

PAN AMERICAN PETROLEUM CORPORATION

Post Office Box 68
Hobbs, New Mexico

March 22, 1968

File: VES-103-400

Subject: Amendment to Order PC-73
State "CK" Lease Commingling of
Production from Various Pools
Lea County, New Mexico

New Mexico Oil Conservation Commission (3)
P. O. Box 2088
Santa Fe, New Mexico 87501

Gentlemen:

Amendment dated March 14, 1963 to Administrative Order PC-73 authorizes the commingling of our State "CK" Lease, located in Section 19, T-21-S, R-37-E, Lea County, New Mexico, production from the Penrose-Skelly, Drinkard, Paddock, and Blinebry Oil Pools. Production from each pool is separately measured except that of the Blinebry Oil Pool which is determined by the deduction method.

All zones in all three wells are marginal and are incapable of producing their top unit allowable. Attachment I depicts production for January and February for all wells in all zones.

In view of the above, we propose that Administrative Order PC-73 be amended to provide for commingling without separately measuring the production from any zone. Pool and well production to be allocated on a well test basis to be taken periodically. Attachment II is a schematic of the proposed installation.

Attachment III reflects the relative location of the lease, wells, and commingled battery.

There is no diversity of ownership between zones of the lease.

~~Yours very truly,~~

V. E. Staley
Area Superintendent

RRY/jt

cc: New Mexico Oil Conservation Commission
P. O. Box 1980
Hobbs, New Mexico 88240

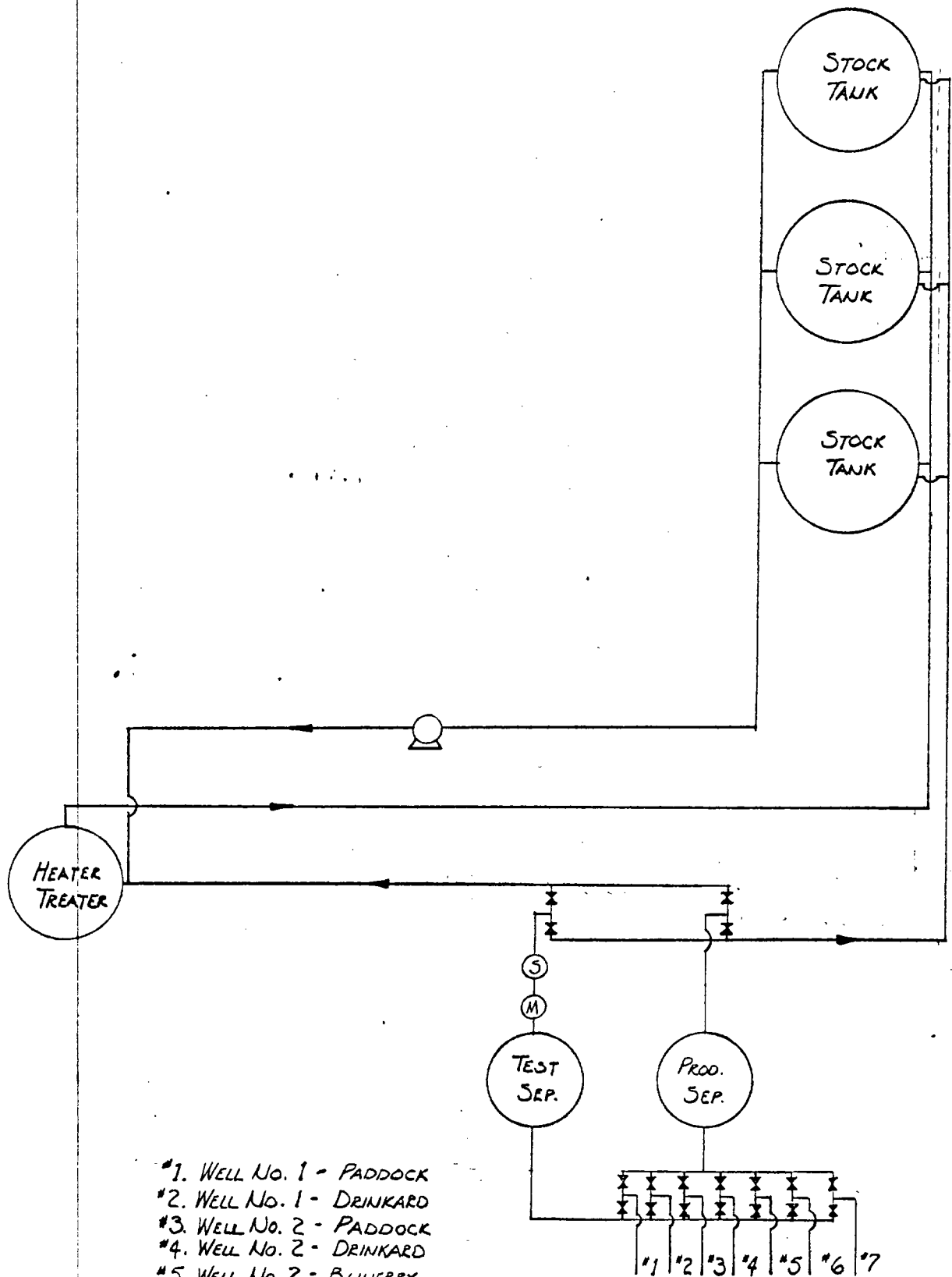
cc: Commissioner of Public Lands
State of New Mexico
P. O. Box 1148
Santa Fe, New Mexico 87501

