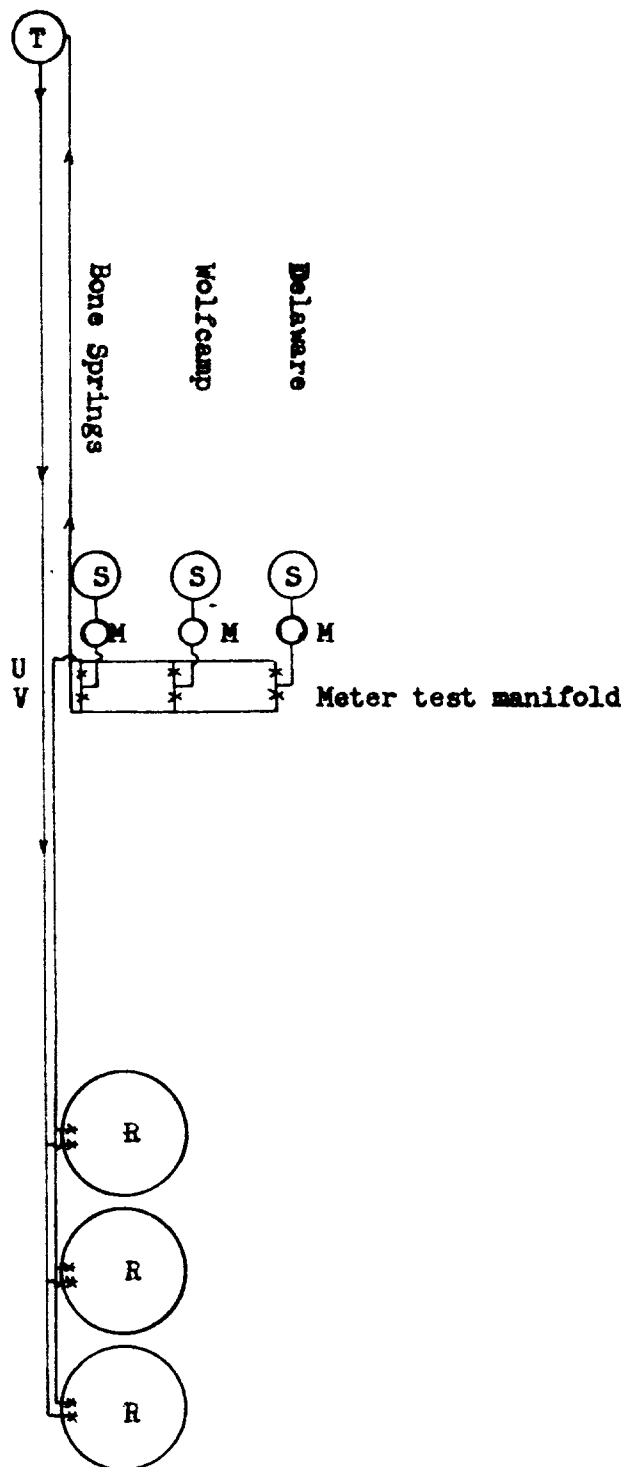
This has reference to the above subject ending with your letter of May 26, 1961, furnishing Administrative Order PC-31 wherein approval for commingling was granted as per our application of April 28, 1961.

Pan American Petroleum Corporation now respectfully requests that permission be granted to commingle prior to treating, utilizing A. O. Smith T-6, temperature compensated meters each being equipped with an automatic sampler. The production from each reservoir will enter individual separators and pass through individual meters equipped with samplers. After metering and sampling, the production will be commingled and treated prior to entering stock tanks. Attached is a schematic diagram of the proposed battery installation.

Yours very truly,

V. E. Staley

BAK:bw
Attachment



V - Block Valve

S - Separator

T - Treater

M - Positive Displacement Meter Equipped with Automatic Sampler

R - Stock Tank

U - Block Valve

PAN AMERICAN PETROLEUM CORPORATION

SCALE:

Schematic Diagram Of Proposed Greenwood Unit Commingling Installation
located SE/4 SE/4 NE/4 Sec. 7, T-18-S, R-31-E, Eddy County, New Mexico.

DRG.
No.

OIL CONSERVATION COMMISSION

P. O. BOX 871
SANTA FE, NEW MEXICO

ILLEGIBLE

September 27, 1961

**Pan American Petroleum Corporation
P. O. Box 68
Hobbs, New Mexico**

Attention: Mr. V. E. Staley, Area Superintendent

Gentlemen:

Reference is made to your letter, dated September 20, 1961, in which you requested permission to commingle the production of oil prior to its being treated, the treating stage being an addition to the commingling facility for your Greenwood Unit, Eddy County, New Mexico, as approved by Administrative Order PC-31, dated May 26, 1961.

Permission is hereby given to you to include the treater in the above-mentioned facility as outlined in your application. It should be noted that the commingling operation must be conducted in accordance with the provisions of Section I and Section II 2-A of the Commission Manual for the Installation and Operation of Commingling Facilities, dated September 13, 1961.

Very truly yours,

**A. L. PORTER, JR.,
Secretary-Director**

ALP/JEM/csr

**cc: Oil Conservation Commission
Hobbs, New Mexico**

OIL CONSERVATION COMMISSION

P. O. BOX 871

EL PASO, TEXAS

January 1, 1931

Dear Sir:

Enclosed for you are

three copies of the

Commission's report on the

oil situation.

Reference is made to the fact that the Commission was organized in 1921, to study the oil situation in the United States and to report thereon to the President. The Commission has since that time been engaged in a study of the oil situation in the United States and has prepared a report thereon which is being presented to the President.

The Commission is hereby pleased to present to you the report of the Commission on the oil situation in the United States. The report is being presented to you in three copies, one of which is being retained by the Commission. The report is being presented to you in three copies, one of which is being retained by the Commission.

Very truly yours,

W. H. H. H.

W. H. H. H.

Oil Conservation Commission
El Paso, Texas