CITIES SERVICE OIL COMPANY



Box 69 Hobbs, New Mexico 88240 Telephone: 505 EX 3-2177

May 9, 1966

Oil Conservation Commission P.O. Box 2088 Santa Fe, New Mexico

Gentlemen:

Cities Service Oil Company proposes to commingle oil production from certain wells in the Corbin area located in Section 32-T17S-R33E, Lea County, New Mexico. It is requested that administrative exceptions be granted to Rules 303(a) and 309-A.

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Production is from eight single completion wells on five leases as shown on the attached plat. The three production zones are Maljamar Grayburg-San Andres, Corbin Queen and Corbin Abo. Oil production from each lease and zone will be kept separate until metered and sampled in compliance with state rules. The proposed treating and metering facilities as shown on the attached schematic will be located on State "CB" Lease and connected into the LACT unit which currently serves State "CB" #2.

The volumes of oil from each pool, based on April, 1966, production, are as follows:

Maljamar Grayburg-San Andres	82.70 bbls. per day
Corbin Queen	8.40 bbls. per day
Corbin Abo	65.60 bbls. per day
Total	156.70 bbls. per day.

Gravities and values of the crude from the various wells which is currently stored and sold separately are shown in the following tabulation:

	Daily Oil	API	Specific	Unit Value	
Well	Prod. Bbls.	Gravity	Gravity	\$/Bb1.	Value
State BY #3	4.2	36.4	0.8428	2.83	\$11.89
State BY #5	64.2	39.2	0.8289	2.92	\$187.46
Ohio State A #6	4.2	36.1	0,8443	2.83	\$11.89
State CB #1	3.0	39.3	0.8285	2.92	\$8.76
State CB #2	32.8	36.4	0.8428	2.83	\$92.82
State CD #1	15.5	39.5	0.8275	2.92	\$45.26
Cockburn State	A 32.8	36.9	0.8403	2.83	\$92.82
#4			Tota	l Value	\$450.90

The expected gravity of the commingled crude is calculated at 38.0 degrees API which will yield \$452.86 daily at \$2.89 per barrel. This represents a daily revenue increase of \$1.96 by crude commingling.

The royalty beneficiary on all leases is The State of New Mexico; however, a diversity exists on each of the leases for overriding royalty. A copy of this application with all attachments have been forwarded by certified mail to all parties owning and/or representing overriding royalty interests and to the crude oil and gas purchasers. Approval for this commingling facility has been granted by the Commissioner of Public Lands, State of New Mexico. A copy of the approval is attached.

Yours very truly,

CITIES SERVICE OIL COMPANY

hand

E. Y. Wilder District Superintendent

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cc: Oil Conservation Commission Box 1980 Hobbs, New Mexico

> Marathon Oil Company Box 2107 - Hobbs, New Mexico

Mr. Johnny Cockburn RR 3, Box 139 Lampasas, T_exas

Maggie Suetta Cockburn Box 105 - Artesia, New Mexico

GROPCO, Incorporated Box 1641 - Abilene, Texas

Jewell A. Poynor Box 9519 - Ft. Worth, Texas

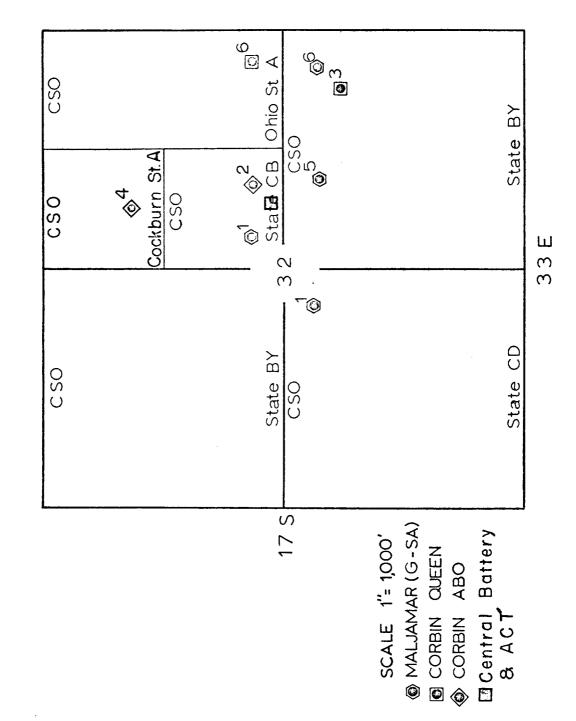
Republic National Bank of Dallas Box 5961 - % Oil Dept. Dallas, Texas

Bank of America Trust Estate of M.S. McMurtry Box 1672 - Fresno, Calif.

