

10
Post Office Box 68
Hobbs, New Mexico

1963 OCT 9 AM 8:20

October 8, 1963

File: VES-239-541.112 x 986.510.1

Subject: Revised Battery Piping Arrangement
Hobbs Consolidated Battery II

ILLEGIBLE

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

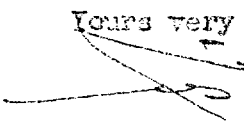
Dear Sir:

Pan American Petroleum Corporation hereby respectfully requests permission to revise the present piping arrangement at our Hobbs Consolidated Battery II to conform to the attached schematic diagram.

Administrative Order PIC-2 authorized the commingling of Hobbs, Bowers, and Hobbs Drinkard production from various leases at our Hobbs Consolidated Battery II. This order provided for separate metering and sampling of Hobbs Pool production from the State "A" Tract 1, State "A" Tract 2, State "A" Tract 3, State "A" Tract 4, State "A" Tract 5, and State "A" Tract 6. In that all of the above tracts are the same basic lease, we have recently changed the lease name to State "A-2", and we now propose to meter and sample the combined production. This method of handling production was approved by the State Land Office by Mr. E. S. Walker's letter of August 29, 1963, RE: Consolidation of Tracts, State "A" Lease, State Lease A-1212.

Other proposed revisions include provisions to treat Hobbs Pool production from the State "A-2" Lease prior to metering and sampling. All leases and zones will continue to be metered and sampled separately.

Yours very truly,


V. E. Staley
Area Superintendent

DET:slh

Attachments

cc: Mr. Alex Clarke, Jr.
Mr. J. W. Brown

PAN AMERICAN PETROLEUM CORPORATION

Post Office Box 68
Hobbs, New Mexico

November 12, 1963

File: VES-260-541.112

Subject: Consolidation of Tracts
State "A" Lease
State Lease A-1212

*File PLC-2
(Amendment of 13, 63)*

Mr. D. S. Nutter
Chief Engineer
State Land Office Building
Santa Fe, New Mexico

Dear Sir:

Reference is made to your telephone conversation with Mr. J. W. Meek on November 12, 1963, concerning the proposed revisions of our Hobbs Consolidated Battery No. 2.

Please find attached the requested letter of approval to consolidate tracts on the State "A" Lease from the Commissioner of Public Lands.

Yours very truly,

V. E. Staley

V. E. Staley
Area Superintendent

DET:sln

Attachment

5 copies

State of New Mexico



Commissioner of Public Lands



August 29, 1963

E. S. JOHNNY WALKER
COMMISSIONER

RECEIVED	
PAN AMERICAN	
PETROLEUM CORP.	
SEP 3 1963	
HOBBS, N. M.	
AS	1
C	
A-2	2
FILE	
SANTA FE, NEW MEXICO	

*per
I'd like to
review proposal
on consolidation
of separate tracts, the
etc.*

*Sig
attached
FT-100
to see new
this!*

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

ATTENTION: V. E. Staley, Area Superintendent

RE: Consolidation of Tracts, State "A" Lease
State Lease A-1212

Gentlemen:

We will approve the above with the restriction on State "A" Tract 10 (SE/4 SE/4, Sec. 33, T-18S, R-38E). This particular tract must be metered and tested separately since it belongs to a different institution. This is in accordance with the rules set by the Oil Conservation Commission.

As for the other tracts, 7 and 8, we have no objections except that the acreage on Sec. 15, T-19S, R-38E should be N/2 NW/4 and SW/4 NW/4.

