

PAN AMERICAN PETROLEUM CORPORATION

Post Office Box 68
Hobbs, New Mexico

August 3, 1962

File: VES-256-400 x 541.112

Subject: Application to Commingle
Wantz Abo Oil Production
Southland Royalty Company
"A" Lease, Lea County,
New Mexico

Mr. A. L. Porter (3)
Secretary-Director
New Mexico Oil Conservation Commission
Post Office Box 871
Santa Fe, New Mexico

Dear Mr. Porter:

Pan American Petroleum Corporation hereby submits application for the commingling of oil production from Wantz Abo Pool with the oil and condensate production from the following pools:

Southland Royalty Co. "A" No. 1 located in Unit G, Section 9, T-21-S, R-37-E, NMPM, Lea County, New Mexico. This well is dually completed in the Blinebry (oil) and Drinkard (oil) pools.

Southland Royalty Co. "A" No. 2 located in Unit B, Section 9, T-21-S, R-37-E, NMPM, Lea County, New Mexico. This well is dually completed in the Drinkard (oil) and Tubb (gas) pools.

Southland Royalty Co. "A" No. 3 located in Unit V, Section 4, T-21-S, R-37-E, NMPM, Lea County, New Mexico. This well is dually completed in the Drinkard (oil) and Tubb (oil) pools.

Southland Royalty Co. "A" No. 4 located in Unit X, Section 4, T-21-S, R-37-E, NMPM, Lea County, New Mexico. This well is dually completed in the Drinkard (oil) and Tubb (gas) pools.

Southland Royalty Co. "A" No. 5 located in Unit Q, Section 4, T-21-S, R-37-E, NMPM, Lea County, New Mexico. This well is dually completed in the Drinkard (oil) and Blinebry (gas) pools.

Southland Royalty Co. "A" No. 6 located in Unit H, Section 9, T-21-S, R-37-E, NMPM, Lea County, New Mexico. This well is dually completed in the Drinkard (oil) and Blinebry (gas) pools.

Southland Royalty Co. "A" No. 7 located in Unit A, Section 9, T-21-S, R-37-E, NMPM, Lea County, New Mexico. This well upon completion will be a triple completion producing from the Blinebry (oil), Drinkard (oil) and Wantz Abo (oil) pools.

In support of our request for exception approval without notice and hearing to Rule 303(a) to permit the commingling in common facilities of


the commonly owned production from two or more common sources of supply, the following is submitted:

1. The oil production from each common source will be measured separately utilizing A. O. Smith T-6 temperature compensated meters. The BS&W content will be periodically determined by centrifugal testing procedures.
2. The A. O. Smith T-6 meters will be proved monthly in the existing 500 bbl. stock tanks.
3. Testing wells from each source of supply will be performed as follows: Drinkard oil wells will be tested utilizing a test separator. If more than one Blinebry (oil), Tubb (oil), or Wantz Abo (oil) well is completed, the wells will be tested by shutting-in all but one well and testing. If production losses occur when utilizing the above procedure, the test separator will be equipped as shown in Figure No. 2 of the "Manual for Installation and Operation of Commingling Facilities"; the Blinebry-Tubb condensate well test will be performed by shutting-in all but one well and testing.
4. Detailed data of liquid hydrocarbons:

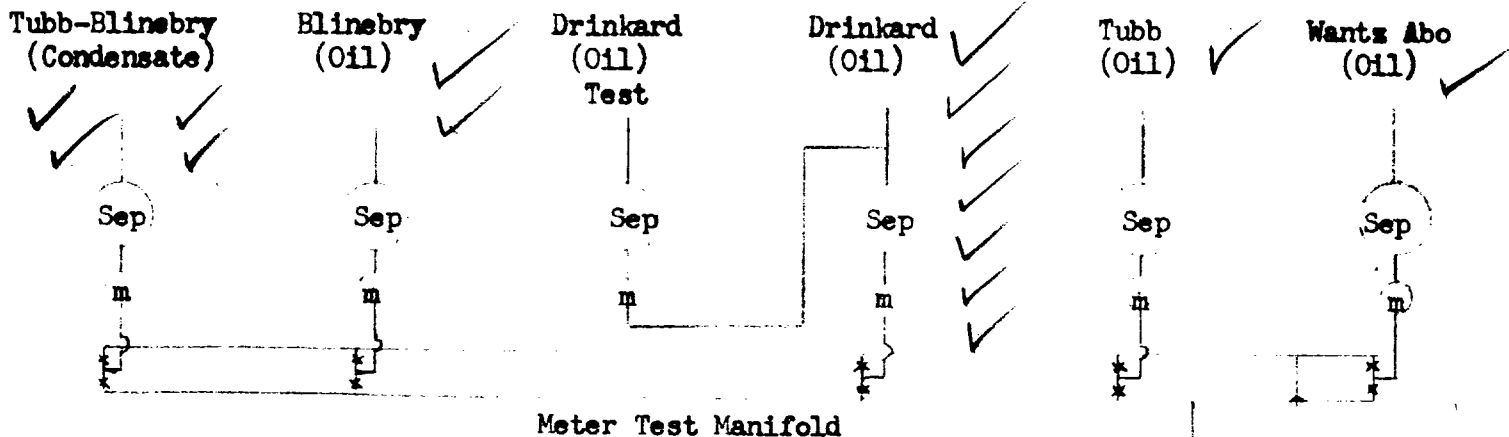
<u>Pools</u>	<u>Expected Gravity</u>	<u>Expected Price/Bbl</u>	<u>Est. Annual Production</u>
A. Tubb (oil), Drinkard (oil), Blinebry (oil), Blinebry & Tubb (condensate)	42.5	\$3.01	110,350
B. Wantz Abo (oil)	43.8	\$3.01	6,205
C. Commingled	42.6	\$3.01	116,555
The commercial value before and after commingling is expected to be the same.			