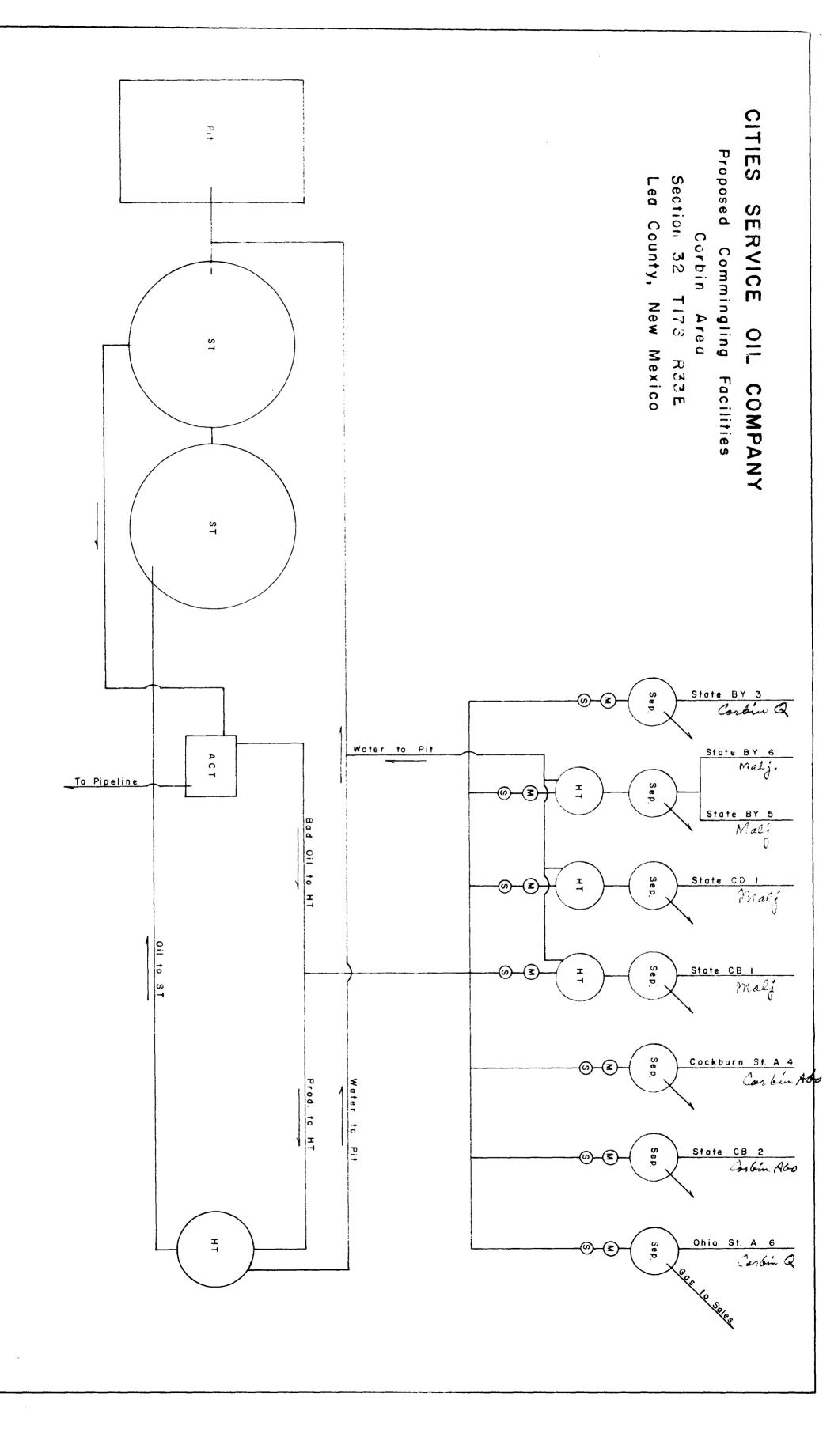
Roy G. Barton Box 968 - Hobbs, New ^Aexico

