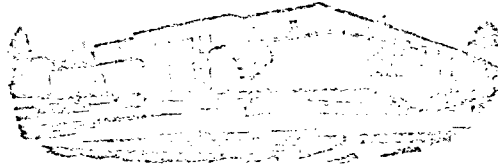


State of New Mexico



Commissioner of Public Lands

August 6, 1971

MID-CONTINENT DIVISION

RECEIVED

AUG 21 1971

7/25			



ALEX J. ARMIJO
COMMISSIONER

P. O. BOX 1148
SANTA FE, NEW MEXICO

Shell Oil Company
Petroleum Building
P. O. Box 1509
Midland, Texas 79701

RECEIVED

OCT - 8 1971

OIL CONSERVATION COMM.
SANTA FE

Re: Commingling of Seven Rivers Queen
State M and State L Leases
Sec. 1, Township 21 S, Range 35 E
and State A Lease
Sec. 12, Township 21S, Range 35E
Eumont Yates (Seven Rivers Queen)
Field, Lea County, New Mexico

ATTENTION: Mr. Jack L. Mahaffey

Gentlemen:

This is to inform you that approval is hereby granted on the above request, subject to the approval by the New Mexico Oil Conservation Commission. Also, this is granted with the understanding that the Commissioner of Public Lands reserves the right to withdraw his approval, if at any time he feels this operation is not to the best interest to the State of New Mexico.

We are sending a copy of our letter of approval to the Oil Conservation Commission as per your request.

Very truly yours,

Ray D. Graham
RAY D. GRHAM, Director
Oil and Gas

AJA/RDG/s
encls.

cc: OCC- Santa Fe, New Mexico

Oil and Gas Accounting Commission
Santa Fe, New Mexico

DATE RECEIVED: AUG 21 1971

MID-CONTINENT PRODUCTION DIVISION
WESTERN E & P REGION

<input type="checkbox"/> Div. Prod. Mgr.	<input type="checkbox"/> Div. Engr. Mgr.
<input type="checkbox"/> Asst. Engr. Mgr.	<input type="checkbox"/> Div. Mech. Engr.
<input type="checkbox"/> Asst. Engr. Mgr.	<input type="checkbox"/> Prod. N.
<input type="checkbox"/> Prod. Supt. N.W.	<input type="checkbox"/> Prod. S.
<input type="checkbox"/> Prod. Supt. N.E.	<input type="checkbox"/> Chem.
<input type="checkbox"/> Prod. Supt. S.E.	
<input type="checkbox"/> Prod. Supt. S.W.	<input type="checkbox"/> Div. Petr. Engr.
<input type="checkbox"/> Prod. Supt. West.	<input type="checkbox"/> Geol. N.
<input type="checkbox"/> Dir. Supt.	<input type="checkbox"/> Geol. S.
<input type="checkbox"/> C.H.C.	<input type="checkbox"/> Res. Plan.
<input type="checkbox"/> J.P.S.	<input type="checkbox"/> Res. Supt.
	<input type="checkbox"/> Petro.
<input type="checkbox"/> Div. Bus. Coord.	
	<input type="checkbox"/> Div. Oper. Engr.
<input type="checkbox"/> File	<input type="checkbox"/> Prod. Engr. S.
REPLY RECD.	<input type="checkbox"/> Prod. Engr. S.
REPLY NUMBER	<input type="checkbox"/> Y. & C. Engr.
	<input type="checkbox"/> Dir. & Engr.
	<input type="checkbox"/> Engr. & Chem.

RECEIVED
AUG 25 1971
N. CONSERVATION COM.

July 12, 1971

Subject: Commingling of Seven Rivers Queen zone
State M and State L Leases
Section 1 T-21 R-35 and
State A Lease Section 12 T-21 R-35
Eumont Yates (Seven Rivers Queen) Field
Lea County, New Mexico

Shell Pipe Line Corporation
P. O. Box 1910
Midland, Texas 79701

Gentlemen:

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

According to our records, the API gravities of the Seven Rivers Queen crudes range from 30° API to 32.8° API. We do not anticipate as a result of this commingling any change in the actual commercial value of the production.

