

PHILLIPS PETROLEUM COMPANY

Exploration and Production Department

Phillips Building - Room B2 Odessa, Texas

March 5, 1965

ar 616-126

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Santa Fe Lease State Leases B-2073, B-1502, B-2131 Commingling of Production

Mr. A. L. Porter, Jr., Secretary-Director New Mexico Oil Conservation Commission P.O. Box 2088 Santa Fe, New Mexico

Administrative Order CTB-126, dated October 9, 1964, gave us authority for the commingling of production from the Vacuum San Andres Pool on the following leases: State Lease B-1502, NW/4 of Section 5; State Lease B-2073, N/2 NE/4 of Section 5; State Lease B-2131, N/2 NW/4 and SE/4 NW/4 of Section 4, all in T-18-5, R-35-E, Lea County, New Mexico.

We have now completed Santa Fe Well No. 93, NW/4 NE/4 of Section 5, Lease No. B-2073, as a Vacuum San Andres well, and propose to drill and complete Santa Fe Well No. 111, SE/4 NE/4 of Section 5, Lease No. B-2073, as a San Andres well. While the S/2 of NE/4 of Section 5 was not included in the Administrative Order CTB-126, our State Lease No. 2073 actually covers the entire NE/4 of Section 5. All working and royalty interests are common with the N/2 of the NE/4, which was included in this order.

Mr. Romulo Martinez, of the office of the Commissioner of Public Lands, has advised that since a part of this quarter-section of Lease B-2073 was included in their prior approval, no further action is necessary with their office for the inclusion of Wells No. 93 and lll in this commingling group.

We have not been confronted with this particular type of problem in our recent administrative actions related to the Santa Fe Leases and considered it proper to bring this to your attention for clarification of procedure.

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If order CTB-126 can be construed to be valid for the entire NE/4 of Section 5, please accept the attached plat as information for your files. In the event, however, that the Order cannot be used for the entire quarter-section, it will be appreciated if you will accept this letter as our request for an amendment to Administrative Order CTB-126 to add the S/2 of the NE/4 of Section 5, T-18-S, R-35-E, Lea County, New Mexico.

Yours very truly,

W. C. RODGERS

Area Superintendent

BEB:bb Attach.

cc: New Mexico Oil Conservation Commission - Hobbs Attach.

cab.

March 11, 1965

Phillips Petroleum Company Phillips Building Room B2 Odessa, Texas

Att: W. C. Rodgers

In RE: Additional two

wells to previously approved commingled production from State Leases B-2073, B-1502,

B-2131.

Gentlemen:

Thank you for your letter of March 5, 1965, and the enclosed plat on which you supplied the information which we had asked about during our telephone conversation of March 3, 1965.

This will grant our approval of the proposed addition to CTB 126.

Very truly yours,

GUYTON B. HAYS, Commissioner of Public Lands

By

TED BILBERRY, Director, Oil and Gas Department

GBH/RGM/TB/kc1

w/cc to:

Oil Conservation Commission V

Oil and Gas Accounting Commission

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