

PAN AMERICAN PETROLEUM CORPORATION

Set for hearing
Rfm

P. O. Box 480, Farmington, New Mexico
April 3, 1962

Case
2539

File: N-302-986.510.1

Subject: Reapplication for Administrative
Approval for Extension of Time to
File 1961 Deliverability Tests on
10 Basin Dakota Pool Wells Operated
By Pan American Petroleum Corporation
Under Provisions of Order R-2183

Mr. A. L. Porter, Jr. (3)
New Mexico Oil Conservation Commission
P. O. Box 871
Santa Fe, New Mexico

Dear Sir:

Your letter of March 2, 1962, denied an exception for 10 wells operated by Pan American Petroleum Corporation to permit the extension of the terminal date for the 1961 deliverability test period under the Administrative Provisions of Order R-2183. The group of Pan American wells so denied are all located in the Basin Dakota Gas Pool of San Juan County, New Mexico, and are further identified in your referenced letter. Pan American hereby respectfully requests that you reconsider its application for Administrative Exception for this group of wells on the basis of additional information being furnished herewith.

Attached is a letter from Southern Union Gas Company, the purchaser to whom this group of wells is connected, which explains their inability to schedule deliverability tests on these wells during 1961 even though Southern Union diligently tried to schedule all wells for test. It is stated that the various factors of pipeline pressures, weather conditions, pipeline capacity, and market demand limit the number of tests that can be conducted at a time and that the number of wells connected to Southern Union has increased to the extent that scheduling tests on all wells has become next to impossible. Further, Southern Union gives priority to the testing of new wells connected to their system which in effect places a lower priority on the older wells such as the ten Pan American wells in question. In light of the above, it is evident that the conditions which prevented the scheduling of tests on the ten Pan American wells were beyond the control of either Pan American or Southern Union. We believe that these conditions constitute a good and valid cause under the spirit of Order R-2183 for administrative relief and ask that you reconsider our application in light of these additional facts.

Booklet
attached
4/12/62
[Signature]

Mr. A. L. Porter, Jr.

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April 3, 1962
N-302-986.510.1

If after reconsideration of these additional data you do not feel that an exception can be granted under the Administrative Provisions of Order R-2183, Pan American respectfully requests that this matter be set for hearing.

Yours very truly,

PAN AMERICAN PETROLEUM CORPORATION


T. M. Curtis
District Superintendent

GWE:en
Attach.

cc: Mr. Emory C. Arnold
New Mexico Oil Conservation Commission
Aztec, New Mexico

Mr. T. M. Curtis

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March 28, 1962

The above explanation particularly applies in connection with those of your wells that did not get tested during the year. Our field office reports that an all out effort was made throughout the last few months of the year to accommodate the scheduled and rescheduled tests, but for one or more of the reasons above enumerated and in spite of the determined consideration given to satisfying the tests, they could not do so.

Therefore, realizing that our inability to consummate these tests may result in curtailment of production allowables during the ensuing year, we wish to lend whatever assistance we can to help you get current allowables re-established for the wells. If you desire to use this letter in connection with this case, please feel free to do so, and if further confirmation is needed, we will be happy to oblige.

Trusting we have clarified the matter to your entire satisfaction, we are

Yours very truly,



J. R. Bynum, Manager
Gas Contracts & Provisions

JRB:pem

Enclosure

SOUTHERN UNION GAS COMPANY

Schedule of wells operated by Pan American Petroleum Corporation
for which 1961 deliverability tests could not be accommodated.

