

OIL CONSERVATION COMMISSION

P. O. BOX 200
SANTA FE, NEW MEXICO

December 15, 1966

C
The American Petroleum Corporation
P. O. Box 20
Santa Fe, New Mexico 87500

O
Attention: Mr. V. E. Staley

AMENDMENT
Administrative Order PC-111

Gentlemen:

P
Y
Reference is made to your letter dated November 9, 1966, wherein you request an amendment to Administrative Order PC-111 which presently authorizes the commingling of Monument and Monument-Tubb production on your Gillickly "B" Lease by means of the subtraction method. It is our understanding that you now desire to add Weir-Blinchey production to the commingling installation and, inasmuch as all production on said lease is of marginal nature, discontinue metering and eliminate the production to each of the three pools on the basis of periodic well tests.

Administrative Order PC-111 is hereby amended to include the Weir-Blinchey and to remove the metering requirement, provided however, that the installation shall continue to be operated in accordance with the provisions of the Commission "Manual for the Installation and Operation of Commingling Facilities," and provided further, that you shall notify the Commission at such time as any well in any of the three subject pools on said lease is capable of top allowable production.

Very truly yours,

A. L. FOSBERG, Jr.
Secretary-Director

ALP/DSH/esr

cc: Oil Conservation Commission (with enclosure) - Hobbs
Oil & Gas Engineering Committee - Hobbs
United States Geological Survey - Roswell

PAN AMERICAN PETROLEUM CORPORATION

Post Office Box 68
Hobbs, New Mexico

November 9, 1966

File: VES-367-541.111 x 400

Subject: Commingling of Production
Gillully "B" Lease
Lea County, New Mexico

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

Dear Sir:

Pan American Petroleum Corporation respectfully requests an amendment to Administrative Order PC-111, which provided for commingling Monument and Monument-Tubb production by the subtraction method. It is now desired to include marginal production from the Weir Blinebry under the scope of the order. Also, since no wells are now capable of top allowable production, permission to commingle without metering is requested.

In support of our request for an exception to Rule 303(a), to permit commingling of oil production from two or more common sources of supply, without notice and hearing, the following is submitted:

1. Plats of the Gillully "B" Lease, showing all wells and the formation in which they are completed.
2. Schematic diagram of the proposed commingling facility, located in the SW/4 of the NE/4, Section 21, T-20-S, R-37-E, Lea County, New Mexico. It is proposed to produce the Gillully "B" Well No. 4 and the Gillully "B" Well No. 11 through the same flow line to the common treater. The No. 4 well is classified as a gas well in the Monument Oil Pool, and produces no liquid hydrocarbons. The No. 11 well is a Weir Blinebry well with gas production too small for measurement.
3. A tabulation of production from each pool for a 60-day period showing the average daily production has been below top allowable for the pools involved.

Page Two

Mr. A. L. Porter, Jr.

November 9, 1966

4. The value of the liquid hydrocarbons will remain unchanged as the Tubb and Blinberry gravities are comparable and the Monument no longer produces oil.

Yours very truly,

A handwritten signature in dark ink, appearing to be 'V. E. Staley', with a long horizontal stroke extending to the left.