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 additional information is needed concerning this proposal, please contact M. D. Fulgham of this office.

Yours very truly,
Original ~
R. A. HALVERSON

R. A. Halverson
Product Accounting Supervisor
Mid-Continent Division

SST:GMF

RECEIVED

AUG 10 1971

OIL CONSERVATION COMM.
HOBBS, N. M.

FORM-NO. 1
COMMINGLING BY
POOL OR LEASE

SHELL OIL COMPANY
P. O. BOX 1509
MIDLAND, TEXAS 79701

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

RECEIVED
AUG 25 1971

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

1. Operator	SHELL OIL COMPANY		5. Commission Dist. No.	1	
2. Address	P. O. BOX 1509		6. County	Lea	
3. City	MIDLAND	4. State	TEXAS	7. Date of Application	8-18-71
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	
Eumont Yates (SRQ)	State M	Seven Rivers Queen	30.0-32.0	1 21 35	
Eumont Yates (SRQ)	State L	Seven Rivers Queen	30.0-32.0	1 21 35	
Eumont Yates (SRQ)	State A	Seven Rivers Queen	32.6-32.8	12 21 35	

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. **Attached**
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. Commissioner of Public Lands has forwarded copy of approval.
20. LEASE COMMINGLING (exception to Rule 309A)
- 20a. 1.) Lease plat required **Attached**
2.) Schematic diagram of the commingling facility **Attached**
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 **Common Source of Supply**
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 All parties owning an interest in the subject leases and the purchaser of the commingled production are being informed of this proposal.

26. Name and address of gatherer Shell Pipe Line Corp., P.O. Box 1910, Midland, Texas

79701

27. Signature R. A. Halverson Title Product Accounting Supervisor
R. A. Halverson

Commingling permit number _____ Approval date _____

Approved by _____

RECEIVED

AUG 19 1971

OIL CONSERVATION COMM.
HOBBES, N. M.

PRODUCTION HISTORY

Eumont Yates (SRQ)

April 1971

<u>Well No.</u>	<u>Allowable</u>	<u>Actual Barrels Produced</u>	<u>Barrels Water</u>	<u>Gas MCF</u>	<u>Days Produced</u>
<u>STATE M</u>					
1	630	530	11,796	660	30
2	150	75	2,703	396	30
3	120	76	0	3,519	30
5	360	328	152	13,385	30
6	180	102	77	10,679	30
7	210	178	76	7,662	30
8	210	23	23	1,526	29
<u>STATE L</u>					
2Y	240	176	50	7,399	30
3	240	253	380	6,801	30
4	300	227	277	9,858	30
<u>STATE A</u>					
1	300	189	394	10,854	30
2Y	180	118	0	6,625	30
3	300	213	0	8,575	30
4	270	213	53	21,200	30

MAY 1971

<u>STATE M</u>					
1	558	836	11,107	1,252	31
2	155	93	2,642	585	31
3	124	70	0	3,898	31
5	372	253	23	12,398	31
6	186	115	92	14,789	31
7	217	139	46	7,273	31
8	217	140	70	10,861	31
<u>STATE L</u>					
2Y	248	163	47	8,187	31
3	248	150	255	4,856	26
4	310	185	139	9,698	31
<u>STATE A</u>					
1	310	228	710	12,759	31
2Y	186	101	25	5,724	31
3	310	203	101	8,231	31
4	279	203	51	20,349	31

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AUG 10 1971

OIL CONSERVATION COMM.
HOBBS, N. M.

"R.R. Bell"

State

"Orcutt"

"A"

889-BB
550.51 Ac.
P.D.S.

3
OY

8
OY

SHELL
"M"

7+

7
OY

1
OY

6
OY

2
OY

5
OY

4
OY

891-C
160 Ac.
P.D.S.

1
OY

4
OY

SHELL
"L"

3
OY

2
OY

2A
OY

890-C
240 Ac.
P.D.S.

2
OY

4
OY

SHELL
"A"

2A
OY

3
OY

1
OY

Atlantic
"L"

Gulf
"C"

B-2-431

"Orcutt"

891-C
P.D.S.
"G"
El Paso
Gas Rts.