Texas--New Mexico Pipeline Co. (Crude Oil Purchaser) Box 1027 - Lovington, New Mexico

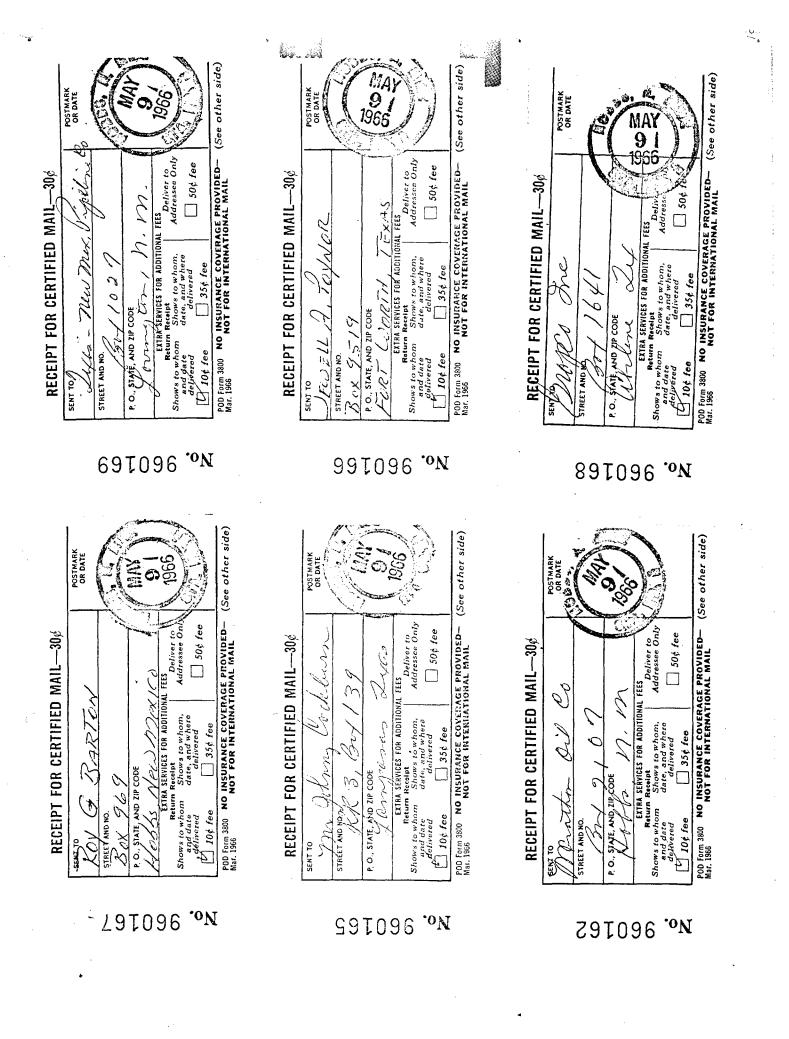
Phillips Pipeline Co. (Gas Purchaser) Room B-2 Phillips Bldg. Odessa, Texas CORBIN AREA LEA CO. NEW MEXICO

