

PAN AMERICAN PETROLEUM CORPORATION

Roswell, New Mexico
October 14, 1957

File: S-164-986.510.1

Subject: Non-Standard Proration Units
Blanco Mesaverde Field

New Mexico Oil Conservation Commission (3)
P. O. Box 871
Santa Fe, New Mexico

Attention: Mr. A. L. Porter, Jr.

Gentlemen:

Transmitted herewith are three separate applications for an Examiner Hearing for the purpose of obtaining Orders approving formation of non-standard proration units in the Blanco Mesaverde field.

The non-standard units are necessitated by the existence of non-standard sections along the western boundary of T-29-N, R-9-W, San Juan County. As can be noted on the plat attached to the separate applications, the three units will be located in close proximity to each other and all are requested on the same basis. It is therefore requested that you place these three applications on the same docket so that they can be processed together. Formation of the three units as proposed will complete development of the acreage in the correction strip in this locality as the proposed units will tie in to existing units to the north and south.

In view of the expiring acreage for one of the units, it is requested that the hearing be set as soon as possible after the first of November.

Yours very truly,

PAN AMERICAN PETROLEUM CORPORATION


C.L. Kelley
District Superintendent

Attachment

COPY

Case 1345

Ex hearing
Nov 20**PAN AMERICAN PETROLEUM CORPORATION**Roswell, New Mexico
October 10, 1957

File: S-160-986.510.1

Subject: Non-Standard Proration Unit
Blanco Mesaverde Pool

1957 OCT 10 AM 8:01

MAIN OFFICE OCC

New Mexico Oil Conservation Commission (3)
P. O. Box 871
Santa Fe, New Mexico

Attention: Mr. A. L. Porter, Jr.

Gentlemen:

Pan American Petroleum Corporation respectfully requests an Examiner Hearing for the purpose of obtaining an order approving formation of a non-standard proration unit with its associated well location in the Blanco Mesaverde Field in exception to NMOCC Order No. R-110 dated November 9, 1951. The non-standard unit is necessary due to the existence of non-standard section along the western boundary of T-29-N, R-9-W, San Juan County, New Mexico. Simultaneous approval of the proposed well location is requested since by definition, an orthodox location is difficult to obtain in a non-standard unit.

The attached plat of a portion of the Blanco Mesaverde Field shows the proposed well location with the non-standard unit outlined in red. The acreage that will be included in the unit covers the north half and the north half of the south half of Correction Section 19 and includes 409.24 acres. On the plat, the outlines of two additional non-standard units are shown. By separate applications exceptions are being sought for these two proposed units.

Owners of the remaining leases that will be included in the subject and two adjoining non-standard units have advised that they have no objection to development of the involved acreage by these necessarily oversize units. Since the area to be so developed is offset to the north and south by Mesaverde completions, it is reasonable to conclude that the entire area is reasonably proven capable of Mesaverde production.

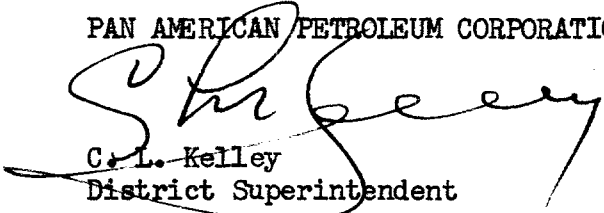
The proposed unit includes a lease which will expire November 17, 1957 unless drilling has commenced prior to that date. In the event it is not possible for an order approving formation of the non-standard unit to be issued prior to the expiration date, it will be necessary that we proceed with drilling of a well at the indicated location on a lease basis in order to protect the lease.

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We anticipate no difficulty in obtaining a satisfactory communitization agreement for the involved leases since all owners of leases to be included in the proposed unit have verbally agreed to join in the proposed non-standard unit.

Yours very truly,

PAN AMERICAN PETROLEUM CORPORATION



C. L. Kelley

District Superintendent

Attachment