890-C
240 Ac.
P.D.S.

889-BB
550.51 Ac.
P.D.S.
"F"

Gulf
"A"

Gulf
"D"

Atlantic
"K"

Gulf
"E"

Gulf
"B"

"Bell"

State

"Graham"

"Bell"

Atlantic

Sinclair

Amerada

SHELL OIL
COMPANY

WESTERN E & P REGION
MID-CONTINENT DIVISION

PRODUCTION
SOUTH

STATE A, L, & M LEASES
EUMONT FIELD
LEA COUNTY, NEW MEXICO

By R. N. WALDEN

Date: 7-1-71

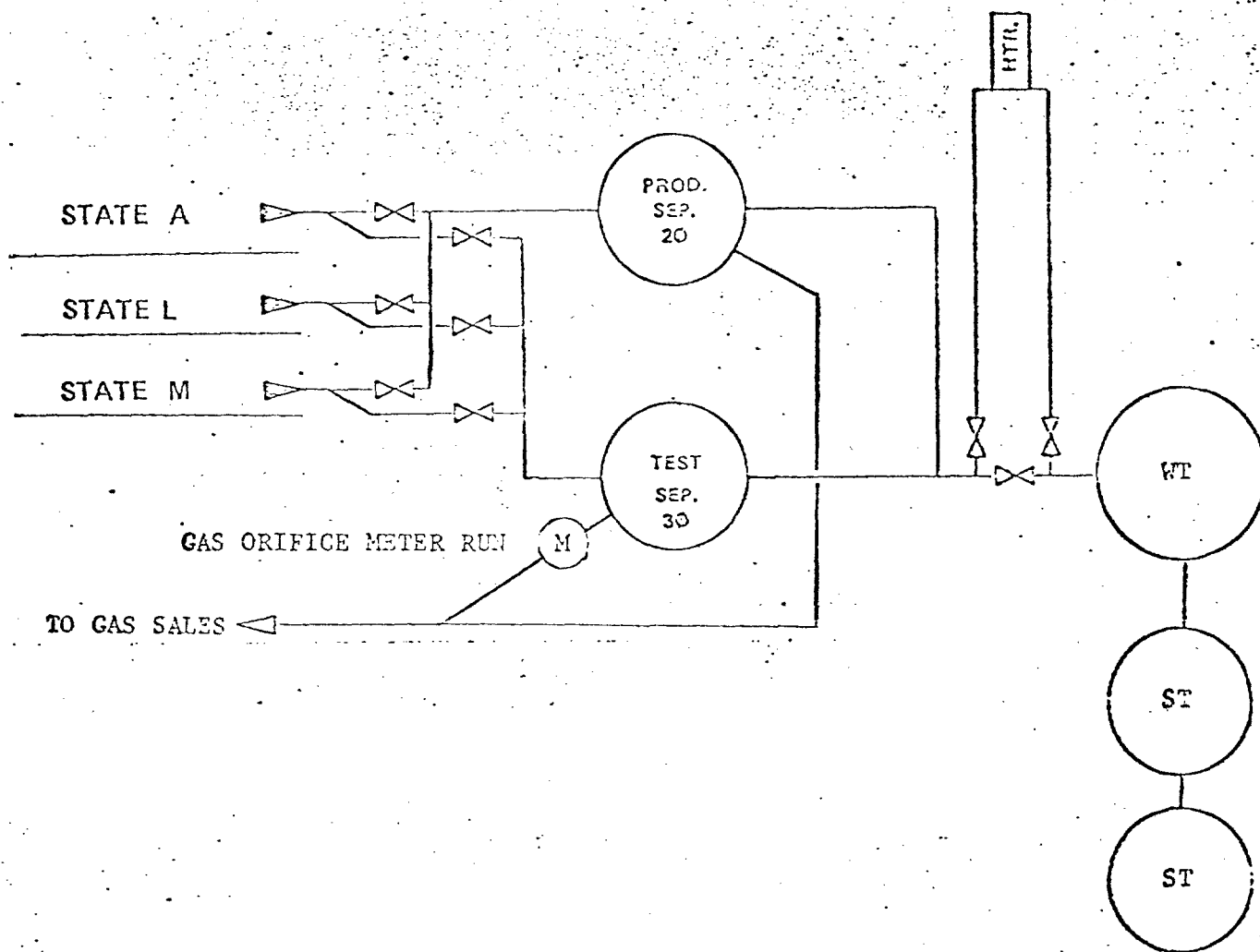
Scale: 1" = 1000'