*Amend PC 73
monthly tests*
68 MAR 25 AM 10 27

ATTACHMENT I

STATE "CK" LEASE COMINGLED BATTERY

	WELL NO. 1		WELL NO. 2		WELL NO. 3		TOP FIELD ALLOW
	<u>MONTH</u>	<u>DAILY</u>	<u>MONTH</u>	<u>DAILY</u>	<u>MONTH</u>	<u>DAILY</u>	
Blinebry-Oil, Jan. Prod. Bbls							
Feb. "			80	2.6	123	4.0	75
			90	3.1	129	4.4	78
Paddock-Oil, Jan. Prod. Bbls							
Feb. "	1953	63.0	2032	65.5			75
	1778	61.3	1862	64.2			78
Drinkard-Oil, Jan. Prod. Bbls							
Feb. "	210	6.8	904	29.2			100
	200	6.9	850	29.3			103
Penrose Skelly-Oil Jan. Prod. Bbls							
Feb. "					226	7.3	56
					221	7.6	58



- #1. Well No. 1 - Paddock
- #2. Well No. 1 - Drinkard
- #3. Well No. 2 - Paddock
- #4. Well No. 2 - Drinkard
- #5. Well No. 2 - Blinebry
- #6. Well No. 3 - Penrose Skelly
- #7. Well No. 3 - Blinebry

PAN AMERICAN PETROLEUM CORPORATION

PROPOSED COMMINGLING INSTALLATION
STATE "CK" LEASE (19-21-37)

