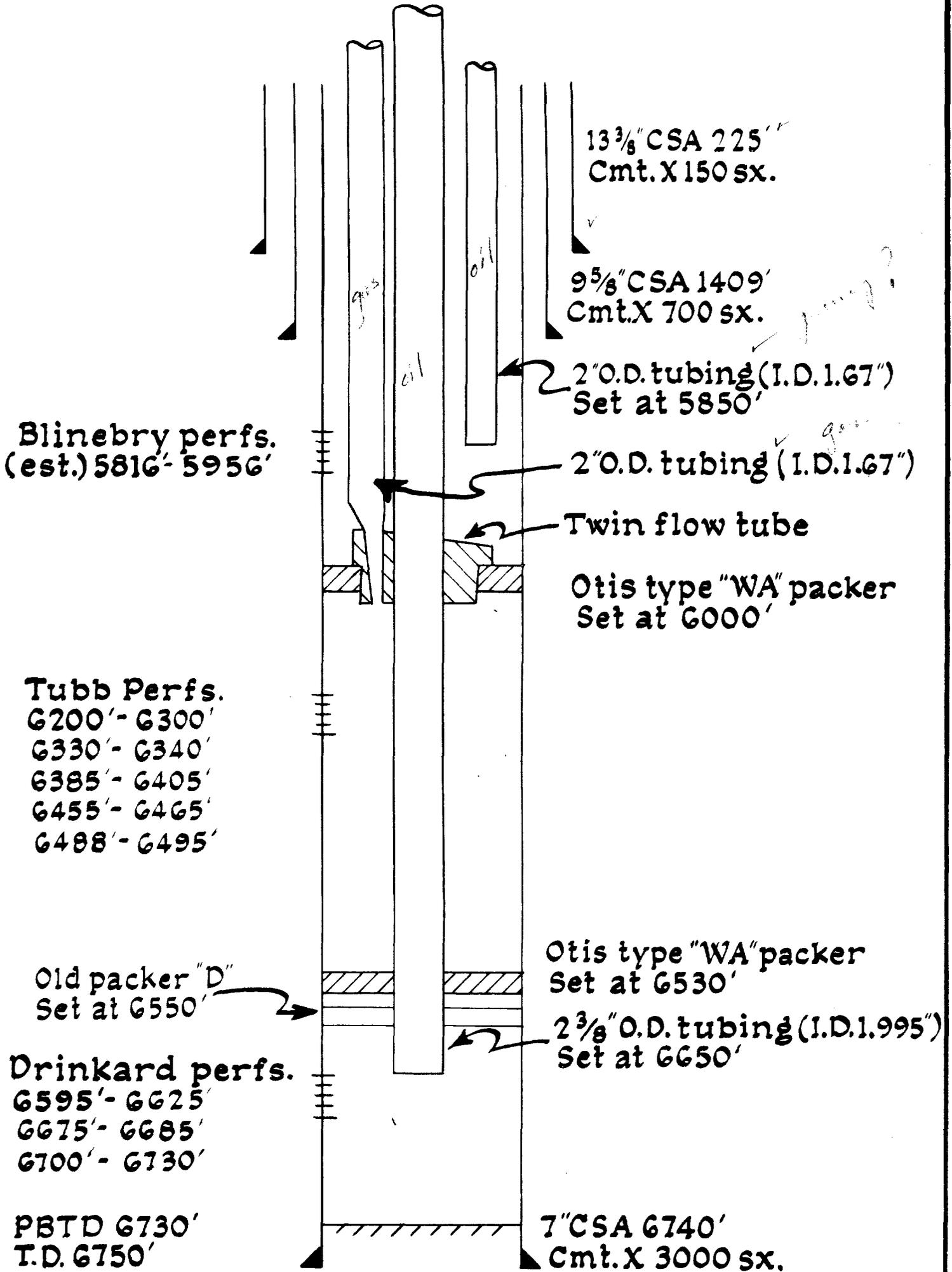


EXHIBIT

PAN AMERICAN PETROLEUM CORPORATION
APPLICATION FOR PERMISSION TO TRIPLE
COMPLETE ITS SOUTHLAND ROYALTY "A" NO. 2
UNIT "B", SECTION 9, T-21-S, R-37-E,
LEA COUNTY, NEW MEXICO, IN THE DRINKARD
(OIL), TUBB (GAS), AND BLINEBRY (OIL)
POOLS IN LEA COUNTY.

CASE 2661
October 10, 1962

Elev. 3482' D.F.



Southland Royalty

"A" No. 2

no scale -

NEW MEXICO OIL CONSERVATION COMMISSION

SANTA FE, NEW MEXICO

5-1-61

APPLICATION FOR MULTIPLE COMPLETION

Operator Pan American Petroleum Corporation		County Lea	Date September 11, 1962
Address Box 268, Lubbock, Texas		Lease Southland Royalty "A"	Well No. 2
Location of Well	Unit "B"	Section 9	Township 21 South
			Range 37 East

1. Has the New Mexico Oil Conservation Commission heretofore authorized the multiple completion of a well in these same pools or in the same zones within one mile of the subject well? YES _____ NO X
2. If answer is yes, identify one such instance: Order No. _____ ; Operator, Lease, and Well No.:

3. The following facts are submitted:

	Upper Zone	Intermediate Zone	Lower Zone
a. Name of Pool and Formation	Blinebry	Tubb	Drinkard
b. Top and Bottom of Pay Section (Perforations)	To be selected after log is run	6330-6495	6595-6730
c. Type of production (Oil or Gas)	Oil Anticipated	Gas	Oil
d. Method of Production (Flowing or Artificial Lift)	Flow	Flow	Flow

