



UTL-71

CITIES SERVICE PETROLEUM COMPANY

BOX 97, 500 BROADMOOR BLDG.

HOBBS, NEW MEXICO

November 14, 1962

State of New Mexico
Oil Conservation Commission
Box 871
Santa Fe, New Mexico

Rec'd 12/14

Attention: Mr. A. L. Porter

Gentlemen:

Cities Service Petroleum Company respectfully requests that the New Mexico Oil Conservation Commission grant administrative approval for exception to Rule 309-A whereby production from our State "BL" Lease and the Lane Lease can be commingled. Both of the above leases are located in the Mescaero (San Andres) Pool in Section 14-T10S-R32E, Lea County, New Mexico.

The following information is given in support of this application.

- (1). All production from the State "BL" and the Lane Leases are from the San Andres formation.
- (2). Adequate facilities will be provided for accurately determining production from each well at reasonable intervals.
- (3). All parties owning an interest in the leases and the purchaser of the commingled production therefrom have been notified by registered mail of the intent to commingling of production from the separate leases. A list of all parties owning and interest to whom registered mail was sent is attached.
- (4). Production from each of the aforementioned leases will be accurately measured and determined prior to commingling in accordance with the provisions as set forth in the Commission's "Manual for the Installation and Operation of Commingling Facilities".



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- (5). A plat of the leases showing the wells thereon and a schematic diagram of the commingling facility are attached.

Sincerely yours,

CITIES SERVICE PETROLEUM COMPANY

Earl H. Furrey, Jr.
District Engineer

EHF/js

Attach.

MAILING LIST - APPLICATION FOR COMINGLING

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

New Mexico Oil Conservation Commission (1)
Box 2045
Hobbs, New Mexico

Mobil Oil Company (1)
Box 2406
Hobbs, New Mexico
Attn: Mr. G. W. Barb

State Land Commission
Box 791
Santa Fe, New Mexico
Attn: Mr. E. S. Walker

J. J. Lane et al
Attn: Carl Johnson
Box 916
Tatum, New Mexico

Cities Service Petroleum Company
Attn: Mr. Dick Booker
Leggett Building
Midland, Texas

