

SHELL OIL COMPANY

PETROLEUM BUILDING
P.O. BOX 1509
MIDLAND, TEXAS 79701

January 29, 1970

10 FEB 3 AM 8 22

45-11
94 461
30-11-24
Chris - Vadala
ind

State of New Mexico
New Mexico Oil Conservation Commission
P. O. Box 2088
Santa Fe, New Mexico 87501

Gentlemen:

Shell Oil Company hereby makes application for administrative approval to commingle before marketing production from the State "D" (E/2, NW/4, Section 24, T18S, R37E) and State "F" (W/2, NE/4, Section 23, T18S, R37E) leases, Hobbs Field, Lea County, New Mexico.

We propose to commingle the two leases without separately metering production from each lease as all interest in the leases is common throughout. Allocation of production from each well and each lease will be based on monthly well tests.

All wells produce from the same zone with similar gravities; therefore, no change in the commercial value of the production is anticipated.

Attached for your consideration are a lease plat, schematic diagram of the proposed installation, and letters from the royalty owner and purchaser of the production consenting to the proposed commingling. If additional information is required, please contact this office.

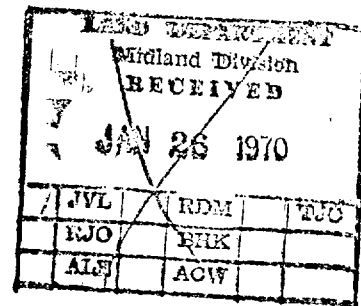
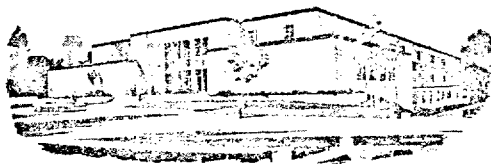
Yours very truly,

J. L. Mahaffey, Manager
Production Department-West
Midland Division

RJC;CW

Attachments

State of New Mexico



Commissioner of Public Lands

ALEX J. ARMIJO
COMMISSIONER

January 22, 1970

P. O. BOX 1148
SANTA FE, NEW MEXICO

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

MID. DIV. PROD. WEST	
JAN 22 1970	
1	JVL/10/18/1970
2	RCC
3	JVL
4	JVL
5	JVL
6	JVL
7	JVL
8	JVL
9	JVL
10	JVL
11	JVL
12	JVL
13	JVL
14	JVL
15	JVL
16	JVL
17	JVL
18	JVL
19	JVL
20	JVL
21	JVL
22	JVL
23	JVL
24	JVL
25	JVL
26	JVL
27	JVL
28	JVL
29	JVL
30	JVL
31	JVL
32	JVL
33	JVL
34	JVL
35	JVL
36	JVL
37	JVL
38	JVL
39	JVL
40	JVL
41	JVL
42	JVL
43	JVL
44	JVL
45	JVL
46	JVL
47	JVL
48	JVL
49	JVL
50	JVL
51	JVL
52	JVL
53	JVL
54	JVL
55	JVL
56	JVL
57	JVL
58	JVL
59	JVL
60	JVL
61	JVL
62	JVL
63	JVL
64	JVL
65	JVL
66	JVL
67	JVL
68	JVL
69	JVL
70	JVL
71	JVL
72	JVL
73	JVL
74	JVL
75	JVL
76	JVL
77	JVL
78	JVL
79	JVL
80	JVL
81	JVL
82	JVL
83	JVL
84	JVL
85	JVL
86	JVL
87	JVL
88	JVL
89	JVL
90	JVL
91	JVL
92	JVL
93	JVL
94	JVL
95	JVL
96	JVL
97	JVL
98	JVL
99	JVL
100	JVL

Production Division

Gentlemen:

Reference is made to your application dated January 16, 1970, requesting approval to commingle San Andres production from the following leases:

State "D", E/2, NW/4, Section 24, T18S, R37E
State "F", W/2, NE/4, Section 23, T18S, R37E

The production from these leases will be commingled into one tank battery located on the State "D" lease, Hobbs field Lea County, New Mexico

You are hereby given approval to the above described request. Any deviation from your proposed request will be reason to cancel approval.

This approval is subject to the subsequent approval of the New Mexico Oil Conservation Commission.