Very truly yours,

E. S. JOHNNY WALKER
COMMISSIONER OF PUBLIC LANDS

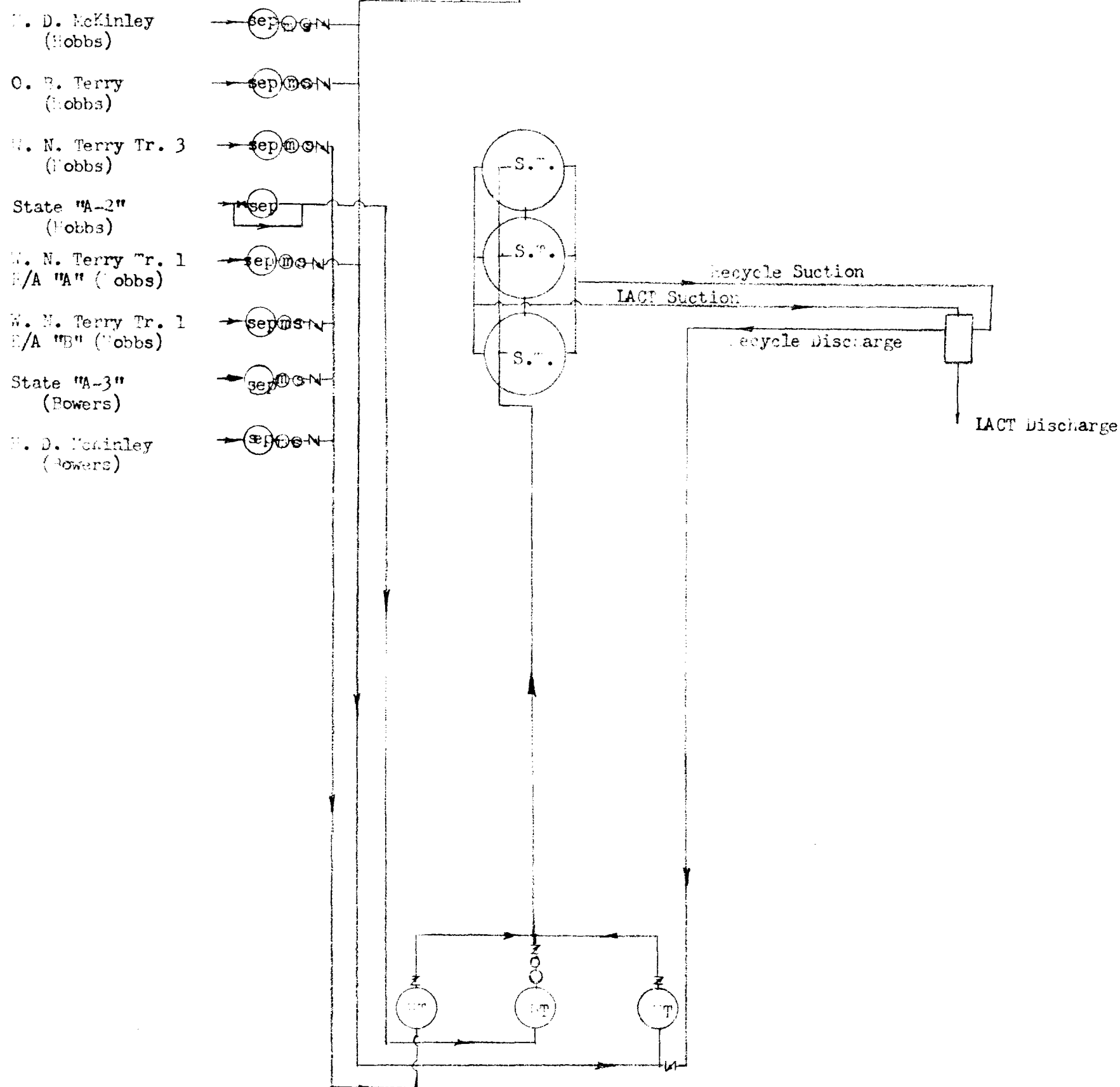
BY: *Romulo Martinez*

ROMULO MARTINEZ
Oil and Gas Department

ESJW/RM/po

CC: Oil Conservation Commission
Oil and Gas Accounting Commission

ILLEGIBLE



PAN AMERICAN
PETROLEUM CORPORATION

Schematic Diagram of Proposed
Revisions to Hobbs Consolidated
Battery II, NW/4, NE/4, Section 9,
T-19-S, R-38-E, Lea County, N. M.

DR.	CK.	AP.	AP.	NO.
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SCALE

DATE

OIL CONSERVATION COMMISSION
P. O. BOX 871
SANTA FE, NEW MEXICO

June 6, 1963

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

Attention: Mr. V. E. Staley

Administrative Order PLC-2

Gentlemen:

Reference is made to your letter of May 1, 1963, wherein you request permission to commingle the Hobbs Pool production from your W. N. Terry R/A "B" Tract 1 Well No. 27 with the Hobbs, Bowers, and Hobbs-Drinkard production from several other leases which were authorized to be commingled by Commission Order No. R-2041.

