

Case 1551

PAN AMERICAN PETROLEUM CORPORATION

Roswell, New Mexico
October 20, 1958

File: F-672-986.510.1

Subject: Commingling of Production
Empire Abo Field
Eddy County, New Mexico

*Commingle these
more than 16 wells
from clearing*

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 a hearing for the purpose of obtaining an order approving the commingling of Abo production from three separate leases and permitting the production of more than 16 wells into a common tank battery. Three Federal leases in and around the area now designated as the Empire Abo Pool are involved. These leases are located in Sections 3, 10 and 11, T-18-S, R-27-E, Eddy County, New Mexico, and are described below:

Federal Leases

LC-065478-B

N/2 NW/4
NE/4
N/2 SE/4
E/2 SW/4 Section 3

E/2 Section 10

NM-025604

S/2 SE/4 Section 3

W/2 Section 10

LC-067858

N/2
SW/4 Section 11

In the arrangement we propose to use, the production from each individual lease will be separately metered before it is run into storage with production from other leases. The meters will be located at centralized storage facilities and are

*Docket Mailed
11-5-58 BP*

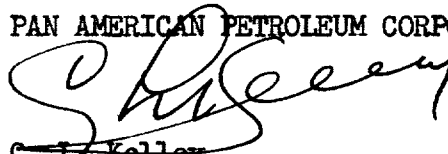
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of proven accuracy. They will be periodically calibrated and tested to insure that this accuracy is maintained and production from all wells will be checked by actual storage measurements each day. These measurements will be compared with the individual meter readings as an additional confirmation of meter accuracy.

We are also filing, by separate correspondence, an application to commingle production from State leases in this same area. It is requested that both cases be placed on the same docket and called at the earliest possible hearing. A plat of the area is attached.

Yours very truly,

PAN AMERICAN PETROLEUM CORPORATION

A handwritten signature in dark ink, appearing to read 'C. L. Kelley', is written over the typed name.

C. L. Kelley
District Superintendent

Attachment