

Case 1520
1958 SEP 14 AM 8:25
MAIN OFFICE OCC

PHILLIPS PETROLEUM COMPANY

P. O. Box 2105
Hobbs, New Mexico

September 10, 1958

In re: Application of Phillips Petroleum Company for an Examiners
Hearing for the Granting of an Exception to Rule 303 to
Permit Commingling of Vacuum (San Andres) and Undesignated
Yates Crudes into Common Storage

New Mexico Oil Conservation Commission - 3
P. O. Box 871
Santa Fe, New Mexico

Gentlemen:

The purpose of this letter is to request permission to set forth
before Examiners Public Hearing the application of Phillips Petroleum
Company for an exception to New Mexico Oil Conservation Commission Rule
303 for approval of commingling into common tankage, oil produced from
Vacuum (San Andres) Pool and Undesignated Yates wells in Sections, 21, 26,
28, 29, 33, and 34, T 17 S, R 35 E, Lea County, New Mexico. In support of
this application, Phillips Petroleum Company wishes to state the following:

- a. That the applicant has Vacuum (San Andres) Pool producing wells in Sections 21, 26, 28, 29, 33, and 34, T 17 S, R 35 E, Lea County, New Mexico which produce into four separate tank batteries.
- b. That the Yates Formation appears commercially oil-bearing in Sections 21, 26, 28, 29, 33, and 34, T 17 S, R 35 E, Lea County, New Mexico.
- c. That all acreage involved in this application is state land and that all royalty under all of said acreage is owned by the Common School Fund of the State of New Mexico.
- d. That the applicant is simultaneously initiating a request for Administrative approval to dual complete Santa Fe No. 30, located in Section 26, T 17 S, R 35 E, Lea County, New Mexico, as a means of further evaluating the extent of the Yates pay.

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- e. That the applicant proposes to produce Vacuum (San Andres) and Undesignated Yates crude into common storage. Production from both formations will be separately measured with positive displacement meters prior to being commingled. The meters will be checked for accuracy at intervals satisfactory to the Commission.

Attached to this triplicate application for exception is a plat showing the location of the Sections and Tank Batteries involved with the location of offset operators.

I hereby certify that the facts given above are true and complete to the best of my information, knowledge, and belief.

Yours very truly,

PHILLIPS PETROLEUM COMPANY



W. C. Rodgers
District Superintendent
Production Department

FCM:js
Attach
cc: NM OCC - Hobbs
Attach

Sworn to and subscribed before me, the 10th day of September, 1958.
MY COMMISSION EXPIRES AUGUST 28, 1961

My commission expires _____
MY COMMISSION EXPIRES AUGUST 28, 1961


Notary Public