SCHEMATIC DIAGRAM
FACILITIES FOR COMMINGLING STATE BL* AND LANE LEASE PRODUCTION

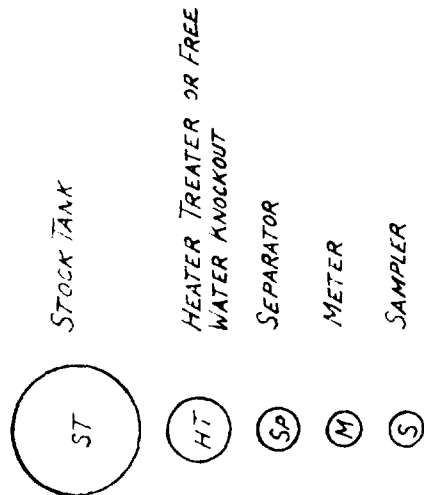
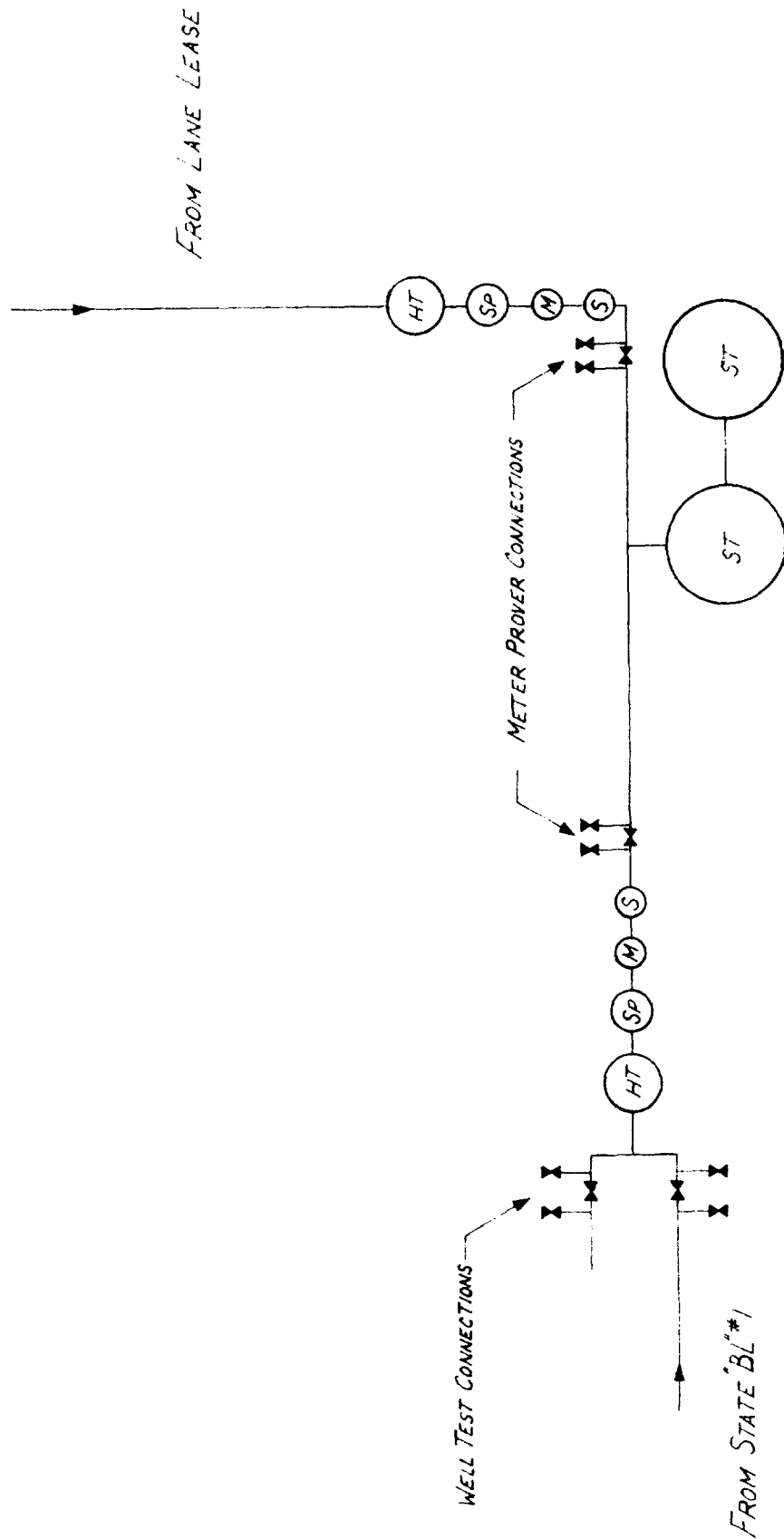
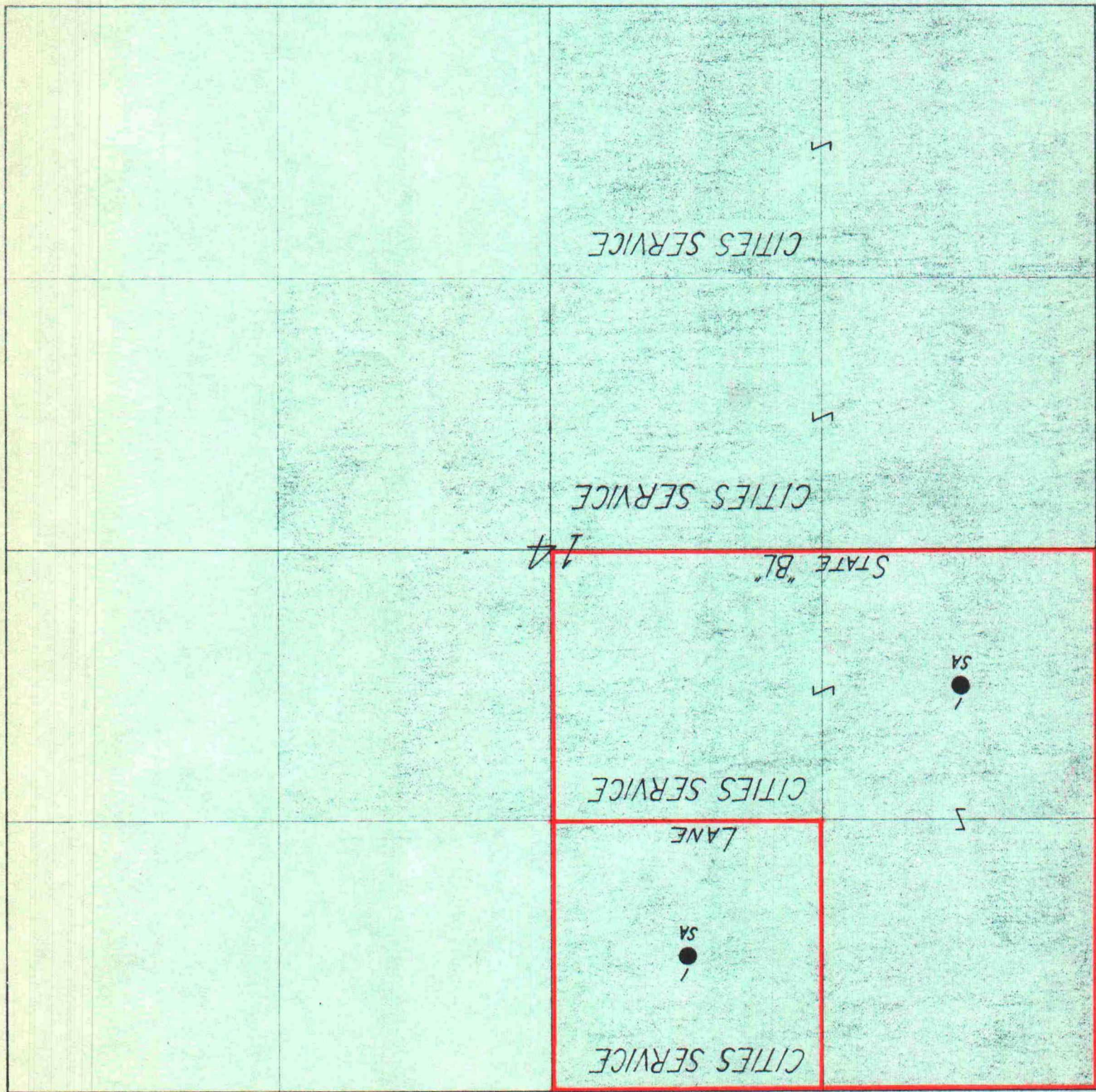