V. E. Staley
Area Superintendent

AK:la

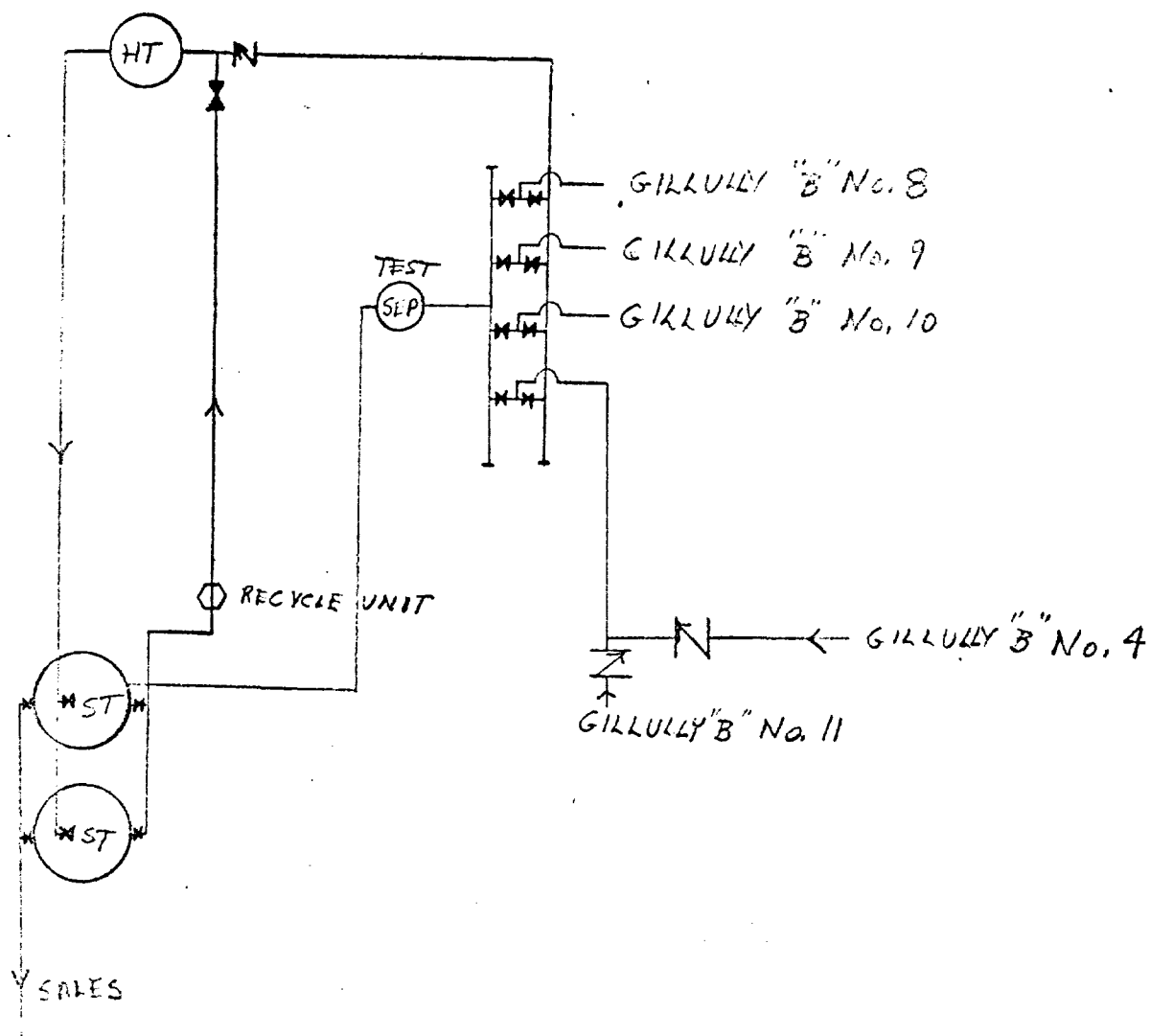
Attachments

GILLULLY "B" LEASE PRODUCTION

<u>Well No.</u>	<u>Pool</u>	<u>Top Allowable Per Well</u>	<u>June, 1966 Production</u>			<u>July, 1966 Production</u>		
			<u>BO</u>	<u>No. Days Produced</u>	<u>Avg. Daily Production</u>	<u>BO</u>	<u>No. Days Produced</u>	<u>Avg. Daily Production</u>
2,4,5,6Y*	Monument	46	0	0	0	0	0	0
8,9,10	Monument-Tubb	128	1,699	29	59	1,764	31	57
11	Weir Blinebry	62	143	28	5	152	31	5

* Only Well No. 4 produced currently and is classified as a gas well on proration schedule.
Other wells shut-in due to uneconomic production.

LARGE FORMAT
EXHIBIT HAS
BEEN REMOVED
AND IS LOCATED
IN THE NEXT FILE



PAN AMERICAN PETROLEUM CORPORATION

SCALE: *AS SHOWN*

PROPOSED COMINGLING - GILLULLY "B" LEASE. BATTERY LOCATION:

AK

NE 1/4, SECTION 21, T-20-S, R-37-E, LEA COUNTY, NEW MEXICO

DRG.
No.

PAN AMERICAN PETROLEUM CORPORATION

Post Office Box 68
Hobbs, New Mexico

December 2, 1966

File: VES-390-541.111 x 400


Subject: Commingling of Production
Gillully "B" Lease
Lea County, New Mexico

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

Dear Sir:

Attached is a copy of the United States Geological Survey approval
for the commingling application of the Gillully "B" Lease, dated
November 9, 1966.