T27N, R10W

<u>WELL NAME</u>	<u>LOCATION</u>
Johnson Gas Unit "B" # 1, <i>Unit H, Section 21</i>	H-21-27-10
Fred Feasel "G" # 1	K- 2-27-10
Fred Feasel "H" # 1	H-33-28-10
J. F. Day "E" # 1	L-17-28-10
R. P. Hargrave "H" # 1	B- 9-27-10
E. H. Pipkin # 5	B-36-28-11
Davidson Gas Unit "F" # 1	M-28-28-10
Davidson Gas Unit "G" # 1	H-21-28-10
Fred Feasel "J" # 1	G-34-28-10
M. N. Galt "H" # 1	L- 1-27-10

Mr. T. M. Curtis

-2-

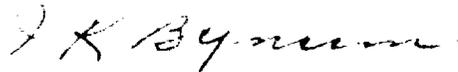
March 28, 1962

The above explanation particularly applies in connection with those of your wells that did not get tested during the year. Our field office reports that in all cases there was a sale to report the last few months of the year to accommodate the scheduled and rescheduled tests, but for one or more of the reasons above enumerated and in spite of the administrative consideration given to satisfying the contract, they could not be so.

Therefore, realizing that our inability to demonstrate these wells may result in a curtailment of production allowances during the coming year, we wish to lend whatever assistance we can so that you get current allowances re-established for the wells. If you desire to use this letter in connection with this cause, please feel free to do so, and if further confirmation is needed, we will be happy to oblige.

Trusting we have clarified the matter to your entire satisfaction, we are

Yours very truly,



J. R. Bynum, Manager
Gas Contracts Corporation

JRB:win

Enclosure

ILLEGIBLE

AMERICAN UNION GAS COMPANY

Schedule of wells operated by Pan American Petroleum Corporation
for which it is estimated that costs could not be ascertained.

WELLS

DATE

Johnson Gas Field "B" # 1 -

11-21-27-10

Prod. Field "C" # 1 - 2126

11-2-27-10

Prod. Field "D" # 1

11-27-28-10

J. P. Day "B" # 1

11-17-28-10

10

P. P. Hargrove "A" # 1 - 186

11-1-27-10

M. H. Child "A" # 1

7-26-28-11

Devilson Gas Field "I" # 1 - 1412

11-2-28-10

Devilson Gas Field "G" # 1 - 1347

11-21-28-10

Prod. Field "H" # 1

11-28-28-10

M. H. Child "A" # 1

11-1-27-10

*Johnston Field
Devilson Field
Prod. Field "C"*

180,500 bbl. oil

750.

ILLEGIBLE

	Feb	Mar	Apr	May	June	July	Aug.	Sept	Oct.	Nov.	Dec.
1 Johnson & Sons #1	4-13534	3-4048	10-23007	2-4157	1-3191	2-4031	5-12104	10-22193	2-4175	2-7376	
2 Bud Seale #1	10-4371	4-3547	10-16472	3-3319	1-1476	2-10307	5-5247	4-4888	2-2663	1-2581	
3 " " #1	2-6330	10-17139	10-24236	18-25524	1-2524	1-3277	2-6121	6-14128	2-4069	2-3754	
4 " " #1	12-24540	2-9631	10-27965	18-38406	1-3440	2-6383	1-1886	5-14066	1-3602	2-6776	
5 R.D. Hargrave #1	4-10169	11-11982	10-15442	18-22021	1-2497	2-3184	2-2873	4-5985	2-2866	4-7500	
6 Pipefitters #5	8-9897	3-11491	7-13215	9-16777	1-3620	1-3040	2-6229	1-1679	2-7102	22-36710	
7 Rice	12-14254	2-6684	10-24921	18-24065	1-2782	3-8939	3-7232	3-8647	1-3990	1-4055	
8 " " #1	11-18767	615-53988	2-8566	11-43477	16-59352	7-26266	12-44451	7-43917	2-9332	8-32248	
9 Deane #1	9-28362	17-34860	5-18553	18-36922	1-3027	5-13290	2-6614	1-4706	2-2494	1-4377	
10 York. H #1	19-8935	5-3932	18-11941	19-7611	2-1152	3-2357	3-2408	2-945	2-1465	2-2052	

ILLEGIBLE

See Mack Mackguy
opportunity

Franklin Hargrave
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