

OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

October 9, 1964

C
O
P
Y
Phillips Petroleum Company
P. O. Box 2130
Hobbs, New Mexico

Attention: Mr. W. C. Rodgers

Administrative Order PLC-14

Gentlemen:

Reference is made to your letter of September 24, 1964, wherein you request authority to commingle Vacuum San Andres and Vacuum Yates production in your Tank Battery #5 located in the Vacuum Field, Lea County, New Mexico. The production would be from the following leases: State Lease No. B-1497 comprising the S/2 SW/4 of Section 27; State Lease No. B-1608 comprising the N/2 NE/4 of Section 33; State Lease No. B-2073 comprising the SE/4 SW/4 of Section 33; and State Lease No. B-2519 comprising the NE/4 of Section 34, all in Township 17 South, Range 35 East. It is our understanding that the Vacuum Yates production will be separately metered and the Vacuum San Andres production determined by means of the subtraction method. Further, that the ownership of each of the four leases is identical throughout and will be allocated to each of the leases on the basis of periodic well tests.

Pursuant to the authority granted me under the provisions of Rules 303 (b) and 309-B of the Commission Rules and Regulations, you are hereby authorized to commingle the production from the aforesaid pools and leases in the above-described manner. Provided however, that the installation shall be operated in accordance with the Commission "Manual for the Installation and Operation of Commingling Facilities," including the requirement for non-reset counters on the meters. You are also requested to notify the Hobbs District Office of the Commission at such time as the installation is complete in order that a field inspection may be made of the installation prior to putting it in use.

Very truly yours,

A. L. Porter, Jr.
Secretary-Director

ALF:DSN:sg

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



PHILLIPS PETROLEUM COMPANY

Exploration & Production Department

P. O. Box 2130
Hobbs, New Mexico

September 24, 1964

Mr. A. L. Porter, Jr., Secretary-Director (3)
New Mexico Oil Conservation Commission
P. O. Box 2088
Santa Fe, New Mexico

Dear Sir:

In the Commission's Order No. R-1262 Phillips Petroleum Company was authorized to commingle oil produced from the Vacuum Yates Pool and the Vacuum San Andres Pool in four separate existing tank batteries located on portions of the Santa Fe Lease, Township 17 South, Range 35 East, Lea County, New Mexico. The 40-acre tracts in Battery No. 5 were described in the Order as follows:

<u>Battery No. 5</u>	located in the SE/4 SW/4 of Section 27
Section 27	SE/4 SW/4; SW/4 SW/4
Section 33	NE/4 NE/4; NW/4 NE/4
Section 34	NE/4 NE/4; SE/4 NE/4; SW/4 NE/4; NW/4 NE/4

Santa Fe Well No. 97, located in the SE/4 SW/4 of Section 33, was recently completed as a producer in the Vacuum Yates Pool and in order to clarify the record, we hereby request your approval to include this tract in the description for Battery No. 5.

There is attached a copy of the Commissioner of Public Lands letter of approval for commingling of production from the four State leases involved; also attached is a copy of Texas-New Mexico Pipe Line Company's letter of consent for the commingling of production.

A schematic diagram is attached showing the present equipment and testing facilities at Battery No. 5, and a plat showing the location of the wells and battery is attached.

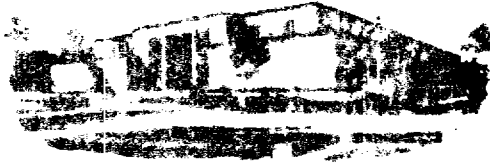
Very truly yours,

W. C. Rodgers
Area Superintendent
Production Division

MGC:wma
Attach.

cc: New Mexico Oil Conservation Commission - Hobbs, New Mexico

State of New Mexico



Commissioner of Public Lands



E. S. JOHNNY WALKER
COMMISSIONER

P. O. BOX 1148
SANTA FE, NEW MEXICO

July 16, 1964

Phillips Petroleum Company
P. O. Box 2130
Hobbs, New Mexico, 88240

ILLEGIBLE

Attention: Mr. W. C. Rodgers
Area Superintendent
Production Division

Re: Request for approval to commingle production
from State leases B-1408, B-1497, B-2519, and
B-2073 into Phillips Santa Fe Battery No. 5,
all located in T-11-S, R-35-E, Lea County,
New Mexico.

Gentlemen:

Reference is made to your letter of June 29, 1964, in which you
have requested approval to commingle production in the VACUUM
SAN ANDRES AND VACUUM YALLO Pools in the subject leases.

As you know, the State Land Office is reviewing its policy regard-
ing commingling. However, it is not our policy at this time to
impose new conditions retroactively upon its lessees. Pursuant
to this policy, please be advised that Phillips Petroleum Company
is granted approval from this office to commingle production on
portions of the four above-mentioned state leases into one common
storage facility. Phillips may proceed upon this approval, with
the knowledge that the Commissioner is now reviewing the policy
regarding commingling and that upon this review various changes
may be required pursuant thereto.

It is acknowledged that Well No. 57 is a new well which would not
fall under a retroactive contingency. However, under the circum-
stances, and due to the source of production and the established
facility at the site, approval is extended upon the contingency
that this office shall be notified prior to the completion of the
installation of the common storage component and accessories, so
that an inspection of the installed component might be accomplished.

ILLEGIBLE

Phillips Petroleum Company

-2-

July 10, 1964

This approval is also contingent upon the condition that the Oil and Gas Division shall be notified of any changes or alteration in the system design. It is understood that the Commissioner of Public Lands reserves the right to review this decision if and when commingling appears to reduce the loyalty due to the State of New Mexico.

