

PAN AMERICAN PETROLEUM CORPORATION

Post Office Box 68  
Hobbs, New Mexico

January 16, 1962

File: VES-31-400 x 986.510.1

Subject: Application to Commingle  
Oil Production - State "CK"  
Lease, Lea County, New Mexico

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

Dear Mr. Porter:

Pan American Petroleum Corporation hereby submits application for the commingling of oil production from the following well and pools:

State "CK" No. 1 located in Unit N, Section 19, T-21-S,  
R-37-E, NMPK, Lea County, New Mexico. This well is  
dually completed in the Drinkard (oil) and Paddock (oil)  
pools. Application for dual completion submitted through  
administrative channels January 12, 1962.

In support of our request for exception approval without notice and hearing to Rule 303 (a) to permit the commingling in common facilities of the commonly owned production from two or more common sources of supply, the following is submitted:

1. The oil production from each common source will be measured separately utilizing A. O. Smith T-6 temperature compensated meters. The BS&W content will be periodically determined by centrifugal testing procedures. At present, both the Paddock and Drinkard are producing water free.
2. The A. O. Smith T-6 meters will be proved monthly in the existing 500 bbl. stock tanks.
3. Detailed data of liquid hydrocarbons:

<u>Pools</u>	<u>Gravity (°API)</u>	<u>Value/Bbl. Based On Last 12 Months</u>	<u>Estimated Annual Production</u>
A. Paddock (oil)	37.9	2.89	17,520
B. Drinkard (oil)	38.4	2.86	23,360
C. Commingled Production	38.2	2.89	40,880

The commercial value of the commingled production will be more than the sum of the production from each common source of supply by approximately \$526 per year.

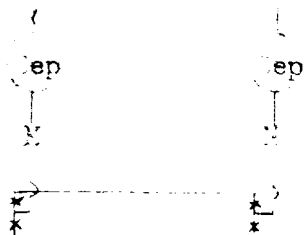
4. Schematic diagram of proposed installation is attached. Tank battery facility to be located in SE/4 SW/4 Section 19, T-21-S, R-37-E, Lea County, New Mexico.
5. Plat showing the location of all wells on the State "CK" Lease and the pools from which each well is producing is attached.

Yours very truly,

V. E. Staley  
Area Superintendent

Attachments

Drinkard (Oil)  
Taddock (Oil)



Meter Test Manifold

... ..  
... ..  
... ..  
... ..  
... ..

500

500

PAN AMERICAN PETROLEUM CORPORATION

SCALE:

Schematic diagram of proposed battery installation - State Oil Lease, N/4, S/4 Section 19, T-21-S, R-37-E, Lea County, New Mexico

DRG.  
NO.

R-36-E

R-37-E

H.T. Mattern  
GULF 'C'

CONT

3542'  
\*1-7896  
3705 T.D.  
3470 T.P.  
7160 MCFD.  
1-18-85

MAKIN DRG.

PENROSE -  
SKELLY  
QN. -3435

State  
PANAM

CHIO L. G. Wartick  
GEN. CR - MAG

USA  
A. M. Lockhart  
CONT QP4

State  
GULF

COAT & JACKSON

GULF Eunice  
Gas Unit

USA  
Edna Elliot  
BARNESDA

State  
GULF

AMERADA

L. G. Wartick  
AMERADA

BARNESDA

RIGHTS ABOVE  
3900' COMMITTED  
TO GULF EUNICE  
GAS UNIT

GULF Eunice  
Gas Unit No. 1  
(A Eumont Gas Well)

GULF

State  
PANAM

H.T. Mattern  
GULF

3526  
\*2 5045  
3625 T.D.  
3720 T.P.  
7430 MCFD.  
3-16-45

USA  
(Sam Weiner)  
J.W. PERCY

Drinkard (Oil)  
Padlock (Oil)

V. Henderson  
TEXAS

"B"  
State-Ramsey  
GULF

(BAY PET.)  
3532  
\*1-1650  
3950 T.D.  
2-23-45