Yours very truly,


V. E. Staley
Area Superintendent

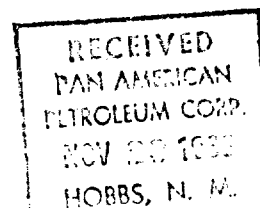
AK:la

Attachment



UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
Drawer 1857
Roswell, New Mexico 88201

IN REPLY REFER TO:



November 22, 1966

Pan American Petroleum Corporation
P. O. Box 68
Hobbs, New Mexico

Attention: Mr. V. E. Staley

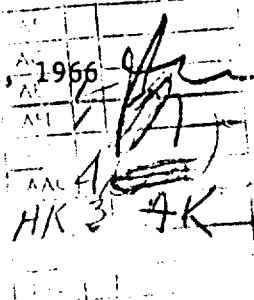
Gentlemen:

Your undated letter, received November 18, requests approval to modify the commingling system approved by our letter of November 2, 1962, for that portion of lease Las Cruces 031736(b) in the NE $\frac{1}{4}$ sec. 21 and the NW $\frac{1}{4}$ and NW $\frac{1}{4}$ NE $\frac{1}{4}$ sec. 22, T. 20 S., R. 37 E., Lea County, New Mexico. You propose to add Weir Blinebry Pool production to presently commingled Monument (Grayburg-San Andres) and Monument Tubb Pool production. You also propose to discontinue separate metering of Monument pool production.

The method of commingling described by the diagram attached to your letter is hereby approved. You are requested to notify our Hobbs office when the installation is completed so that a field inspection of the system can be made.

Sincerely yours,

CARL C. TRAYWICK
Acting Oil and Gas Supervisor



PAN AMERICAN PETROLEUM CORPORATION

Post Office Box 68
Hobbs, New Mexico

December 12, 1966

File: VES-408-541.112 x 400

Subject: Commingling of Production
Crosby "D" Lease
Cato Storage System I
Cato Field
Chaves County, New Mexico

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

Dear Sir:

Effective September 13, 1966, CTB-162 provided for the commingling of production from the Baskett and Baskett "B" Leases at our Cato Storage System I. This order was amended October 18, 1966, to include the commingling of the Baskett "C", Baskett "D", and Queen Leases at the same storage system.

A request for an extension to CTB-162 to permit the commingling of production of the Baskett "E", Crosby "B", Crosby "C", and Sellers Leases with the Cato Storage System I was submitted November 8, 1966. A further request to permit the commingling of production from the Wasley Lease with the Cato Storage System I was submitted November 29, 1966.

We now respectfully request an extension to CTB-162 be granted to permit the commingling of production from the Crosby "D" Lease with the Cato Storage System I.

The combined application for the commingling of production at the Cato Storage System I consists of the following leases:

Baskett Lease - W/2 of SW/4, Section 11
Baskett "B" Lease - E/2 of NW/4, Section 11
Baskett "C" Lease - W/2 of SE/4, Section 10
Baskett "D" Lease - E/2 of Section 11
Baskett "E" Lease - E/2 of NE/4, Section 15
Crosby "B" Lease - E/2 of SE/4, Section 3
Crosby "C" Lease - W/2 of NW/4, Section 3
Crosby "D" Lease - E/2 of NW/4, Section 15
Queen Lease - NW/4, Section 10
Sellers Lease - NE/4 of SW/4 and S/2 of SW/4, Section 3
Wasley Lease - N/2 of Section 14

Page Two
Mr. A. L. Porter, Jr.
December 12, 1966

These leases are all located in T-8-S, R-30-E, N.M.P.M., Chaves County, New Mexico.

In support of our request for exception to Rule 309-A and under the provisions of Rule 309-B to permit the commingling of production from two or more separate leases into a common tank battery without notice and hearing the following is submitted:

1. Plats of the leases showing thereon the wells and the formation in which they are completed.
2. Schematic diagram of commingling facility, called the Cato Storage System I, located in Unit L, Section 11, T-8-S, R-30-E, N.M.P.M., Chaves County, New Mexico.
3. Production is from a common source of supply, and the commercial value of the commingled production will be unchanged.
4. All parties owning an interest in the leases and the purchaser of the commingled production have been notified by certified mail of our intention to commingle the production from these leases.
5. Production from the Baskett, Baskett "B", Baskett "C", and Baskett "E" Leases is common as to working interest ownership, royalty ownership, and overriding royalty ownership, and will be allocated on the basis of individual well tests.
6. Production from the Crosby "B", Crosby "C", and Crosby "D" Leases is common as to working interest ownership, royalty ownership, and overriding royalty ownership, and will be allocated on the basis of individual well tests.
7. Production from the Baskett "D", Sellers, Queen, and Wasley Leases, each being of different ownership, will be produced through separate metering facilities and separators from the above-mentioned four Baskett Leases, and the three Crosby Leases.
8. Production will be metered and sampled separately prior to commingling, utilizing A. O. Smith T-6 temperature compensated meters.