Very truly yours,

B. F. LARRY WALKER
COMMISSIONER OF PUBLIC LANDS

By *[Signature]*

Oil and Gas Department

ESJW/EE, CH

TEXAS-NEW MEXICO PIPE LINE COMPANY

P. A. LYONS
DIVISION MANAGER

P. O. BOX 1510
MIDLAND, TEXAS 79701

ILLEGIBLE

July 20, 1964

Mr. W. C. Rodgers
Area Superintendent
Production Division
Phillips Petroleum Company
P. O. Box 2130
Hobbs, New Mexico

Dear Sir:

We have studied your proposal to commingle the production from your four separate State Land Leases, namely, Santa Fe Wells No. 32, Santa Fe Wells No. 7 and 20, Santa Fe Wells No. 18, 24, 27 and 44, and Santa Fe Well No. 94, into your common Battery No. 5 in the Vacuum San Andres and Vacuum Yates Pools located in the SE/4 SW/4 of Section 27, T-17-S, R-37-E, Lea County, New Mexico.

This proposal does meet our requirements, and we have no objection to your proposition as submitted in your letter of July 14, 1964.

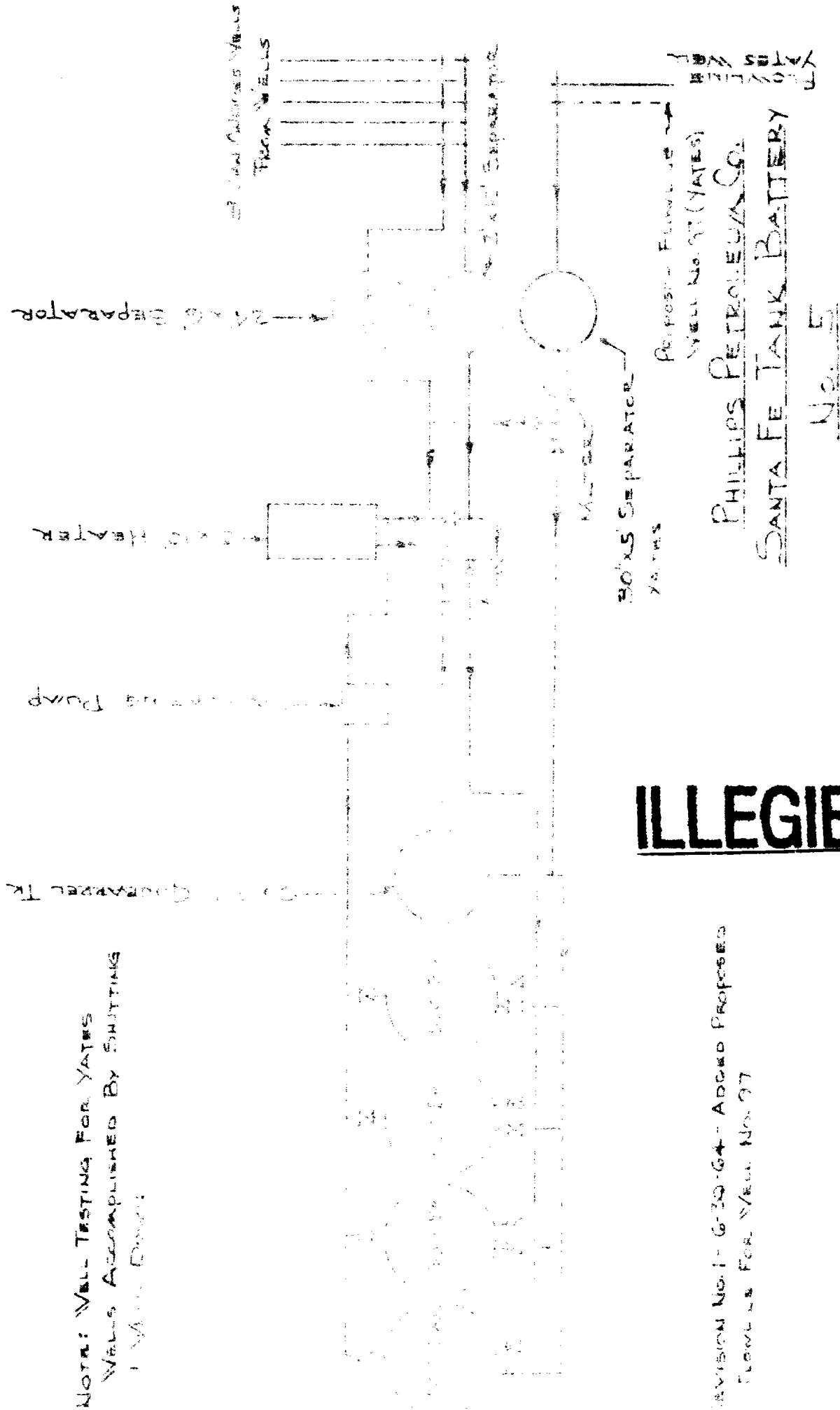
Yours very truly,

[Handwritten Signature]

LPS-ETK

CC: Mr. W. E. Foster
P. O. Box 1027
Lovington, New Mexico

NOTE: Well Testing For Yates
 Wells Accomplished By Shutting
 1 Well Down



ILLEGIBLE

REVISION NO. 1 - 6-20-64 - ADDED PROPOSED
 FLOWLINE FOR WELL NO. 97

VACUUM GRAVIMETER SAMPLING POOL
 VACUUM YATES POOL

No. 5

ILLEGIBLE

27

27

7(SA)
Ptry.#5

18(SA) 24(SA)
B-1808

HPCo.
18(SA,Y) 24(SA)

27(SA) 44(SA)
B-2519

34

Yates oil from #97
produced into temporary
tank at well site.
P-2074

Phillips Petroleum Co.

Baroda, India

T-1745, B-1547, and Company

(SA) - Vacuum San Andres Pool
(Y) - Vacuum Yates Pool