

SHELL OIL COMPANY

1200 MILAM STREET
P. O. BOX 576
HOUSTON, TEXAS 77001

MAY - 9 1977

May 4, 1977

Subject: Lease Commingling of the
Glorieta Zone, State A,
State B, State D, State E,
State F, and State I of
Section 29, Township 17, Range 35
Vacuum Field
Lea County, New Mexico

State of New Mexico
Commissioner of Public Lands
P. O. Box 1148
Santa Fe, New Mexico 87501

Gentlemen:

Shell Oil Company proposes to commingle the Glorieta production of the above-captioned leases.

The API gravities of the Glorieta crudes range from 37.0 to 38.0. There should be no change in actual commercial value of the production as a result of this commingling.

A lease plat, a schematic diagram of the proposed installation, and a tabulation of production for each well on the leases for the months of February and March 1977 are attached for your review. We are also enclosing a list of the leases along with their legal descriptions and state lease numbers.

If you are in agreement with this proposal, please furnish us with a letter to the State of New Mexico Oil Conservation Commission stating your approval. If any additional information is needed, please contact Beverly Adamson of this office.

Yours very truly,

Original Signed By
M. J. Adams
M. J. Adams
Supervisor Oil Accounting
Western E&P Region

BA:GWS

Enclosures

cc - New Mexico Oil Conservation Commission
P. O. Box 2088
Santa Fe, New Mexico 81501

THEORY OF THE EARTH

CHAPTER I

THE EARTH AS A
GEOMETRICAL BODY

SECTION I

THE EARTH AS A
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THE EARTH

FORM NO. 1
COMMINGLING BY
POOL OR LEASE

SHELL OIL COMPANY
P. O. BOX 576
HOUSTON, TEXAS 77001

SHELL OIL COMPANY
COMMINGLING REQUEST FORM
FOR THE
STATE OF NEW MEXICO
OIL CONSERVATION
COMMISSION

APPLICATION FOR EXCEPTION TO COMMISSION RULE 303a AND/OR 309A

1. Operator	SHELL OIL COMPANY			5. Commission Dist. No.	
2. Address	P. O. BOX 576			6. County	Lea
3. City	HOUSTON	4. State	TEXAS	7. Date of Application	5-4-77
8. Identification of leases and pools as shown on statewide oil proration					
9. Field Name	Lease Name	Pool (Zone) Name	API Gravity Range	Lease Location S-T-R	
Vacuum	State A	Glorieta	38.0	31-17S-35E	
Vacuum	State B	Glorieta	37.0-38.0	30-17S-35E	
Vacuum	State D	Glorieta	37.0	31-17S-35E	
Vacuum	State E	Glorieta	37.0	31-17S-35E	
Vacuum	State F	Glorieta	38.0	29-17S-35E	
Vacuum	State I	Glorieta	38.0	29-17S-35E	

10. ☐ Request for exception to Rule 303a (segregation of production from pools)

11. ☒ Request for exception to Rule 309A (lease commingling)

12. POOL COMMINGLING (exception to Rule 303) 1.) Lease plat (required)

2.) Schematic of commingling (required)

13. Commingled royalty interest are the same ☐ Yes ☐ No

14. Are producing zones marginal or top allowable ☐ Marginal-see (a.) below

☐ Top allowable

(a.) If producing zones are not capable of producing top unit allowable for their respective pools, commingling will be permitted without separately measuring the production from each pool. A 60-day period tabulation of production showing that the average daily production has been below top allowable for the subject pools.

15. Allocation of production from well zones will be by ☐ Periodic well test ☐ All zones metered ☐ All zones metered & sampled ☐ All zones except one separately metered - subtraction method

16. Will the commingling of zones or pools decrease revenue due to API gravity change ☐ Yes ☐ No

17. If answer to (16.) is "Yes" state how much less.

18. Are Federal lands or State lands involved? ☐ Yes ☐ No

19. If answer to (18.) is "Yes" furnish an approval letter from the Commissioner of Public Lands for the State of New Mexico or the Regional Supervisor of the United States Department of the Interior Geological Survey stating approval of the proposed commingling.