EXHIBIT B

CITIES SERVICE OPERATED LEASES
MESCALERO S.A. FIELD

SECTION 14 TOWNSHIP 10S RANGE 32E COUNTY LEA STATE NEW MEXICO





CITIES SERVICE PETROLEUM COMPANY

BOX 97, 500 BROADMOOR BLDG.
HOBBS, NEW MEXICO
December 12, 1962

State of New Mexico
Oil Conservation Commission
Box 871
Santa Fe, New Mexico

Attention: Mr. A. L. Porter

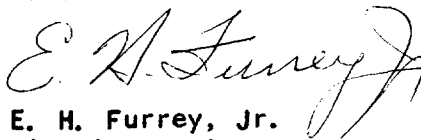
Gentlemen:

Cities Service Petroleum Company on November 14, 1962, requested administrative approval to commingle production from their State "BL" Lease and their Lane Lease.

A copy of the application was sent to the State Land Commissioner requesting approval of this proposal. A copy of the letter from the Land Commissioner is attached, which gives their approval to the commingling of production from the above leases.

Sincerely yours,

CITIES SERVICE PETROLEUM COMPANY


E. H. Furrey, Jr.
District Engineer

EHF/js

Attach.

*District F & B
STATE OF NEW MEXICO*

State of New Mexico



Commissioner of Public Lands

E. S. JOHNNY WALKER
COMMISSIONER



OFFICE OF THE COMMISSIONER
SANTA FE, NEW MEXICO

December 10, 1962

Cities Service Petroleum Company
Box 97
500 Broadmoor Building
Hobbs, New Mexico

Gentlemen:

You are hereby granted approval to commingle the production from your State "BL" Lease and the Lane Lease, producing from the San Andres Pool in Section 14, T10S, R32E, into a common tank battery.

It is our understanding that strict metering and testing will be done in order to account for the State's royalties.

Please notify the Oil and Gas Accounting Commission of your proposal.

Very truly yours,

E. S. JOHNNY WALKER
COMMISSIONER OF PUBLIC LANDS

By: *Ted Bilberry*
TED BILBERRY, Supervisor
Oil and Gas Department

EW/TB/pr

OIL AND GAS ACCOUNTING COMMISSION
P. O. Box 450 Santa Fe, New Mexico

MEMORANDUM

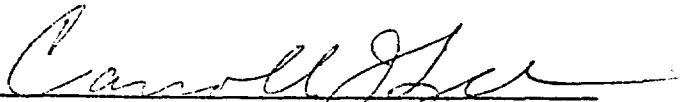
December 5, 1962

TO: Romulo Martinez, State Land Office

FROM: Oil and Gas Accounting Commission

Re: Cities Service Petroleum Company's commingling of production from State "BL" Lease and Lane Lease.

This Commission has no objection to the commingling of production of Cities Service Petroleum State "BL" Lease and Lane Lease so long as Cities Service is informed that they must allocate the production by well when reporting to this Commission and that this Commission will be notified as to the effective date of the commingling.



Carroll J. Lee, Executive Director

MC:eam