

GENERAL OFFICE  
Box 2040  
TULSA 2, OKLA.

AMERADA PETROLEUM CORPORATION

Box 668

HOBBS, NEW MEXICO

December 27, 1962

✓ New Mexico Oil Conservation Commission  
P.O. Box 871  
Santa Fe, New Mexico

Re: Application of Amerada Petroleum Corporation  
for administrative approval of zone comingling  
of production on its State D"C" Lease,  
Lea County, New Mexico.

Gentlemen:

By letter of application dated November 16, 1962 Amerada Petroleum Corporation asked for administrative approval for zone comingling of production on its State D"C" Lease located in Sec.19-T21S-R37E, Lea County, New Mexico.

Since the filing of subject application, approval from the State Commissioner of Public Lands has been obtained and three copies of the approval are attached.

Yours very truly,



D. C. Capps  
District Superintendent

AES;br

cc; New Mexico Oil Conservation Commission  
P.O. Box 2045  
Hobbs, New Mexico

File

# AMERADA PETROLEUM CORPORATION

P. O. BOX 2040

TILSA 2, OKLAHOMA

November 8, 1962

Re: Proposed Commingling of Oil  
Lot 2 and SW/4 NW/4  
Section 19-21S-37E  
(Eunice Field)  
Lea County, New Mexico  
State Lease B-1040

Commissioner of Public Lands  
State Land Office  
Santa Fe, New Mexico

Dear Sir:

Amerada is now drilling State D "C" Well No. 1 in the approximate Center SW/4 NW/4 Section 19-21S-37E, with the objective of carrying this well to an approximate total depth of 6700 feet. In the event multi-pay production is encountered, we respectfully request your approval to commingle all produced sour crude into common well crude lease storage and all produced sweet crude into common sweet crude lease storage.

Further, we are considering the feasibility of utilizing storage facilities on our L. G. Warlick property adjacent on the East. In the event this appears economically practical, we would use well meters to measure the production from the State D "C" Well and move it to the Warlick storage by laying a flow line to the storage facilities from which it would be run by the pipe line company. As we said, we are still considering the practicability of handling the State D "C" production in this manner, but we hereby respectfully request your approval to our doing so should we determine that it will be more economical to lay a flow line to the Warlick storage rather than erect a tank battery on the State D "C" property.

Assuming our plans as outlined above will meet with your approval, please so indicate by signing the attached copy of this letter in the space provided, and return the approved copy in the stamped envelope which is enclosed.

Very truly yours,

*O. W. Hadley*

O. W. Hadley  
Land Department

OWH/lo  
att.

cc: Mr. J. L. Lynch  
Mr. E. J. Christie  
Mr. J. M. Halseway  
Mr. Floyd Kepner  
Mr. H. F. Howell

The above request approved this 26<sup>th</sup>  
day of November, 1962.

*E. M. Walker*  
The Commissioner of Public Lands,  
State of New Mexico

11-21-62 - xerox copy to Mr. Bartlett and 1 copies to Mr. Capps.

AMERADA PETROLEUM CORPORATION

Box 668  
HOBBS, NEW MEXICO

November 16, 1962

New Mexico Oil Conservation Commission  
P. O. Box 871  
Santa Fe, New Mexico

Re: Application of Amerada Petroleum Corporation  
for administrative approval of zone  
commingling of production by the  
subtraction method on its State DC lease  
described as the S/2 of NW/4, Sec. 19 -  
T21S - R37E, Lea County, New Mexico.

Gentlemen:


Amerada Petroleum Corporation is the owner and operator of the 80 acre State DC lease described as the S/2 of NW/4 Sec. 19 - T21S - R37E, Lea County, New Mexico. Applicant proposes zone commingling of production by the subtraction method from the various pools underlying subject lease, as outlined below:

1. Four oil productive zones, the Penrose-Skelly (Grayburg), Paddock, Blinebry and Drinkard are productive, however, due to the nature of the crudes, a sour oil battery and a sweet oil battery will be necessary.
2. The lease should ultimately have two completions in each of the above mentioned zones. Assuming top allowable from all completions, daily production into the sweet oil battery will be 100 barrels of 39° oil from the Blinebry Zone and 132 barrels of 40.7° from the Drinkard Zone with a total non-commingled value of \$696.32. The commingled product will have a gravity of 40.1 and a value of \$698.32. Actual value of the commingled product will be \$2.00 per day greater than the non-commingled crudes.
3. Daily production into the sour crude battery will be 74 barrels of 37° oil from the Penrose-Skelly Zone and 100 barrels of 36° oil from the Paddock Zone with a total non-commingled value of \$494.64. The commingled product will have a gravity of 36.4 and a value of \$492.42. Actual value of the commingled product will be \$2.22 per day less than the non-commingled crudes.