20. LEASE COMMINGLING (exception to Rule 309A)

20a. 1.) Lease plat required

2.) Schematic diagram of the commingling facility

21. All production is from the same common source of supply or an exception to Rule 303(a) has been obtained ☒ Yes ☐ No

22. If answer to (21.) is "Yes" show acceptance letter date and commission order number . Same common source

23. Allocation of production ☒ Monthly well test ☐ All leases metered ☐ All leases metered & sampled ☐ All leases except one separately metered - subtraction method

24. All parties owning an interest in the Leases and the purchaser of the commingled production have consented in writing to the commingling of production from the separate leases. ☐ Yes ☒ No

25. If answer to (24.) is "No," Explain

Commingling consent will come by notification from the Commissioner of Public Lands as a reply to the attached letter.

26. Name and address of gatherer Texas New Mexico Pipeline P.O. Box 2766 Houston, TX 77001

27. Signature *M. J. Adams* Title Supervisor Oil Accounting

Commingling permit number _____ Approval date _____

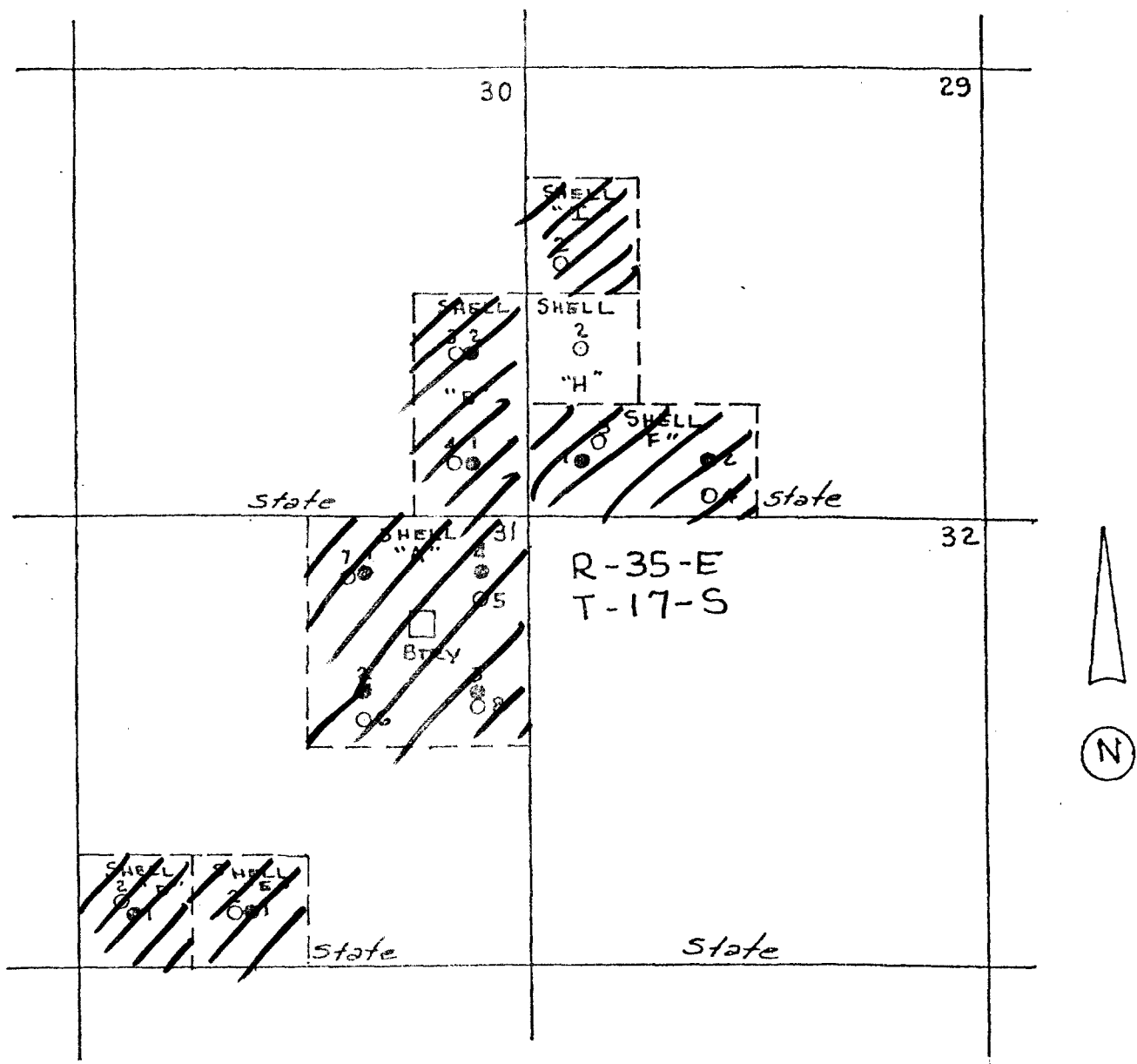
Approved by _____

Leases, State Lease Numbers,
and Legal Description of Leases
Lease Commingling of Glorieta Zone
Vacuum Field