Page Three

Mr. A. L. Porter, Jr.

December 12, 1966

9. The BS&W content will be determined every eight days, and the production recorded.
10. Adequate facilities will be installed to permit determination of the producing capacity of each well on each lease at least once each month, in accordance with applicable provisions of the current Commission Manual for the Installation and Operation of Commingling Facilities.

Yours very truly,

A handwritten signature in dark ink, appearing to read 'V. E. Staley', with a long horizontal stroke extending to the left.

V. E. Staley
Area Superintendent

Attachments

MAILING LIST

Daphne Cato Baskett
3895 Ingals Street
Wheatridge, Colorado

Jane Cato Berry
3821 Southwestern Blvd.
Dallas, Texas

Lorene H. Cato
1518 Hanover
Wichita Falls, Texas

Thelma Crosby
#5 Riverside Drive
Roswell, New Mexico

John Carter Davis
1607 Bayita Lane N.W.
Albuquerque, New Mexico

Diantha Ann Dunn
9999 B Street ONGE
Ellsworth AFB
South Dakota

James T. Jennings
Frances S. Jennings
Post Office Box 1180
Roswell, New Mexico

John W. Lee
C/o Lee & Tomlinson
Florida Theater Building
Jacksonville 2, Florida

Harry LeMaire, Jr. and
Juanita LeMaire, his wife
4205 47th Street
Lubbock, Texas

Virginia C. Marshall
