

OK to
Commingle
as proposed
after separately metering
each pool.
cc - J2

1962 APR 28 AM 10:31
Post Office Box 68
Hobbs, New Mexico

NEW MEXICO OCC
1962 APR 28 AM 8:31

April 27, 1962

File: VES-139-400 x 986.510.1

Subject: Application to Commingle
Blinebry Oil Production -
Southland Royalty Company
"A" Lease, Lea 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 and condensate production from the following wells and pools:

Southland Royalty Co. "A" No. 1 located in Unit G, Section 9, T-21-S, R-37-E, NMPM, Lea County, New Mexico. This well is dually completed in the Blinebry (oil) and Drinkard (oil) pools.

Southland Royalty Co. "A" No. 2 located in Unit B, Section 9, T-21-S, R-37-E, NMPM, Lea County, New Mexico. This well is dually completed in the Drinkard (oil) and Tubb (gas) pools.

Southland Royalty Co. "A" No. 3 located in Unit V, Section 4, T-21-S, R-37-E, NMPM, Lea County, New Mexico. This well is dually completed in the Drinkard (oil) and Tubb (oil) pools.

Southland Royalty Co. "A" No. 4 located in Unit X, Section 4, T-21-S, R-37-E, NMPM, Lea County, New Mexico. This well is dually completed in the Drinkard (oil) and Tubb (gas) pools.

Southland Royalty Co. "A" No. 5 located in Unit Q, Section 4, T-21-S, R-37-E, NMPM, Lea County, New Mexico. This well is dually completed in the Drinkard (oil) and Blinebry (gas) pools.

Southland Royalty Co. "A" No. 6 located in Unit H, Section 9, T-21-S, R-37-E, NMPM, Lea County, New Mexico. This well is dually completed in the Drinkard (oil) and Blinebry (gas) pools.

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 measured separately utilizing A. O. Smith T-6 temperature compensated meters. The BS&W content will be periodically determined by centrifugal testing procedures.
2. The A. O. Smith T-6 meters will be proved monthly in the existing 500 bbl. stock tanks.
3. Testing wells from each source of supply will be performed as follows: Drinkard oil wells will be tested utilizing a test separator; the Blinebry oil well will be on test daily. If more than one Blinebry (oil) or Tubb (oil) well is completed, the wells will be tested by shutting-in all but one well and testing. If production losses occur when utilizing the above procedure, the test separator will be equipped as shown in Figure No. 2 of the "Manual for Installation and Operation of Commingling Facilities"; the Blinebry-Tubb condensate well test will be performed by shutting-in all but one well and testing; the Tubb oil well will be on test daily and if more than one Tubb oil well is completed the test separator will be equipped as indicated above.
4. Detailed data of liquid hydrocarbons:

	<u>Pools</u>	<u>Expected Gravity</u>	<u>Expected Price/bbl</u>	<u>Est. Annual Production</u>
A.	Tubb (oil), Drinkard (oil) Blinebry & Tubb (condensate)	40.2	\$3.01	93,195
B.	Blinebry (oil)	42.5	\$3.01	17,155
C.	Commingled	40.6	\$3.01	110,350

The commercial value before and after commingling is expected to be the same.