<u>Lease</u>	<u>State Lease Number</u>	<u>Legal Description</u>
State A	B-2354-2	NE/4 of Section 31, Township 17 South, Range 35 East
State B	B-1414-2	E/2 of the SE/4, Section 30, Township 17 South, Range 35 East
State D	B-1415-1	SW/4 of the SW/4, Section 31, Township 17 South, Range 35 East
State E	B-1404-2	SE/4 of the SW/4, Section 31, Township 17 South, Range 35 East
State F	B-2423-12	S/2 of the SW/4, Section 29, Township 17 South, Range 35 East
State I	B-2-13-11 & 12	SW/4 of the NW/4, Section 29, Township 17 South, Range 35 East

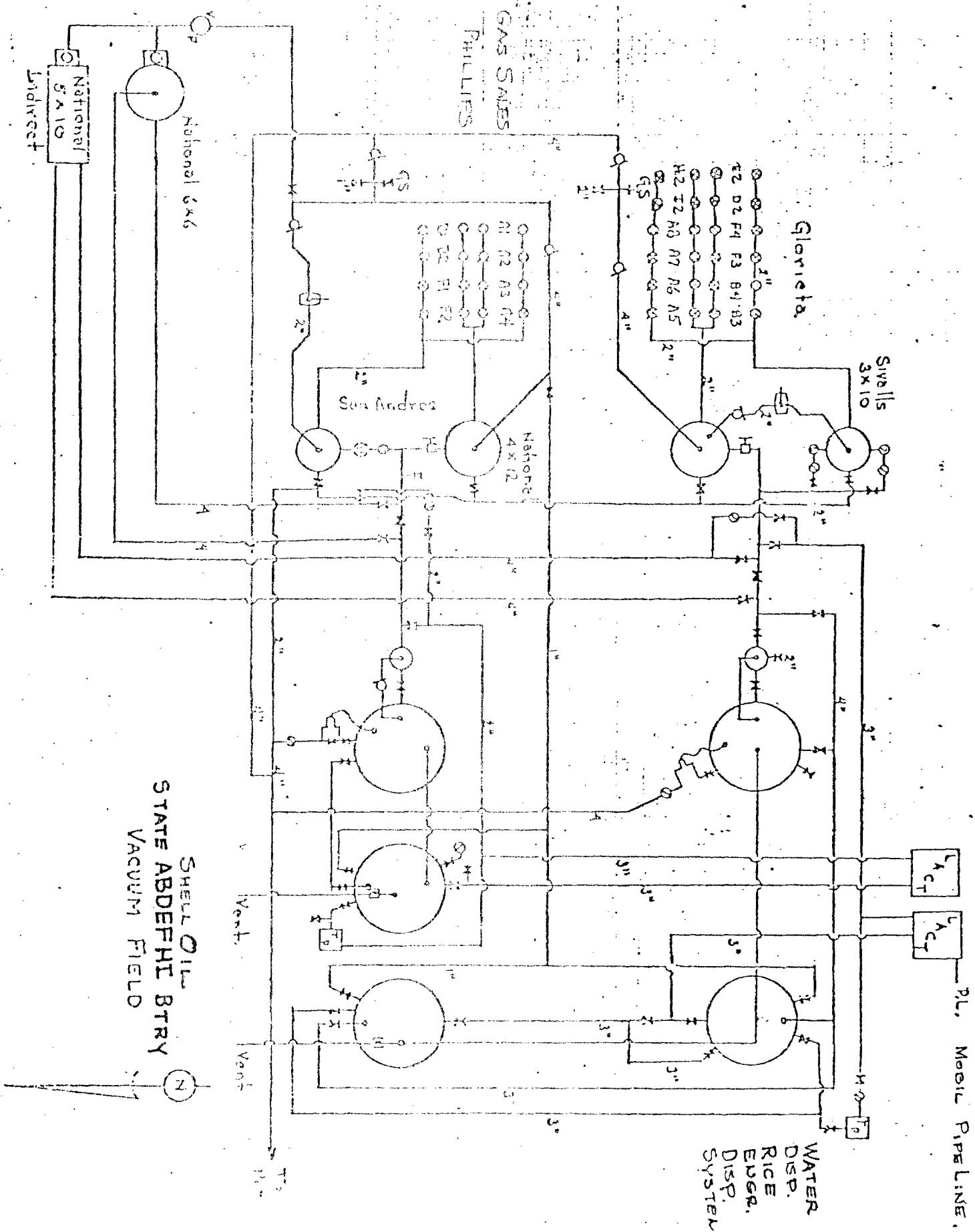
Production History
 Lease Commingling of Glorieta Zone
 Vacuum Field
 Lea County, New Mexico