1106 West 4th Street
Roswell, New Mexico

Virginia Crosby McCarthy
1201 S. Riverside
Palm Springs, California

Effie Jane Crosby McDowell
Post Office Box 17002
Tucson, Arizona, 85710

Dorothy Miller
2532 Dexter Ave., NO, Apt. 1
Seattle, Washington 98109

Jennie C. Mooney
911 Montana
El Paso, Texas

Bonnie H. Morrison
3 Park Road
Roswell, New Mexico

Helen O. Crosby Norville
1601 Drury Lane
Oklahoma City, Oklahoma

Frankie Crosby Patterson
107 North Michigan
Roswell, New Mexico

Leta Perryman
Post Office Box 96
Tahlequah, Oklahoma

Revelle Davis Phillips
311 West Cherokee
Nowata, Oklahoma

Phillips Investment Corporation
806 South Denver
Tulsa, Oklahoma

John H. Powell
2003 - 102nd Place S.E.
Bellevue, Washington

Violet B. Pledger Queen
848 Superior Street
Jacksonville, Florida

Scurlock Oil Company
428 Mid America Building
Midland, Texas

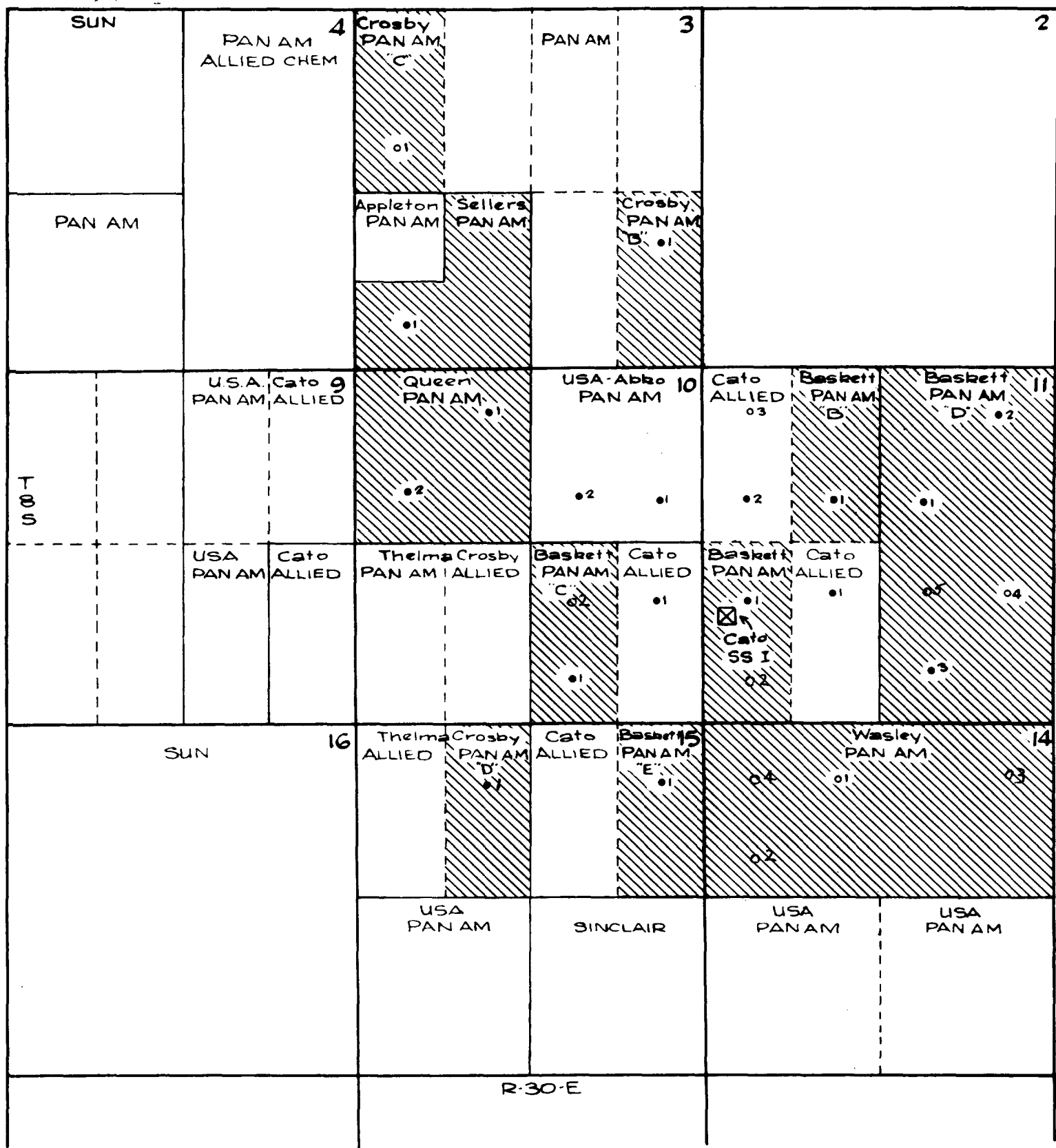
Jean Sellers
Post Office Box 43
Denver, Colorado

Calla Cato Wasley
Grandfield, Oklahoma

J. Don Wiet & W. B. Newberry
Post Office Box 944
Midland, Texas

State Land Office
Post Office Box 1148
Santa Fe, New Mexico

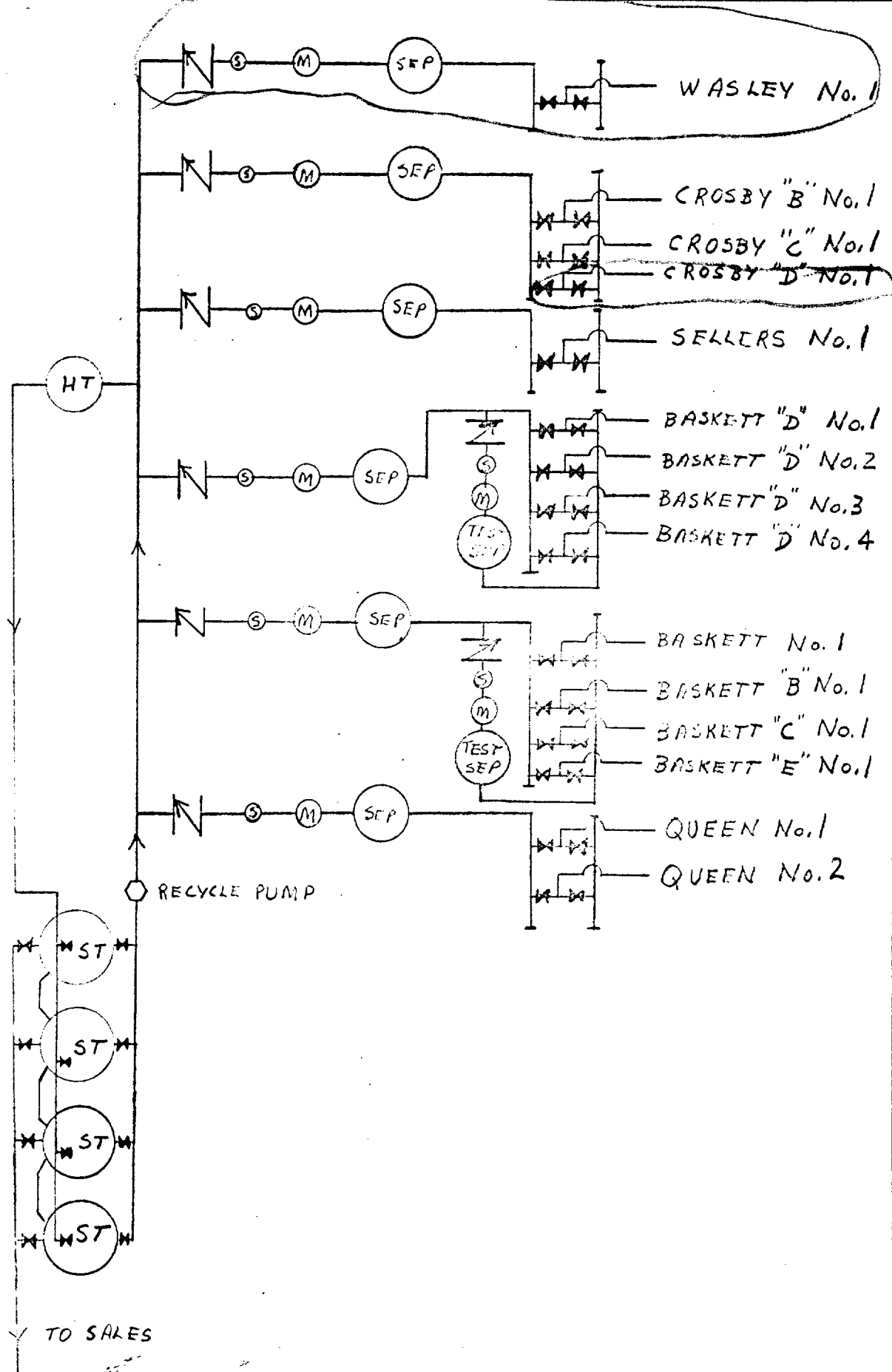
New Mexico Oil Conservation Commission
Post Office Box 1980
Hobbs, New Mexico