4. The economic advantage of commingling in the above described manner lies in equipment installation.
5. A plat showing the location and producing zone of current and proposed lease wells along with a schematic diagram of the proposed installation are attached. Approval from the State Commissioner of Public Lands is being obtained and will be furnished as soon as it is received.

Applicant requests that administrative approval be given the above matter at the earliest date possible.

Yours very truly,

  
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D. C. Capps  
District Superintendent

AES:br

cc: Oil Conservation Commission  
P. O. Box 2045  
Hobbs, New Mexico

Mr. R. S. Christie  
T. W. Lynch  
H. A. Nedom  
J. O. Hathaway  
J. R. Enloe  
J. E. Newkirk  
C. R. Andrist  
A. J. Troop  
B. A. Moore  
File

R 36 E

R 37 E

Cont'l			Tidewater 13			Tidewater 18			Texaco		Pech Oil	Cont'l 17
1 ● E			1 ● E 2 ● E			1 ● E			5 ● PS 3 ● D	1 ● D		4 ● T-D
			Marshall Penrose			Gulf Penrose			4 ● E-PS 2 ● B-T	1 ● D		3 ● B-D
			1 ● E			3 ● E 4 ● PS 1 ● PS			Weatherly		3 ● D	2 ● E-D
Lockhart			Marshall			o/sen- Blount Ohio			1 ● PS-BG 1 ● T-D	1 ● E-PS 4 ● D		2 ● E-D
						1 ● PS 1 ● PS			Dixilyn Drly		2 ● D	1 ● D
									Weatherly		1 ● BG-D	2 ● T-D
									Penrose		2 ● T-D	1 ● D
									Lockhart		Hardy	
Gulf 24			Penrose 19			1 ● E-BG			1 ● D		Rodman	
1 ● E			1 ● E-BG			1 ● D			1 ● PS 3 ● D		5 ● BG 2 ● D	
Leonard			Amerada			1 ● D			Sunray		Amerada & Rodman	
Gulf			State DC			Warlick Amerada			4 ● E-PS 1 ● BG-D		1 ● D	
2 ● PS			1 ● E 2 ● D-B			2 ● PS 1 ● E			Randle		Randle "A"	
1 ● E			PanAm "CK"			Warlick "A" Perry			5 ● BG-D 3 ● PS-D		3 ● D	
Mattern			Eunice Unit			3 ● PS 5 ● P-B			4 ● PS-P 1 ● PS 2 ● P-D		2 ● PS 3 ● D	
Gulf 25			Texaco 30			4 ● E 6 ● P-BG-D 5 ● PS-P 2 ● B			2 ● PS 6 ● P-D		3 ● B	
2 ● E 1 ● A			Henderson Gulf			13 ● PS 1 ● PS 8 ● B			1 ● PS 5 ● D		4 ● PS	
Sinclair Ramsey St. B			El Paso Moore			11 ● PS 5 ● E-PS 4 ● PS 6 ● D			Hardy Sinclair		2 ● PS-D 1 ● D	
3 ● A 1 ● E									1 ● D 2 ● PS 3 ● T-D		2 ● D	
2 ● A 4 ● E			Brownlee			Mattern "B"			W. Turner Sinclair		Turner Pan Am	
Brownlee									2 ● PS 4 ● D		1 ● PS 3 ● BG-D	
									H. Turner		2 ● D	
											1 ● E-D 3 ● BG-T	

T  
21  
S

AMERADA PETROLEUM CORP

1 INCH = 2000 FT.

E - Eumont  
 A - Arrowhead  
 PS - Penrose Skelly  
 P - Paddock  
 B - Blinbry Oil  
 BG - Blinbry Gas  
 T - Tubb  
 D - Drinkard

FIELD West Eunice Area  
 STATE New Mexico  
 COUNTY Lea