Very truly yours,

Ted Bilberry
Ted Bilberry, Director
Oil and Gas Department

TB/ML/s

cc: OCC-Santa Fe, New Mexico

SHELL OIL COMPANY

DATE JANUARY 28, 1970

TO DIVISION PRODUCTION MANAGER - WEST

FROM RAW MATERIALS SUPPLY
MIDLAND DIVISION SERVICES

SUBJECT SHELL OIL COMPANY
STATE "D" AND "F" LEASES
HOBBS (SAN ANDRES) FIELD
LEA COUNTY, NEW MEXICO

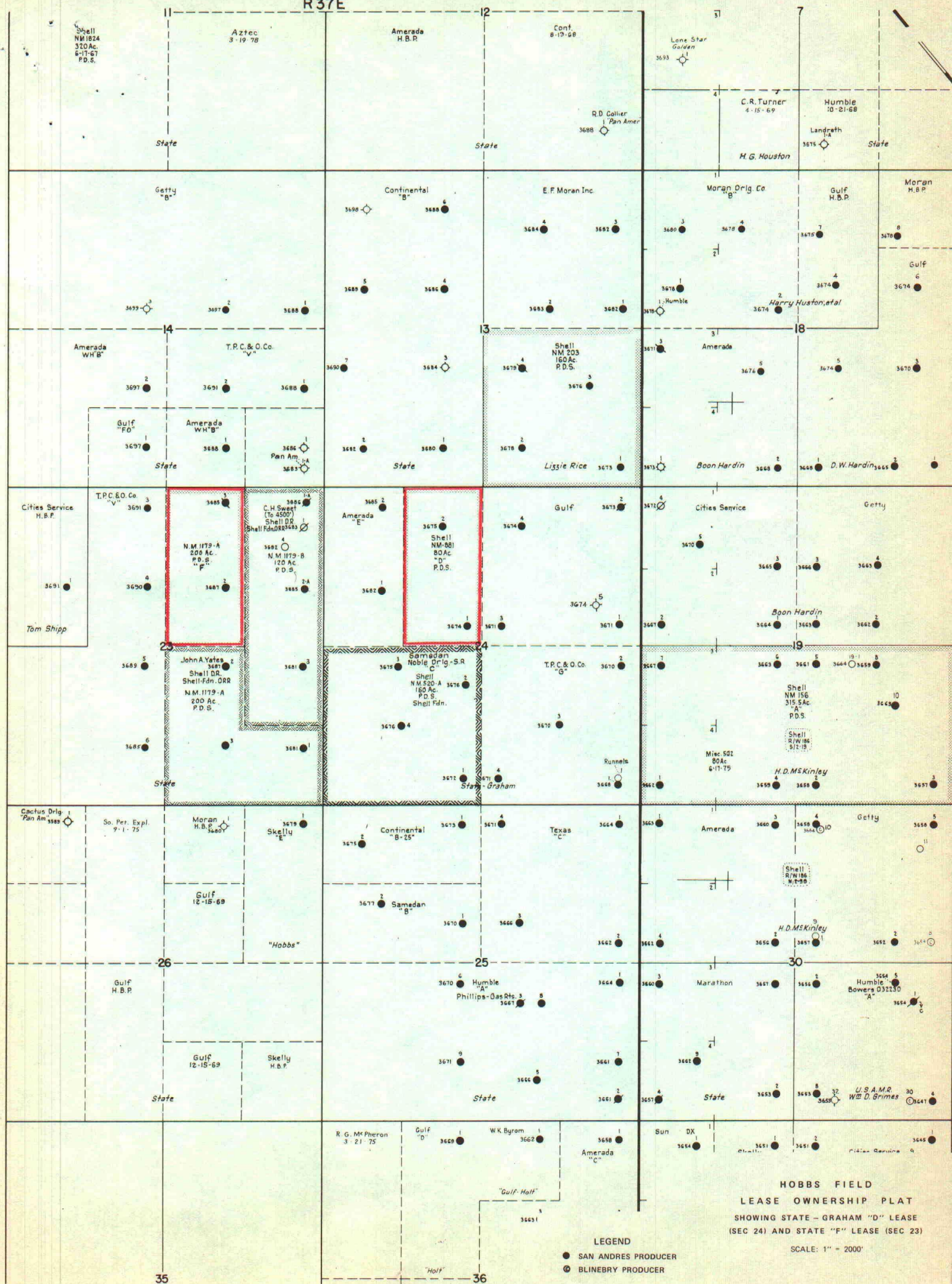
Shell Oil Company, as purchaser of the Hobbs (San Andres) production from the above leases, has no objection to your commingling both leases into common storage on the State "D" lease.