Inasmuch as an "R" order cannot be amended without a hearing, this order, PLC-2, will authorize the overall commingling of all pools under all leases in Consolidated Battery No. 2, and this authority will supersede that contained in Order No. R-2041.

Pursuant to the authority granted me under the provisions of Commission Rule 303 (b) and Rule 309-B, Pan American Petroleum Corporation is hereby authorized to commingle production as follows:

<u>POOL</u>	<u>LEASE NAME</u>	<u>LEASE DESCRIPTION</u>
Hobbs	State "A" Tract 10	SE/4 SE/4, Section 33, Township 18 South, Range 38 East
Bowers	State "A" Tract 10	SE/4 SE/4, Section 33, Township 18 South, Range 38 East
Hobbs	E. H. Byers "B"	NE/4, Section 4, Township 19 South, Range 38 East

OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

-2-

June 6, 1963

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

Administrative Order PLC-2

Hobbs	✓ State "A" Tract 1	NW/4, Section 4, Township 19 South, Range 38 East
Hobbs-Drinkard	✓ State "A" Tract 1	NW/4, Section 4, Township 19 South, Range 38 East
Hobbs	✓ H. D. McKinley	NW/4, Section 5, Township 19 South, Range 38 East
Bowers	✓ H. D. McKinley	NW/4, Section 5, Township 19 South, Range 38 East
Hobbs	✓ State "A" Tract 2	SE/4, Section 4, Township 19 South, Range 38 East
Hobbs	✓ State "A" Tract 3	E/2 SW/4, Section 4, Township 19 South, Range 38 East
Hobbs	✓ State "A" Tract 4	SW/4, Section 5, Township 19 South, Range 38 East
Hobbs	✓ State "A" Tract 5	NE/4, Section 9, Township 19 South, Range 38 East
Hobbs	✓ State "A" Tract 6	E/2 NW/4, Section 9, Township 19 South, Range 38 East
Hobbs	✓ O. B. Perry	NW/4 NW/4, Section 9, Township 19 South, Range 38 East
Hobbs	✓ W. N. Terry Tract No. 3	SW/4 NW/4, Section 9, Township 19 South, Range 38 East
Hobbs	✓ W. N. Terry "A" Tract No. 1	N/2 SE/4, Section 9, Township 19 South, Range 38 East

OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

-3-

June 6, 1963

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

Administrative Order PLC-2

Hobbs

W. N. Terry "B"
Tract No. 1

S/2 SE/4, Section 9,
Township 19 South, Range
38 East

Production from each of the above leases and pools is to be metered and sampled prior to commingling. Metering is to be accomplished by temperature-compensated meters equipped with non-reset counters and samplers. Provided further, that this installation shall, in all respects, be operated in accordance with the provisions of the Commission "Manual for the Installation and Operation of Commingling Facilities."

Very truly yours,

A. L. PORTER, Jr.,
Secretary-Director

ALP/DSN/esr

cc: Oil Conservation Commission (with enclosure) - Hobbs
Oil & Gas Engineering Committee - Hobbs
State Land Office - Santa Fe

PAN AMERICAN PETROLEUM CORPORATION

Post Office Box 68
Hobbs, New Mexico

May 1, 1963

File: VES-129-400 x 986.510.1

Subject: Application to Commingle
Oil Production -
W.N. Terry R/A "B" Tr. 1
No. 27, Lea County, New Mexico

ILLEGIBLE

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

Dear Sir:

Pan American Petroleum Corporation hereby submits application for the commingling of oil production from the W. N. Terry R/A "B" Tract 1 No. 27, located in Unit P, Section 9, T-19-S, R-38-E, Hobbs Field, with Hobbs, Bowers and Hobbs-Drinkard Pool production at the Hobbs Consolidated Battery No. 2.