Leases served by
Cato Storage System I

PAN AM PETR. CORP.
CATO-SA-POOL
Chaves Co., New Mex.

1"=2000'



PAN AMERICAN PETROLEUM CORPORATION

SCALE: 1/4" = 1'

FR-P: COMMINGLING - CATO STORAGE SYSTEM I. LOCATION: UNIT L
SECTION 11, T-8-S, R-30-E, CHAVES COUNTY, NEW MEXICO

AK
DRG.
NO.

PAN AMERICAN PETROLEUM CORPORATION

Post Office Box 68
Hobbs, New Mexico

December 12, 1966

File: VES-40-541.112 x 400

Subject: Commingling of Production
Crosby "D" Lease
Cato Storage System I
Cato Field
Chaves County, New Mexico

Mr. A. L. Porter, Jr.
Secretary-Director
New Mexico Oil Conservation Commission
Post Office Box 2086
Santa Fe, New Mexico

Dear Sir:

Effective September 13, 1966, CTB-162 provided for the commingling of production from the Baskett and Baskett "B" Leases at our Cato Storage System I. This order was amended October 13, 1966, to include the commingling of the Baskett "C", Baskett "D", and Queen Leases at the same storage system.

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Mr. A. T. Porter, Jr.

December 12, 1966

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1. Plans of the leases showing thereon the wells and the formation in which they are completed.
2. Schematic diagram of commingling facility, called the Cato Storage System I, located in Unit I, Section 11, T-8-S, R-30-E, N.M.P.M., Chaves County, New Mexico.
3. Production is from a common source of supply, and the commercial value of the commingled production will be unchanged.
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Page Three

Mr. A. I. Porter, Jr.

December 12, 1966

9. The ES&W content will be determined every eight days, and the production recorded.
10. Adequate facilities will be installed to permit determination of the producing capacity of each well or each lease at least once each month, in accordance with applicable provisions of the current Commission Manual for the Installation and Operation of Commingling Facilities.