4. The following are attached. (Please mark YES or NO)

- No a. Diagrammatic Sketch of the Multiple Completion, showing all casing strings, including diameters and setting depths, centralizers and/or turbolizers and location thereof, quantities used and top of cement, perforated intervals, tubing strings, including diameters and setting depth, location and type of packers and side door chokes, and such other information as may be pertinent.
- Yes b. Plat showing the location of all wells on applicant's lease, all offset wells on offset leases, and the names and addresses of operators of all leases offsetting applicant's lease.
- No c. Waivers consenting to such multiple completion from each offset operator, or in lieu thereof, evidence that said offset operators have been furnished copies of the application.*
- No d. Electrical log of the well or other acceptable log with tops and bottoms of producing zones and intervals of perforation indicated thereon. (If such log is not available at the time application is filed, it shall be submitted as provided by Rule 112-A.)

5. List all offset operators to the lease on which this well is located together with their correct mailing address.

Continental Oil Co., Attn: Mr. W. A. Mead, 825 Petroleum Bldg., Roswell, New Mexico

Western Oil Fields, Inc., Attn: Mr. R. H. Swarthout, Box 1147, Hobbs, New Mexico

Texaco, Inc., Attn: Mr. W. C. Lentz, Box 3109, Midland, Texas

Shell Oil Company, Attn: Mr. R. L. Rankin, Box 845, Roswell, New Mexico

Humble Oil and Refining Co., Attn: Mr. H. L. Hensley, Box 1600, Midland, Texas

6. Were all operators listed in Item 5 above notified and furnished a copy of this application? YES X NO ____ . If answer is yes, give date of such notification Sept. 11, 1962

CERTIFICATE: I, the undersigned, state that I am the Dist. Engineer of the Lubbock Dist., Pan American Petroleum Corporation (company), and that I am authorized by said company to make this report; and that this report was prepared under my supervision and direction and that the facts stated therein are true, correct and complete to the best of my knowledge.

Original
Signed By A. J. Inderrieden
A. J. Inderrieden Signature

- * Should waivers from all offset operators not accompany an application for administrative approval, the New Mexico Oil Conservation Commission will hold the application for a period of twenty (20) days from date of receipt by the Commission's Santa Fe office. If, after said twenty-day period, no protest nor request for hearing is received by the Santa Fe office, the application will then be processed.
- NOTE: If the proposed multiple completion will result in an unorthodox well location and/or a non-standard perforation unit in either or both of the producing zones, then separate application for approval of the same should be filed simultaneously with this application.

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. 2661
Order No. R-2343

APPLICATION OF PAN AMERICAN PETROLEUM
CORPORATION FOR A TRIPLE COMPLETION,
LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on October 10, 1962, at Santa Fe, New Mexico, before Daniel S. Nutter, 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 22nd day of October, 1962, the Commission, a quorum being present, having considered the application, the evidence adduced, and the recommendations of the Examiner, Daniel S. Nutter, 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 Southland Royalty "A" Well No. 2, located in Unit B of Section 9, Township 21 South, Range 37 East, NMPM, Lea County, New Mexico.
- (3) That the applicant seeks permission to complete said Southland Royalty "A" Well No. 2 as a triple completion (conventional) in such a manner as to produce oil from the Drinkard Oil Pool and from the Blinebry Oil Pool through 2 3/8-inch OD tubing and 2.0-inch OD tubing, respectively, and to produce gas from the Tubb Gas Pool through 2.0-inch OD tubing.
- (4) That the mechanics of the proposed triple completion are feasible and in accord with good conservation practices.
- (5) That approval of the subject application will neither cause waste nor impair correlative rights.

-2-

CASE No. 2661
Order No. R-2343

IT IS THEREFORE ORDERED:

(1) That the applicant, Pan American Petroleum Corporation, is hereby authorized to complete its Southland Royalty "A" Well No. 2, located in Unit B of Section 9, Township 21 South, Range 37 East, NMPM, Lea County, New Mexico, as a triple completion (conventional) in such a manner as to produce oil from the Drinkard Oil Pool and from the Blinebry Oil Pool through 2 3/8-inch OD tubing and 2.0-inch tubing, respectively, and to produce gas from the Tubb Gas Pool through 2.0-inch OD tubing.

PROVIDED HOWEVER, That the applicant shall complete, operate, and produce said well in accordance with the provisions of Rule 112-A of the Commission Rules and Regulations.

PROVIDED FURTHER, That the operator shall take packer-leakage tests upon completion and annually thereafter during the Gas-Oil Ratio Test Period for the Drinkard Oil Pool, and at such other times as the Secretary-Director of the Commission may prescribe.

(2) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION



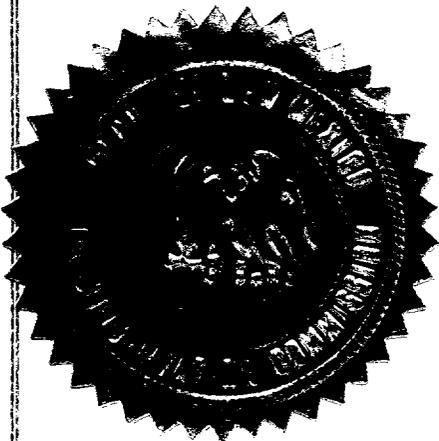
EDWIN L. MECHEM, Chairman



E. S. WALKER, Member



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



esr/