<u>Pool</u>	<u>Lease & Well No.</u>	<u>Allowable</u>	<u>Act. Bbls. Produced</u>	<u>Bbls. Water</u>	<u>Gas MCF's</u>	<u>Days Produced</u>
<u>February</u>						
Glorieta	State A 6	280	259	5371	1209	28
Glorieta	State A 5	196	144	0	774	28
Glorieta	State A 7	196	195	1087	1081	28
Glorieta	State A 8	504	489	279	278	28
Glorieta	State B 3	2800	2299	1397	4521	28
Glorieta	State B 4	2688	2002	849	4311	25
Glorieta	State D 2	560	575	280	5232	28
Glorieta	State E 2	1540	1437	419	3126	28
Glorieta	State F 3	2996	3076	111	7120	28
Glorieta	State F 4	2996	3075	0	7121	28
Glorieta	State I 2	2520	2206	1826	3038	28
<u>March</u>						
Glorieta	State A 5	310	295	5850	1721	31
Glorieta	State A 6	217	159	0	1072	30
Glorieta	State A 7	217	222	1201	1537	30
Glorieta	State A 8	558	540	299	385	30
Glorieta	State B 3	3100	2626	1548	6454	31
Glorieta	State B 4	2976	2395	987	6453	30
Glorieta	State D 2	620	0	0	0	0
Glorieta	State E 2	1705	1430	405	3891	28
Glorieta	State F 3	3317	0	0	0	0
Glorieta	State F 4	3317	3400	0	9841	30
Glorieta	State I 2	2790	2303	2017	3395	31

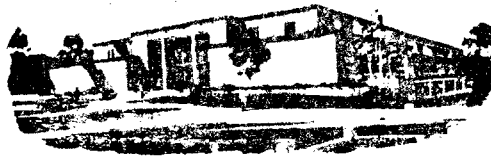


● SAN ANDRES PROD.
○ GLORIETA PROD

SHELL OIL CO.
VACUUM FIELD
LEA CO., NEW MEXICO
SCALE 1"=2000'



State of New Mexico



Commissioner of Public Lands

May 10, 1977

PHIL R. LUCERO
COMMISSIONER

P. O. BOX 1148
SANTA FE, NEW MEXICO 87501

Shell Oil Company
1200 Milam Street
P. O. Box 576
Houston, Texas 77001

Re: Lease Commingling of the
Glorieta Zone, State A,
State B, State D, State E,
State F, and State I of
Sections 29, 30 & 31 of Township
17 South, Range 35 East,
Vacuum Field
Lea County, New Mexico

ATTENTION: Mr. M. J. Adams *a*

Gentlemen: *BJA*

Reference is made to your request dated May 4, 1977, requesting approval to lease commingling of the Glorieta Zone, State A, State B, State D, State E, State F, and State I of Sections 29, 30 and 31 of Township 17 South, Range 35 East, Vacuum Field, Lea County, New Mexico.

You are hereby given approval to the above request. This approval is subject to like approval by the New Mexico Oil Conservation Commission.

Your Ten (\$10.00) Dollar filing fee has been received.

Very truly yours,

PHIL R. LUCERO
COMMISSIONER OF PUBLIC LANDS

BY: *Ray D. Graham*
RAY D. GRAHAM, Director
Oil and Gas Division

PRL/RDG/s
encls.

cc: New Mexico Oil Conservation Commission
New Mexico Oil and Gas Accounting Commission
State Leases, B-1404-2, B-1414-1, B-1415-1, B-2354-2,
B-2423-12.