

PAN AMERICAN PETROLEUM CORPORATION

P. O. Box 268
 Lubbock, Texas
 April 14, 1959

File: JET-4124-986.510.1

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

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 Abo production obtained from wells now completed or later completed on the acreage described below, and permitting the production of more than 16 wells into a common tank battery. This acreage is in and around the area now designated as the Empire Abo Pool and is comprised of all or a portion of seven Federal Leases. The acreage covered is located in Sections 3, 4, 9 and 10, T-18-S, R-27-E, Eddy County, New Mexico, and is described as follows:

<u>Federal Lease</u>	<u>Description</u>
<u>NM-033825</u> ✓	N/2 NE/4, SW/4 NE/4 Section 4-18S-27E
<u>NM-025530</u> ✓	SE/4 NE/4 Section 4-18S-27E
<u>LC-061783-A</u> ✓	SE/4 Section 4-18S-27E
<u>NM-025604</u> ✓	N/2 SE/4, NE/4 Section 9-18S-27E
<u>LC-065478-B</u> ✓	✓ S/2 SE/4 Section 9-18S-27E ✓ N/2 NW/4 Section 3-18S-27E ✓ E/2 SW/4 Section 3-18S-27E
<u>LC-061783-B</u>	✓ W/2 SW/4 Section 3-18S-27E
<u>NM-025604</u>	W/2 Section 10-18S-27E

As you will recall, Order R-1295 dated November 26, 1958, approved our application to commingle Abo production from wells then existing

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and wells to be drilled on leases then operated by Pan American Petroleum Corporation in Sections 3, 10 and 11, T-18-S, R-27-E, Eddy County, New Mexico. A portion of the acreage involved in this application was included in Order R-1295, specifically, the W/2 Section 10 and the NW/4 and E/2 of the SW/4 of Section 3. As you are aware, development has moved to the west and it now appears that several additional Abo completions will be obtained on the acreage covered by this application, making it desirable to commingle production from all of the Abo wells now completed or later completed on the acreage tabulated above.

In addition to the above, as Abo development progresses in this area, we may find it desirable from the standpoint of the most efficient means of operations to include wells located on other acreage covered by Order R-1295 in the battery that is proposed to serve the acreage described above. Therefore, we would also like to have approval to commingle production from any or all of the Abo wells completed now or at a later time on the acreage described below with other Abo production obtained from the acreage described above.

<u>Federal Lease</u>	<u>Description</u>
4 LC-065478-B	NE/4 Section 3-18S-27E, N/2 SE/4 Section 3-18S-27E

We would, however prefer the option to operate these wells (a maximum of six) under the provisions of Order R-1295 or under the provisions of an order that we might obtain approving the commingling plan outlined in preceding paragraphs.

Separate metering facilities will be used to meter production from each individual lease prior to the time that production is commingled with oil produced from other leases.

It is requested that this case be called at the earliest possible Examiner Hearing. Attached is a plat illustrating the acreage involved in this application.

Yours very truly,



Neil S. Whitmore
District Superintendent

DRC:js
Attachment

Handwritten notes:
 5-1-59
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