5. Schematic diagram of proposed installation is attached. Tank battery facility to be located in SW/4, NE/4, Section 9, T-21-S, R-37-E, Lea County, New Mexico.
6. Plat showing the location of all wells on the Southland Royalty Co. "A" Lease and the pools from which each well is producing is attached.

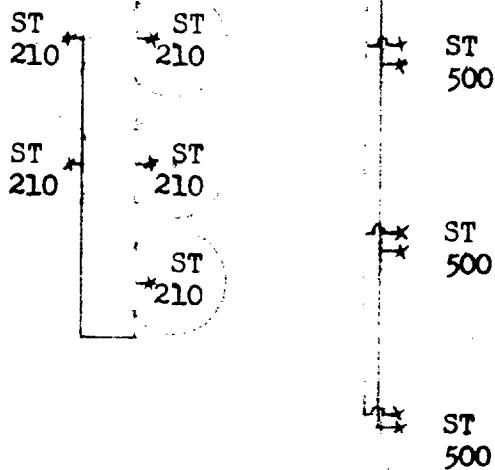
Yours very truly,


V. E. Staley
Area Superintendent

Attachments



Plan to retain on location
 for emergency storage until
 LACT Unit installed.



PAN AMERICAN PETROLEUM CORPORATION

SCALE:

Schematic diagram of proposed battery installation - Southland Royalty Co.
 "A" Lease, SW/4, NE/4, Section 9, T-21-S, R-37-E, Lea County, New Mexico.

DRG.
 No.

● 2-8751
6027 T.D.
6009 P.B.
5740 T.P. Blinbery
F III/D, 21/64 ch.
4-17-56

● 3-8819
6010 T.B.
6004 P.B.
5740 T.P. Bline
F 70
5-1A-56

●10-67
7436 T.D.
7024 T.P.
P. 37/10

6730' T.D.
6519-6635' (Dr.)
F. 163 BO/D
1-1-62
6133-6635' (Tubb)
F. 261 BO/D + 113 BN
1-5-62
5719-5934' (B.H.)
F. 43 BO/D + 28 W
2-1-62

J. C. Estlack
TEXAS CO. & PHILLIPS PET

Livingston
SHE

BLINEBRY-GAS
YESO 5500

4.8840

WESTERN OIL FIELD

3479
1-7-14
5974 T.D
5450 T.D
6 MCED 1964 CH
8-8-84

381
6537
6750 LD
6603 PB
6521 TP (Dr)
Pf 6640-714
F249/+246 MCF/
10/84" on
H-70-52

3467
©1-5357

3435
①-52

6674 T.D.
6607 T.P.(U)
F. 102/ 16/64
J. 10 89

9-6636
E1-9429--
659 T.D.
6584 T.P.C.
F157/10/64
11-13-67

SHELL
Livingston

3476
 5 6156
 6690TD
 6688PB
 6648TP (U.Dr)
 PF.6648 58
 E109/70/64"ch
 7.27.57

CONT'L
State

7500 T.O.
6508 T.R. DC
F.26/D.
6191 T.R. Tubb
F1200 MCF+
18 80/D.
3.21.85...

3.69
● 1 6645
235TD
114P.B
1800TP(M-
F.1076/
30/04 ch
1/4 174 53
5.1/8

7-21-5

PAN AM.-SOUTHLAND ROYALTY LEASE

HUMBLE
State "V"

CONT'2

U.S.A.
W.C. Hawk - B
STANLIND/16
CONT 1/4
ATLANTIC/16
STD OF TEXAS/16
- 3139
- 1-13-58
- 70692Ac1
PL Ray Acct B

CONT'L
HOWK "B"

CONT'L
LOCKPORT

PRN AM
State "C"
STANOLIND
PL 13790
H.B.P.
180 Ac.
(730 Ac.)

TIDEWATER
52828 "5"

WELL LEGEND