Yours very truly,

V. R. Staley
Area Superintendent

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Tucson, Arizona, 85710

Dorothy Miller
2532 Dexter Ave., NO, Apt. 1
Seattle, Washington 98109

Jennie C. Mooney
911 Montana
El Paso, Texas

Bonnie H. Morrison
3 Park Road
Roswell, New Mexico

Helen O. Crosby Norville
1601 Drury Lane
Oklahoma City, Oklahoma

Frankie Crosby Patterson
107 North Michigan
Roswell, New Mexico

Leta Perryman
Post Office Box 96
Tahlequah, Oklahoma

Revelle Davis Phillips
311 West Cherokee
Nowata, Oklahoma

Phillips Investment Corporation
806 South Denver
Tulsa, Oklahoma

John H. Powell
2003 - 102nd Place S.E.
Bellevue, Washington

Violet B. Fledger Queen
848 Superior Street
Jacksonville, Florida

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428 Mid America Building
Midland, Texas

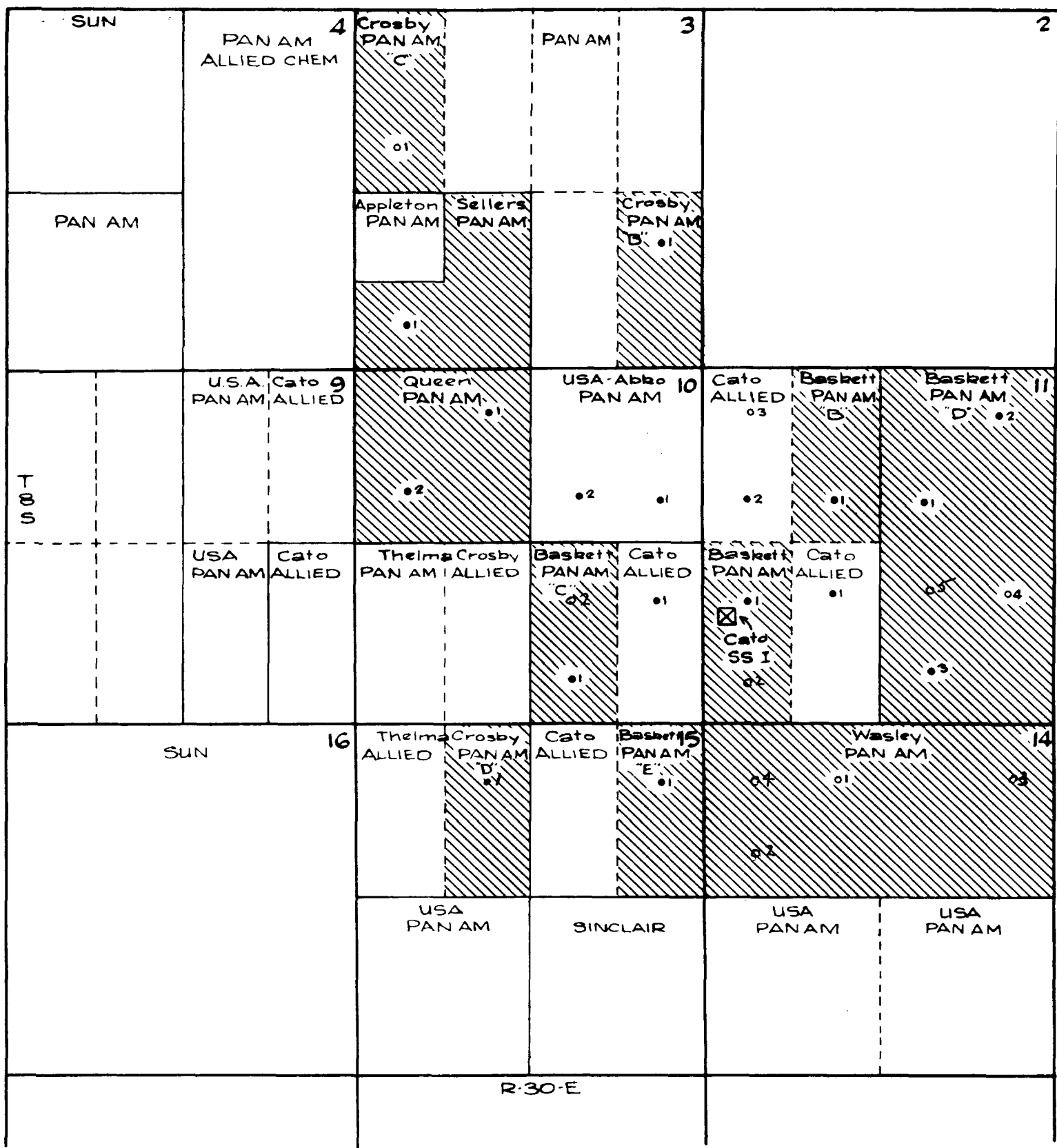
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Grandfield, Oklahoma