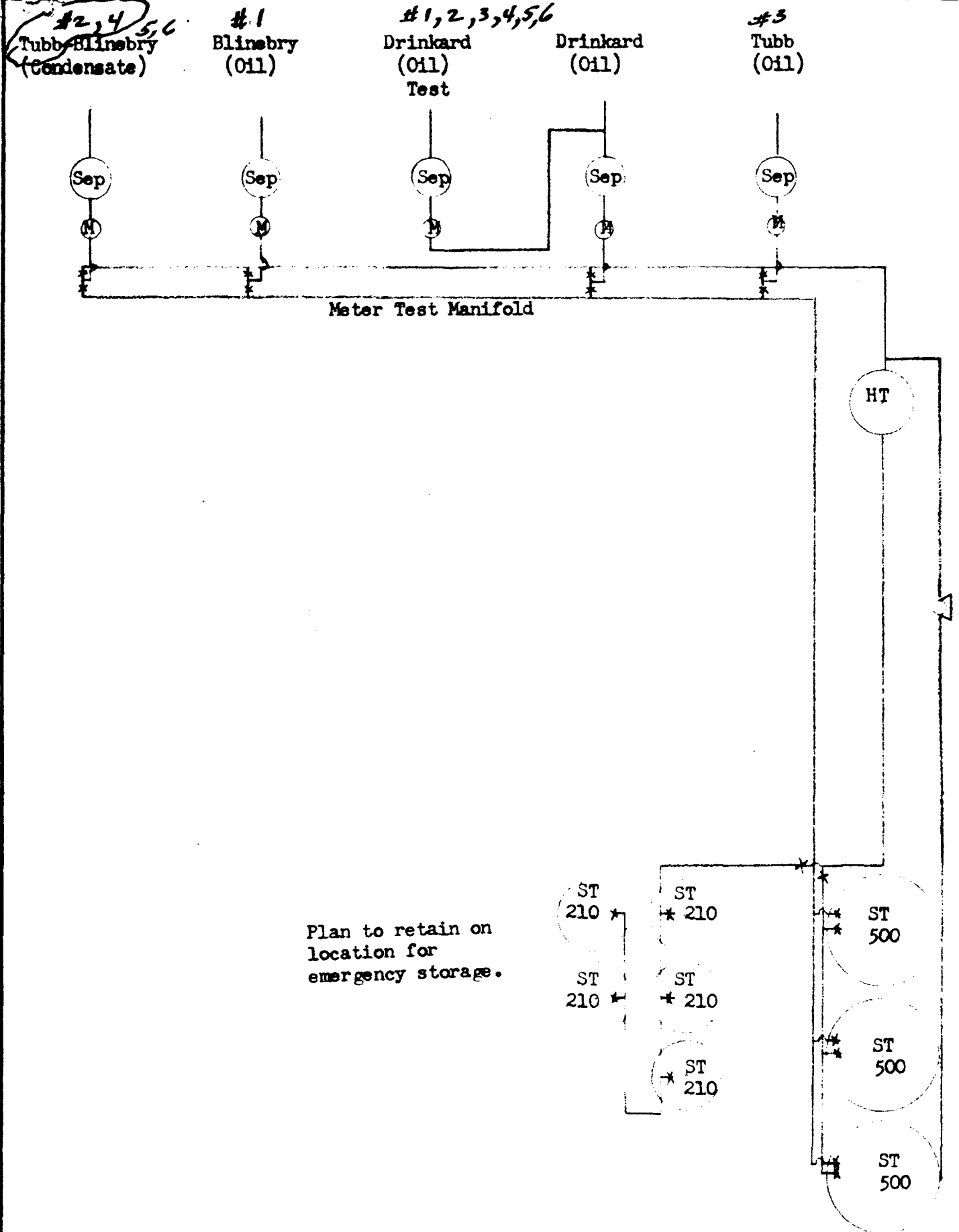
5. Schematic diagram of proposed installation is attached. Tank battery facility to be located in SW/4 NE/4 Section 9, T-21-S, R-37-E, Lea County, New Mexico.
6. Plat showing the location of all wells on the Southland Royalty Company "A" Lease and the pools from which each well is producing is attached.

Yours very truly,

Original Signed by:
V. E. Staley

V. E. Staley
Area Superintendent

Attachments



BLINEBRY GAS YESO 5500

CONT'L
Hawk "A"






CONT'L
Hawk "A"

CONT'L
Hawk "B"

CONT'L
Lockhart

PAN AM. - SOUTHLAND ROYALTY LEASE

WELL LEGEND

-  BLINEBRY GAS WELL
-  BLINEBRY OIL WELL
-  TUBB GAS WELL
-  TUBB OIL WELL
-  DRINKARD OIL WELL

WESTERN OIL FIELD

Southland Royalty Co.

PAN AM.

PAN AM.

Southland Royalty Co.

PAN AM.

CONT'L
State

HUMBLE
State "V"

TIDEWATER
State "S"

LIVINGSTON
SHELL

LIVINGSTON
SHELL

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