In support of our request for exemption without notice and hearing to Rules 303-A and 309-B, to permit the commingling in common facilities of oil production from leases of diversified ownership having two or more common sources of supply, the following is submitted:

1. Oil production from various leases with wells completed in the Hobbs, Bowers, and Hobbs-Drinkard Pools is presently commingled at the Hobbs Consolidated Battery No. 2 located in NW/4, NW/4, NE/4, Section 9, T-19-S, R-38-E. Permission for off-lease storage of commingled production from several leases was obtained July 26, 1961, Order R-2041. Production from each lease and each pool is metered and sampled separately prior to commingling utilizing A. O. Smith T-6 temperature compensated meters equipped with samplers. Production from the W. N. Terry R/A "B" Tract 1 No. 27 will be metered and sampled separately utilizing an A. O. Smith temperature compensated meter equipped with sampler.
2. A BS & W reading will be taken every eight days and the production recorded.

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3. The A. O. Smith T-6 meter will be proved monthly with a master meter.

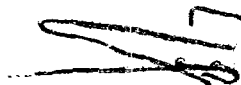
4. Detailed data of liquid hydrocarbons:

<u>Pools</u>	<u>Gravity °API</u>	<u>Value/Bbl</u>	<u>Estimated Annual Production (Bbls)</u>
A. Commingled Hobbs, Bowers & Hobbs- Drinkard Pools	35.2	2.85	315,000
B. W.N.Terry R/A "B" Tract 1 No. 27 Hobbs Pool	35.5	2.85	70,000
C. Commingled Prod- uction	35.2	2.85	359,000

The commercial value of the commingled production will be the same as the sum of the production from the present commingled production and the production from the W. N. Terry R/A "B" Tract 1 No. 27.

5. All parties owning an interest in the W. N. Terry R/A "B" Tract 1 Lease and the purchaser of the commingled production have been notified by certified mail of our intention to commingle production from these leases.
6. Plats of the leases, showing the location of wells and the formation in which they are completed are attached.
5. Schematic diagram of the proposed installation is attached.

Yours very truly,



V. E. Staley
Area Superintendent

DET:slh

Attachments

LEGIBLE

WILL T. TERRY TRUST D/A JEO
S/2 OF SE/4, SEC. 9, T-19-S, R-36-E

ROYALTY OWNERS

Will T. Terry and
Ora B. Terry
Hobbs, New Mexico

Marshall and Winston, Inc.
1054 Broxton Avenue
Los Angeles 24, California

Onez Norma Rooney
2708 First National Building
Oklahoma City 2, Oklahoma

J. M. Richardson Lyeth and
Monroe Langver Lyeth
c/o R. S. Emison
First National City Bank
Lexington Avenue at 42nd Street
New York 17, New York

Kirby Production Company
629 Kennedy Building
Tulsa 3, Oklahoma

Cities Service Petroleum Company
Cities Service Building
Bartlesville, Oklahoma

Foster Petroleum Corporation
P. O. Box 729
Bartlesville, Oklahoma

The Brogal Royalty Company
c/o Edward Galt
1730 Milan Building
San Antonio, Texas

