

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
COMMISSION OF NEW MEXICO FOR
THE PURPOSE OF CONSIDERING:

CASE NO. 1551
Order No. R-1295

APPLICATION OF PAN AMERICAN PETROLEUM
CORPORATION FOR PERMISSION TO COMMINGLE
THE PRODUCTION FROM THREE SEPARATE LEASES
IN THE EMPIRE-ABO POOL, EDDY COUNTY, NEW
MEXICO, AND FOR PERMISSION TO PRODUCE MORE
THAN SIXTEEN WELLS INTO A COMMON TANK
BATTERY.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on November 19, 1958, at Santa Fe, New Mexico, before Elvis A. Utz, Examiner duly appointed by the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission," in accordance with Rule 1214 of the Commission Rules and Regulations.

NOW, on this 26th day of November, 1958, the Commission, a quorum being present, having considered the application, the evidence adduced and the recommendations of the Examiner, Elvis A. Utz, and being fully advised in the premises,

FINDS:

(1) That due public notice having been given as required by law, the Commission has jurisdiction of this cause and the subject matter thereof.

(2) That the applicant, Pan American Petroleum Corporation, is the owner and operator of the following-described Federal leases in the Empire-Abo Pool, Eddy County, New Mexico:

LC-065478-B, N/2 NW/4, NE/4, N/2 SE/4, and the E/2 SW/4
of Section 3; E/2 of Section 10;

NM-025604, S/2 SE/4 of Section 3; W/2 of Section 10;

LC-067858, N/2 and SW/4 of Section 11

all in Township 18 South, Range 27 East.

-2-

Case No. 1551
Order No. R-1295

(3) That the applicant proposes to commingle the Empire-Abo Pool production from the above-described leases after separately metering the production from each lease.

(4) That the applicant further proposes to produce more than sixteen wells presently completed or hereafter drilled in the Empire-Abo Pool on the above-described leases into a common tank battery.

(5) That approval of the subject application will not cause waste nor impair correlative rights provided that the production from each lease is separately metered prior to commingling and provided further that adequate testing and measuring equipment is installed.

IT IS THEREFORE ORDERED:

That the applicant, Pan American Petroleum Corporation, be and the same is hereby authorized to commingle the production from the Empire-Abo Pool from all existing and future wells on the following-described separate Federal leases:

LC-065478-B, N/2 NW/4, NE/4, N/2 SE/4, and the E/2 SW/4 of Section 3; E/2 of Section 10;

NM-025604, S/2 SE/4 of Section 3; W/2 of Section 10;

LC-067858, N/2 and SW/4 of Section 11

all in Township 18 South, Range 27 East, Eddy County, New Mexico.

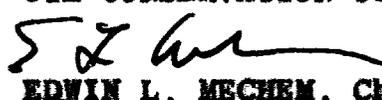
PROVIDED HOWEVER, That the production from each lease shall be separately metered prior to commingling.

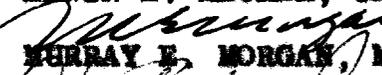
PROVIDED FURTHER, That meters shall be checked for accuracy at intervals and in a manner satisfactory to the Commission.

PROVIDED FURTHER, That the applicant shall install adequate testing facilities to permit the testing of all wells located on the above-described leases at least once each month to determine the individual production from each well.

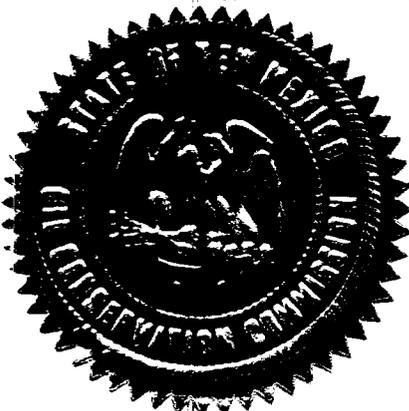
DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION


EDWIN L. MECHEM, Chairman


MURRAY E. MORGAN, Member


A. L. PORTER, Jr., Member & Secretary



OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

November 28, 1958

C
O
P
Y

Mr. Guy Buell
Pan American Petroleum Corporation
P.O. Box 1419
Fort Worth, Texas

Dear Mr. Buell:

We enclose a copy of Order R-1292 and R-1295 issued November 26, 1958, by the Oil Conservation Commission in Cases 1552 and 1551, respectively.

Please note that these orders require that each meter installed in the subject systems shall be tested for accuracy at intervals and in a manner satisfactory to the Commission. It will be necessary for you to run a series of tests of sufficient duration to determine that the meters are functioning properly immediately following installation. Thereafter, tests should be made at intervals not to exceed one month and a report of said calibration filed with the Commission. The meters shall be calibrated against a master meter or against a test tank of measured volume.

Very truly yours,

A. L. Porter, Jr.
Secretary - Director

bp
Encls.

CC-C. L. Kelley (encls.)