J. Don Viet & W. B. Hewberry
Post Office Box 944
Midland, Texas

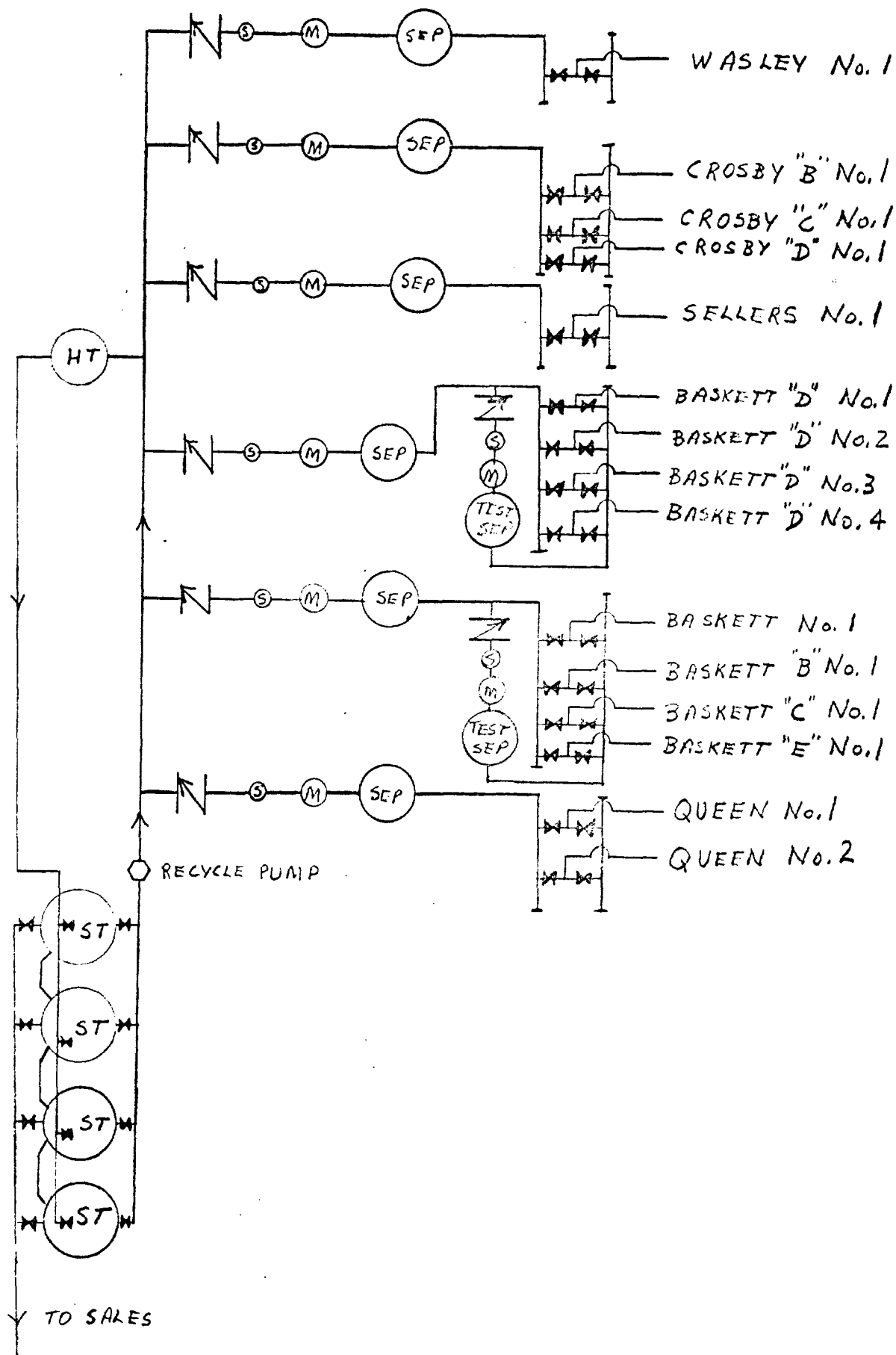
State Land Office
Post Office Box 1148
Santa Fe, New Mexico

New Mexico Oil Conservation Commission
Post Office Box 1930
Hobbs, New Mexico



Leases served by
Cato Storage System I

PAN AM PETR. CORP.
CATO-SA-POOL
Chaves Co., New Mex.
1"=2000'



PAN AMERICAN PETROLEUM CORPORATION

SCALE: 1/4" = 1'

UNITED STATES COMMINGLING - CATO STORAGE SYSTEM I. LOCATION: UNIT 4
SECTION 11, T-8-S, R-30-E, CHAVES COUNTY, NEW MEXICO

AK
DRG.
No.