No:

RECEIVED

AUG 19 1971

**OIL CONSERVATION COMM.
HOBBS, N. M.**



LEGEND

WT WASH TANK

ST STOCK

SEP. SEPARATOR

HTR. INDIRECT HEATER

SHELL OIL COMPANY	WESTERN E & P REGION MID-CONTINENT DIVISION	PRODUCTION SOUTH
<p>SCHEMATIC OF COMMINGLED FACILITIES</p> <p>STATE A, L & M LEASES</p> <p>YATES & SAN ANDRES ZONES</p> <p>EUMONT FIELD</p> <p>LEA COUNTY, NEW MEXICO</p>		
By R.N. WALDEN	Date: 3-5-71	

RECEIVED

AUG 10 1971

OIL CONSERVATION COMM.
HOBBS, N. M.

1.15

DATE DELIVERED

INSURED NO.

091846

CERTIFIED NO.

REGISTERED NO.

1

2

3

SHOW WHERE DELIVERED (Must always be filled in)

SIGNATURE OF ADDRESSEE'S AGENT, IF ANY

SIGNATURE OR NAME OF ADDRESSEE (Must always be filled in)

STERN, LAGER & CO.

Received the numbered article described below.

RECEIPT

PLEASE FURNISH SERVICE(S) INDICATED BY CHECKED BLOCK(S).
 REQUIRED FEE(S) PAID.
 Show to whom, date and address ☐
 Deliver ONLY to addressee ☐ where delivered

RECEIPT FOR CERTIFIED MAIL—30¢ (plus postage)

SENT TO Endura Oil Company, Inc.
 c/o Mr. S. M. Sternback, Jr.
 STREET AND NO. 120 Broadway, Room 1804
 P.O., STATE AND ZIP CODE New York City, New York 10005

POSTMARK OR DATE

OPTIONAL SERVICES FOR ADDITIONAL FEES

RETURN RECEIPT SERVICES	1. Shows to whom and date delivered	15¢
	With delivery to addressee only	65¢
	2. Shows to whom, date and where delivered	35¢
	With delivery to addressee only	85¢
DELIVER TO ADDRESSEE ONLY		60¢
SPECIAL DELIVERY (2 pounds or less)		45¢

TX ANNEX
 JUL 19 1971
 1971

POD Form 3800
 July 1969

**NO INSURANCE COVERAGE PROVIDED—
 NOT FOR INTERNATIONAL MAIL**

(See other side)

★ GPO : 1969 O—358-312

No. 091846

RECEIVED
AUG 25 1971
MIL COMMISSION DIVISION

July 12, 1971

Subject: Commingling of Seven Rivers Queen zone
State M and State L Leases
Section 1 T-21 R-35
And State A Lease, Section 12
T-21 R-35, Eumont Yates (SRQ) Field
Lea County, New Mexico

Endura Oil Company, Inc.
c/o Mr. S. M. Sternback, Jr.
120 Broadway, Room 1804
New York City, New York 10005

Gentlemen:

Shell Oil Company proposes to commingle production from the subject leases into common storage. The oil production from each Lease shall be separately metered and sampled before commingling. The allocation of production as to each lease and the installation and operation of commingling facilities will be in accordance with New Mexico Oil Conservation Commission commingling rules and regulations. No change in the commercial value of the production is anticipated.

All parties owning an interest in the subject leases and the purchaser of the commingled production are being informed of this proposal. The New Mexico Oil conservation Commission may approve the commingling if no party has made objection within twenty days of receipt of our application.

Yours very truly,

Original Signed By
R. A. HALVERSON

R. A. Halverson
Product Accounting Supervisor
Mid-Continent Division

SST:GMF

RECEIVED

AUG 10 1971

**OIL CONSERVATION COMM.
HOBBS, N. M.**