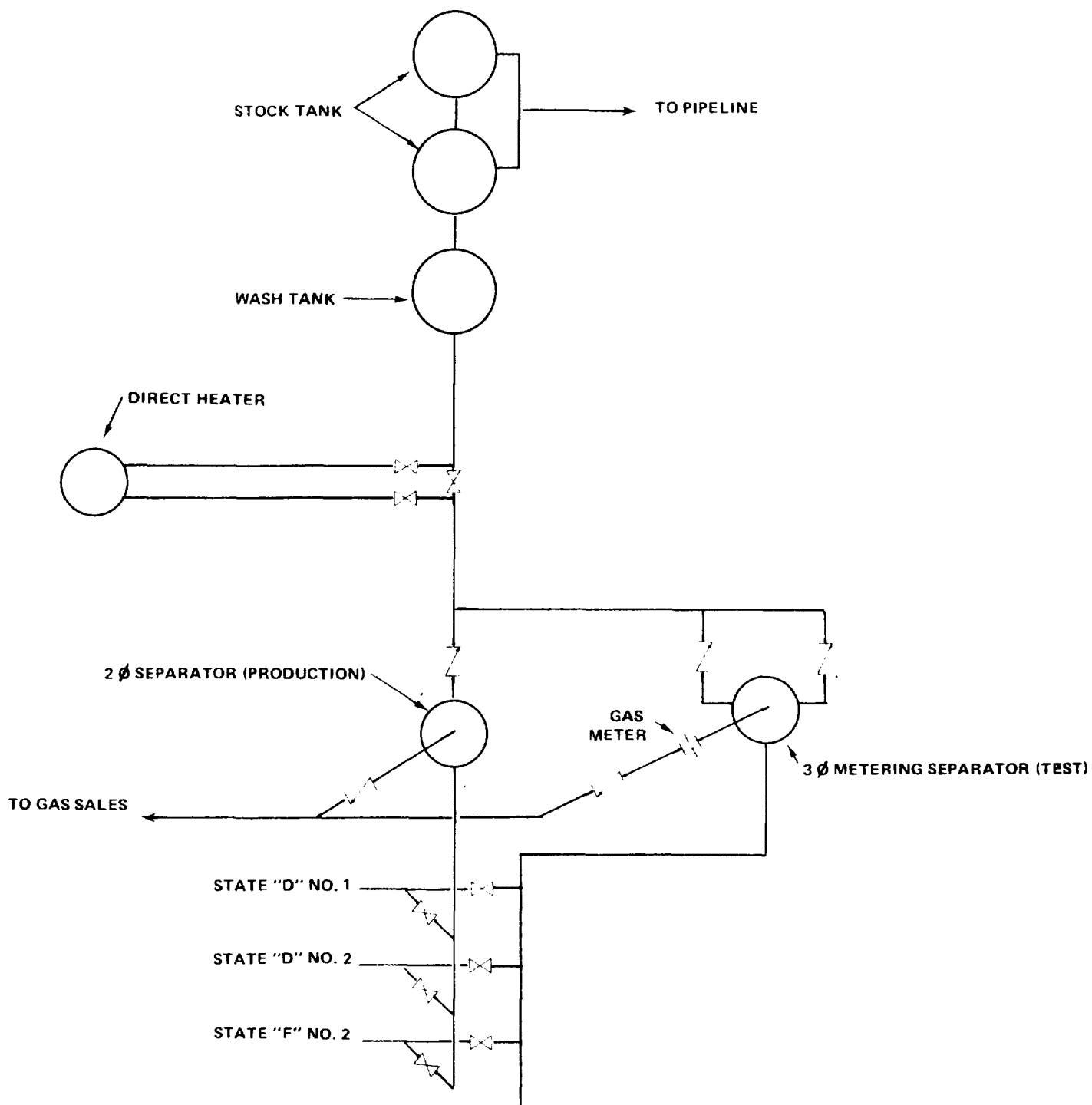
TEM:ERL

J. C. Hart
J. C. Hart

cc - Shell Pipe Line Corporation
Tender Section

MID. DIV. PROD. WEST	
JAN 29 1970	
1	100
2	100
3	100
4	100
5	100
6	100
7	100
8	100
9	100
10	100





SHELL OIL COMPANY	SOUTHWESTERN E & P REGION MIDLAND DIVISION	PRODUCTION WEST
SCHEMATIC OF COMMINGLING INSTALLATION STATE "D" & "F" LEASES HOBBS FIELD, NEW MEXICO		
Des: R. J. COENEN	Date: 1/14/70	
Scale: NONE	Dwg. No. 3163	