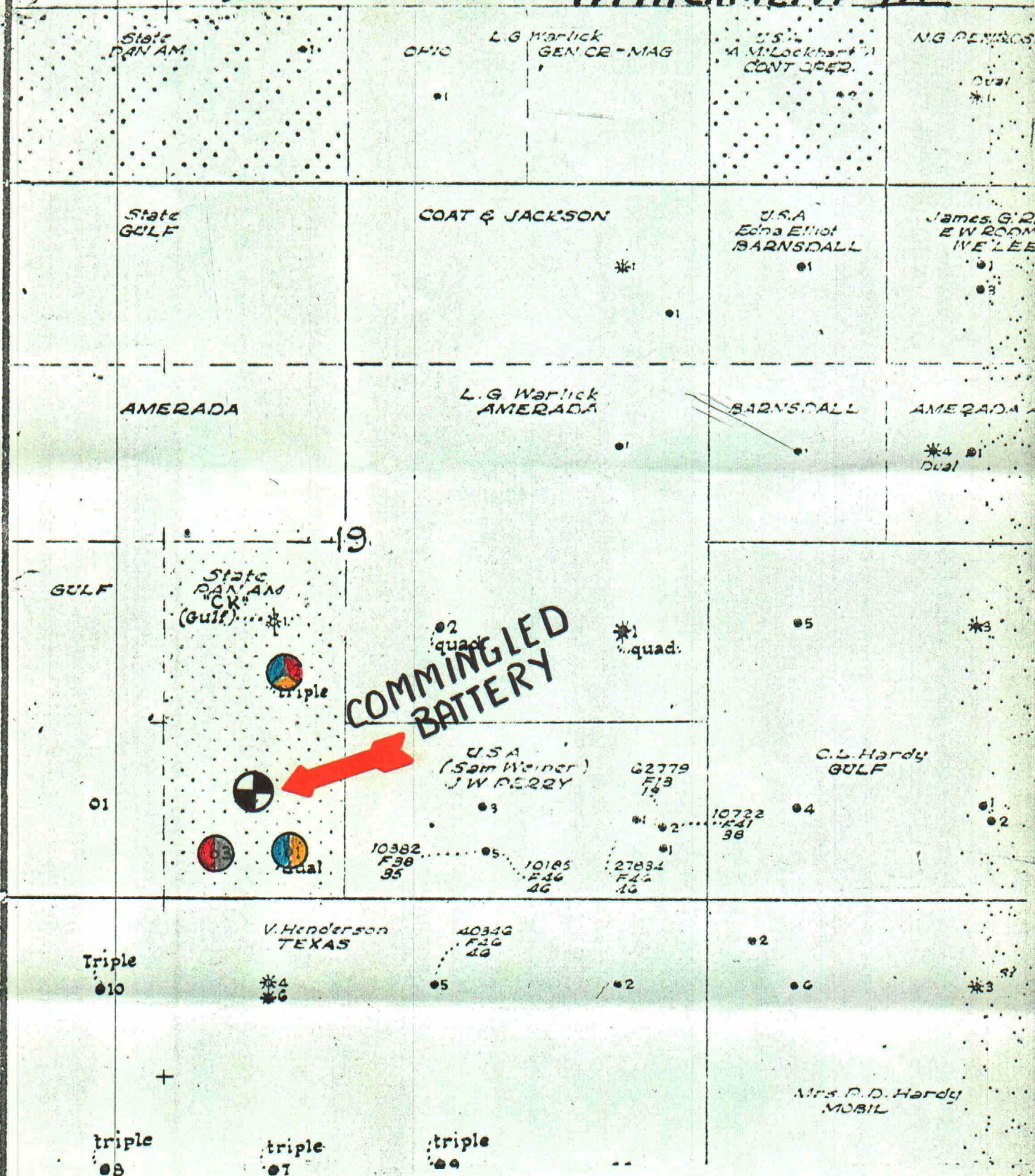
SCALE: None

DRG.
No.

R-37-E

ATTACHMENT-III

T
21
S



- LEGEND**
- Blinebry Oil
 - Paddock Oil
 - Drinkard Oil
 - Grayburg Oil
- ~30~
H.T. Matter
GULF
"S"

Pan American Petr. Corp.
STATE 'CK' LEASE
Eunice Area
 Lea County, New Mexico
 Scale: 1" = 1000'

PAN AMERICAN PETROLEUM CORPORATION

Post Office Box 68
Hobbs, New Mexico

April 11, 1968

File: VES-143-400

Subject: Amendment to Order PC-73
State "CK" Lease
Lea County, New Mexico

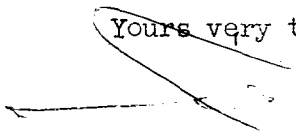
New Mexico Oil Conservation Commission
Post Office Box 2088
Santa Fe, New Mexico 87501

Gentlemen:

Reference is made to our letter dated March 22, 1968, File: VES-103-400, requesting amendment to Order PC-73 to provide for pool commingling without metering.

Attached is a copy of the letter approval from the Commissioner of Public Lands in connection with our request.

Yours very truly,



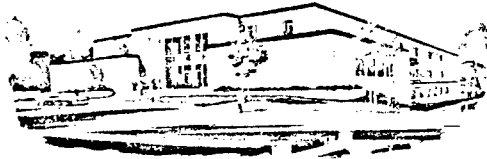
V. E. Staley
Area Superintendent

RRY/bsh

Attachment

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State of New Mexico



Commissioner of Public Lands



GUYTON B. HAYS
COMMISSIONER

April 9, 1968

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PAN AMERICAN	
PETROLEUM CORP.	
APR 10 1968	
HOBBS, N. M.	
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ATT	
P. O. BOX 1148	
SANTA FE, NEW MEXICO	
FILE	

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Re: Your File VES-104-400

Commingling of Pool Production on
State "CK" Lease from Various Pools,
Lea County, New Mexico

Pan American Petroleum Corporation
P. O. Box 68
Hobbs, New Mexico
88240

Attention: V. E. Staley, Area Superintendent

Gentlemen:

You may disregard our letter of April 1, requesting a \$10 filing fee for permission to commingle the captioned pools, without metering, as we have determined that this fee is not required.

The Commissioner of Public Lands hereby grants your request to commingle without separate metering, with the reservation that he may withdraw this approval if at any time, in his discretion, he deems this operation to be adverse to the best interests of the State of New Mexico.

Very truly yours,

GUYTON B. HAYS
Commissioner of Public Lands

By: *Ted Bilberry*
TED BILBERRY, Director
Oil and Gas Department

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TB:jc