

GENERAL OFFICE
Box 2040
TULSA 2, OKLA.

AMERADA PETROLEUM CORPORATION

Box 668
HOBBS, NEW MEXICO

July 18, 1963

New Mexico Oil Conservation Commission
P. O. Box 371
Santa Fe, New Mexico

Re: Application of Amerada Petroleum Corporation for administrative approval of an exception to Rule 303 (a) of the Commission Rules & Regulations, to permit the commingling of the Vacuum Blinebry and the Vacuum Glorieta into a common storage on its State "VB" Lease, described as the NE 1/4 of the SW 1/4, Sec. 36, T17S, R34E, Lea County, New Mexico.

Gentlemen:

Amerada Petroleum Corporation is the owner and operator of the 40 acre State "VB" Lease, described as the NE 1/4 of the SW 1/4, Sec. 36, T17S, R34E, Lea County, New Mexico. Applicant proposes zone commingling of production from the Vacuum Blinebry and the Vacuum Glorieta Pools by the subtraction method as outlined below:

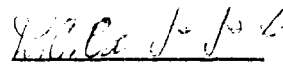
1. The Vacuum Blinebry and Vacuum Glorieta will be commingled into a common sweet crude storage, while the Vacuum Grayburg-San Andres will remain separated into a sour crude battery.
2. The lease will have only one completion in each of the above zones.
3. The daily production will be top allowable from both zones, with the Vacuum Blinebry producing 68 barrels of 34⁰ oil per day and the Vacuum Glorieta producing 51 barrels of 39⁰ oil per day.
4. The total combined daily production of both zones will be 119 barrels of 37⁰ oil with a value of \$351.05. Actual value of the commingled oil will be \$2.01 per day greater than the non-commingled crude.

July 18, 1963

5. The economic advantage of commingling in the above described manner lies in equipment installation.
6. A plat showing well locations along with a schematic diagram of the proposed installation are attached.
7. The applicant will operate the proposed installation in accordance with provisions of the Commission's "Manual for the Installation and Operation of Commingling Facilities", including the requirement for a non-reset counter on the meter.
8. That approval from the State Commissioner of Public Lands is being obtained and will be furnished as soon as it is received.

Applicant requests that administrative approval be given the above matter at the earliest date possible.

Yours very truly,



D. C. Capps
District Superintendent

NLL/DCC/jm

cc: Oil Conservation Commission
P. O. Box 1980
Hobbs, New Mexico (2)

Mr. T. W. Lynch

Mr. R. S. Christie

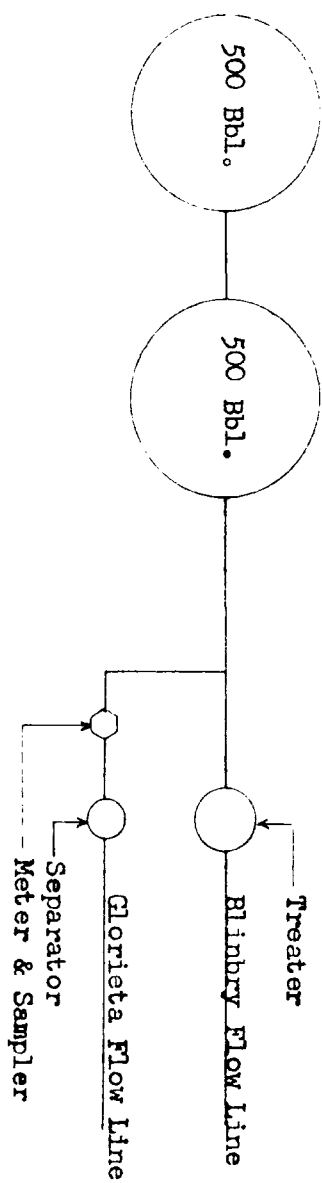
Mr. A. E. Snyder

Mr. W. C. Henderson

File

STATE V "B" NO. 2
Lea county, New Mexico
Proposed Comminuting Battery

LOCATION
2310' FSL and 2310' FWL
S-36, T-17-S, R-34-E
Lea County, New Mexico



AMERADA PETROLEUM CORPORATION

P. O. BOX 2040

TULSA 2, OKLAHOMA

July 19, 1963

Re: Proposed commingling of Oil
NE/4 SW/4 Sec. 36-17S-34E
(Vacuum Field)
Lea County, New Mexico
Our Lease NM-853
State Lease B-2146-6

Commissioner of Public Lands
State Land Office
Santa Fe, New Mexico

Dear Sir:

Amerada is now in the process of completing its State V "B" Well No. 2 on the above 40 acres as a dual Blinbry and Glorietta oil well. From tests heretofore made, we are assured of sweet crude production from both of these zones and we respectfully request your approval to commingle the production from these zones into common sweet crude lease storage. We will, of course, continue to maintain separate tankage for the sour crude produced from Well No. 1-A on this same lease.

Assuming our wishes as stated above meet with your approval, please so indicate by signing the attached copy of this letter in the space provided and return the approved copy in the stamped, addressed envelope which is also enclosed.

Yours very truly,

O. W. Hadley

O. W. Hadley
Land Department

OWH/lc

The above request approved this
22 day of July 1963.

[Signature]
Commissioner of Public Lands
State of New Mexico

by Ted Wilkins

GENERAL OFFICE
Box 2040
TULSA 2, OKLA.

AMERADA PETROLEUM CORPORATION
Box 668
HOBBS, NEW MEXICO
July 30, 1963

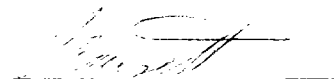
Mr. J. M. Durrett, Jr.
New Mexico Oil Conservation Commission
P.O. Box 871
Santa Fe, New Mexico

RE: Proposed Commingling of Oil, Our Lease No.
NM-853 State Lease B-2146-6.

Dear Sir:

I believe that the enclosed approval by the Commission of Public Land of our proposed commingling of oil from our State V "B" Well #2 should be attached to the other papers now in the Oil Commission office for approval. If you would be so kind as to see that these papers are attached for us it would be deeply appreciated.

Yours very truly,


H. G. Garnett

HGG/ejw

cc: File