Edward Galt
1730 Milan Building
San Antonio, Texas

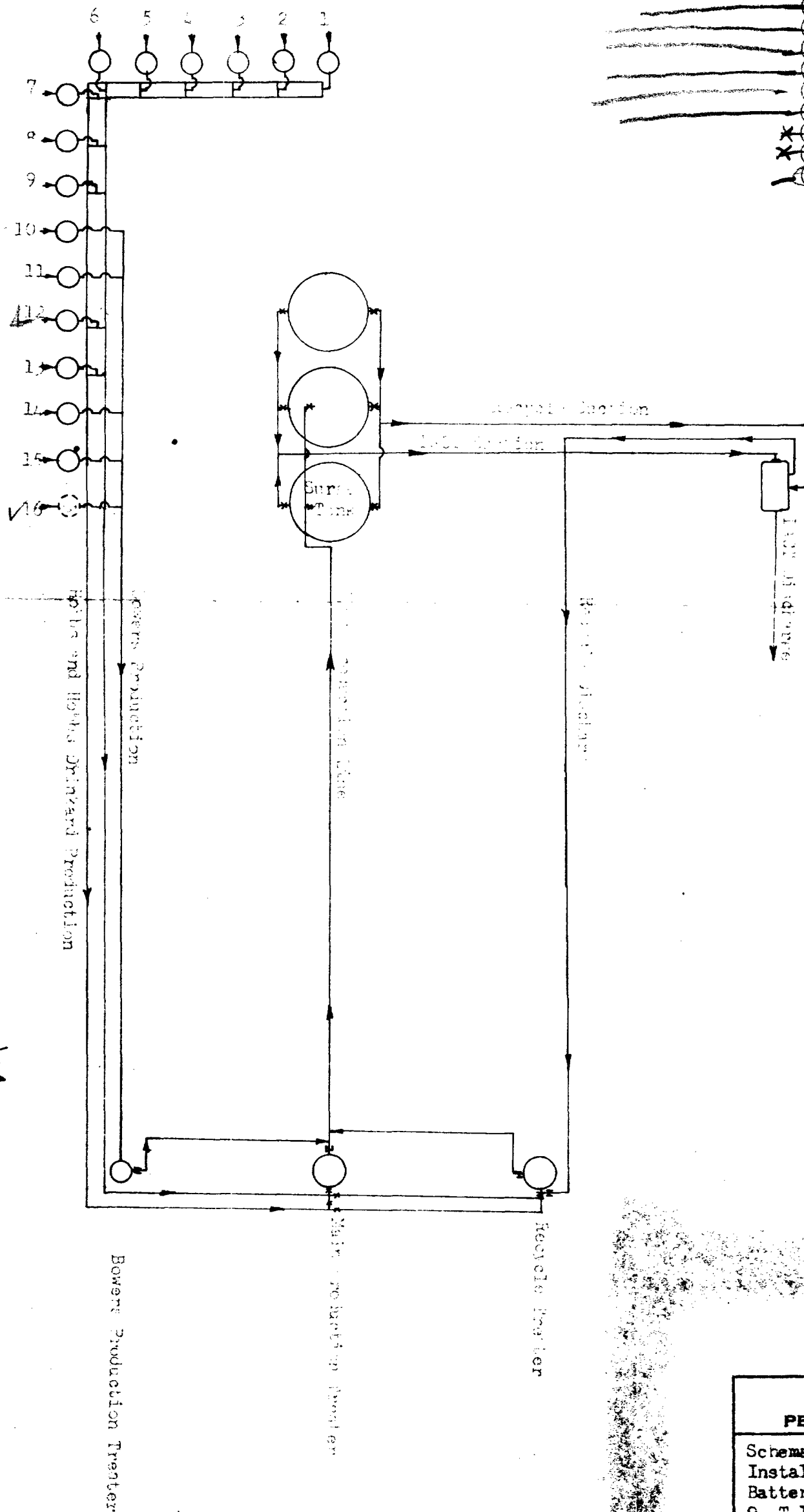
Junia W. Brown
2300 Riverside Drive
Tulsa 14, Oklahoma

ILLEGIBLE

57

LEGEND

- (1) State "A" Tr. 2 4+
- (2) E. F. Dyers "B" 4+
- (3) State A Tr. 10 (Hobbs) 1
- (4) State A Tr. 3 2+
- (5) State A Tr. 1 (Drinkard) 1
- (6) State A Tr. 1 (Hobbs) 4+
- (7) H. D. McKinley (Hobbs) 4+
- (8) State A Tr. 4 4+
- (9) O. B. Terry 1
- (10) W. M. Terry Tr. 3 1
- (11) State A Tr. 6 2+
- (12) W. M. Terry Tr. 1 2
- (13) State A Tr. 5 (4) +
- (14) State A Tr. 10 (Bowers) 1
- (15) H. D. McKinley (Bowers) 3
- (16) W. M. Terry Tr. 1 #27 1
- Separator equipped with meter and sampler



138
1381
1519
963
556

PAN AMERICAN PETROLEUM CORPORATION				
Schematic Diagram of Proposed Installation - Hobbs Consolidated Battery No. 2, NW/4, NE/4, Section 9, T-19-S, R-38-E				
DR.	CK.	AP.	AP.	NO.
SCALE		DATE		

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