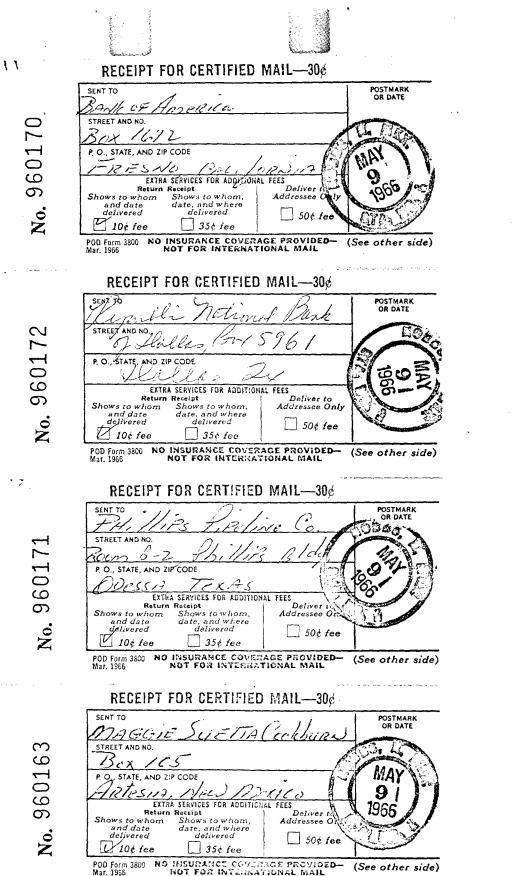


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State of New Mexico



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Commissioner of Public Lands

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April 13, 1966

P. O. BOX 1148 SANTA FE, NEW MEXICO

Cities Service Oil Company Post Office Box 69 Hobbs, New Mexico

Attention: Mr. E. Y. Wilder

Re: State of New Mexico Leases Nos. E-398 and B-5310

Gentlemen:

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GUYTON B. HAYS

COMMISSIONER

We have received your letter of April 7, 1966, requesting permission to withdraw your application dated January 4, 1966, regarding your proposal to commingle oil production from certain wells in the Maljamar Grayburg, Corbin Queen and Corbin Abo pools. These wells are specifically located in the E/2 and NE/4 SW/4 of Section 32, Township 17 South, Range 33 East. It is our understanding that you propose to alter the installation as indicated in your schematic diagram which accompanied your letter of April 7, 1966.

This proposal satisfactorily fulfills our requirements for commingling. Accordingly, the Commissioner of Public Lands hereby alters the approval issued on January 12, 1966, and in place thereof, approves your proposal of April 7, 1966.

The Commissioner hereby reserves the right to amend or withdraw the approval at his discretion if it becomes contra to the best interests of the State of New Mexico.

Very truly yours,

GUYTON B. HAYS Commissioner of Public Lands

TED BILBERRY, Director

GBH/EB/TB/d

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OIL CONSERVATION COMMISSION P. O. BOX 2088 SANTA FE, NEW MEXICO 87501

November 6, 1973

Amoco Production Company P. O. Box 68 Hobbs, New Mexico 88240

Re: PLC-25

Gentlemen:

Pursuant to your request of June 4, 1973, Administrative Order PLC-27 is hereby cancelled.

Inasmuch as all Abo production from the various leases covered by Order No. PLC-25 was unitized effective October 1, 1973, no commingling order is necessary at this time.

We are confident that although your letter requested revision of Order No. PLC-25, it is actually Order No. PLC-27 which should be and hereby is cancelled.

Very truly yours,

A. L. PORTER, Jr. Secretary-Director

ALP/DSN/dr

cc: Oil Conservation Commission - Artesia Oil & Gas Engineering Committee - Hobbs there applies to

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Amoco Production Company

P. O. Box 68 Hobbs, New Mexico 88240

> DE GIESTOVIE JUN - 4 1973 OIL CONSERVATION COMM Santa Ha

May 31, 1973

File: VES-LF-208

Re: Cancellation of Authority Commingling of Production Harbold Federal Lease into Empire Abo Storage System III

New Mexico Oil Conservation Commission P. O. Box 2088 Santa Fe, New Mexico 87501

Gentlemen:

This will inform that the Harbold Federal Lease, comprising the SW/4 SE/4 of Section 34, T-17-S, R-27-E, Eddy County, New Mexico, Empire-Paddock oil pool, is no longer productive.

In view of the above, it is requested that Administrative Order PLC-25 be revised and amended cancelling the authorization for commingling into our Empire Abo Storage System III.

Yours very truly,

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V. E. STALEY Area Superintendent

cc: NMOCC - Artesia USGS - Roswell