

Case 1552

# PAN AMERICAN PETROLEUM CORPORATION

Roswell, New Mexico  
October 20, 1958

File: F-675-986.510.1

Subject: Commingling of Production  
Empire Abo Field  
Eddy County, New Mexico

309 exception  
exam hearing  
1-1-16  
FEDERAL BUREAU OF INVESTIGATION  
U.S. DEPARTMENT OF JUSTICE

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

Attention: Mr. A. L. Porter, Jr.

Gentlemen:

Pan American Petroleum Corporation respectfully requests a hearing for the purpose of obtaining an order approving the commingling of production obtained from wells completed in the Abo formation on various leases adjacent to the area now designated Empire Abo Pool. Four State leases are involved. These leases are located in Section 2, T-18-S, R-27-E, Eddy County, New Mexico, and are described below:

State Leases

E-5461	NW/4 NW/4 Section 2
B-7244-30	S/2 NW/4 NW/4 SW/4 SE/4 SW/4 Section 2
B-8814-12	NE/4 SW/4 Section 2
E-7833	SW/4 SE/4 Section 2

In the arrangement we propose to use, the production from each individual lease will be separately metered before it is run into storage with production from other leases. The meters will be located at centralized storage facilities and are of proven accuracy. They will be periodically calibrated and tested to insure that this accuracy is maintained and production from all wells will be checked by actual storage measurements

Docket Mailed  
11-8-58  
BR

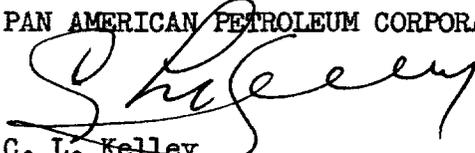
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New Mexico Oil Conservation Commission

each day. These measurements will be compared with the individual meter readings as an additional confirmation of meter accuracy.

We are also filing, by separate correspondence, an application to commingle production from Federal leases in this same area. It is requested that both cases be placed on the same docket and called at the earliest possible hearing. A plat of the area is attached.

Yours very truly,

PAN AMERICAN PETROLEUM CORPORATION

  
C. L. Kelley  
District Superintendent

Attachment



# STATE LAND OFFICE

*Santa Fe, New Mexico*



Oil and Gas Division

October 16, 1958

MURRAY E. MORGAN  
COMMISSIONER OF PUBLIC LANDS

RECEIVED	
OCT 20 1958	
	DS
1	DE
	DC
2	OE <i>11/19/58</i>
3	RE <i>11/20/58</i>
	Clerk
4	DRC <i>11/20/58</i>
ROSWELL DISTRICT OFFICE	

Pan American Petroleum Corporation  
Roswell, New Mexico

Attention: Mr. C.L. Kelley

Dear Mr. Kelley:

It will be satisfactory with this office for your company to commingle the production from any State of New Mexico Oil and gas lease covering any part of Section 2, Township 18 South, Range 27 East, with any other oil production from leases covering acreage in the same section, provided production from each individual lease is separately metered before running into storage tanks with production from other leases. However, we are not allowed to give you permission to commingle the oil production from this section with any other acreage belonging to any other institute.

Very truly yours,

MURRAY E. MORGAN  
Commissioner of Public Lands

By:

Ted Bilberry  
Supervisor Oil and Gas Division

TB/yds

BEFORE EXAMINER UTZ	
OIL CONSERVATION COMMISSION	
<i>Pan Am</i>	EXHIBIT NO. <u>3</u>
CASE NO.	<u>1552</u>