



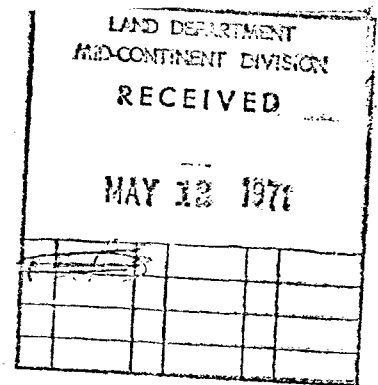
ALEX J. ARMIJO
COMMISSIONER

State of New Mexico



Commissioner of Public Lands

May 11, 1971



P. O. BOX 1148
SANTA FE, NEW MEXICO

Shell Oil Company
P. O. Box 1810
Midland, Texas 79701

NM-519

Re: Commingling of Grayburg San Andres
(zones)
State D and C Lease
Sec. 19, Township 19, Range 37 and
State H Lease
Sec. 20, Township 19, Range 37
Monument (G-SA) Field
Lea County, New Mexico

ATTENTION: Mr. J. A. Watson

JUN 18 PM 1 1971

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 sorry for the inconvenience we have caused you by thinking that your "C" Lease was not State of New Mexico Lands.

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

Sincerely yours,

GORDON G. MARCUM, II, Director
Oil and Gas

AJA/GGM/s
encls.

cc: OCC- Santa Fe, New Mexico

Oil and Gas Accounting Commission
Santa Fe, New Mexico

FORM NO. 1
COMMINGLING BY
POOL OR LEASE

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

SHELL OIL COMPANY
P. O. BOX 1810
MIDLAND, TEXAS 79701

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 1810		6. County	Lea	
3. City	MIDLAND	4. State	TEXAS	7. Date of Application	May 24, 1971
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	
Monument (G-SA)	State D	(G-SA)	31.9- 32.3	19	19 37
Monument (G-SA)	State C	(G-SA)	32.0- 33.0	24	19 36
Monument (G-SA)	State H	(G-SA)	30.9- 32.0	20	19 37
10. <input checked="" type="checkbox"/> Request for exception to Rule 303a (segregation of production from pools)					
11. <input checked="" type="checkbox"/> Request for exception to Rule 309A (lease commingling)					
12. POOL COMMINGLING (exception to Rule 303) 1.) Lease plat (required) Attached					
2.) Schematic of commingling (required) Attached					
13. Commingled royalty interest are the same <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No					
14. Are producing zones marginal or top allowable <input checked="" type="checkbox"/> Marginal-see (a.) below					
<input type="checkbox"/> 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 <input checked="" type="checkbox"/> Periodic well test <input type="checkbox"/> All zones metered <input type="checkbox"/> All zones metered & sampled <input type="checkbox"/> All zones except one separately metered - subtraction method					
16. Will the commingling of zones or pools decrease revenue due to API gravity change <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No					
17. If answer to (16.) is "Yes" state how much less.					
18. Are Federal lands or State lands involved? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> 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. Attached					
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 <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No					
22. If answer to (21.) is "Yes" show acceptance letter date and commission order number					
23. Allocation of production <input checked="" type="checkbox"/> Monthly well test <input type="checkbox"/> All leases metered <input type="checkbox"/> All leases metered & sampled <input type="checkbox"/> All leases except one separately metered - subtraction method					

(CONT'D OVER)

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

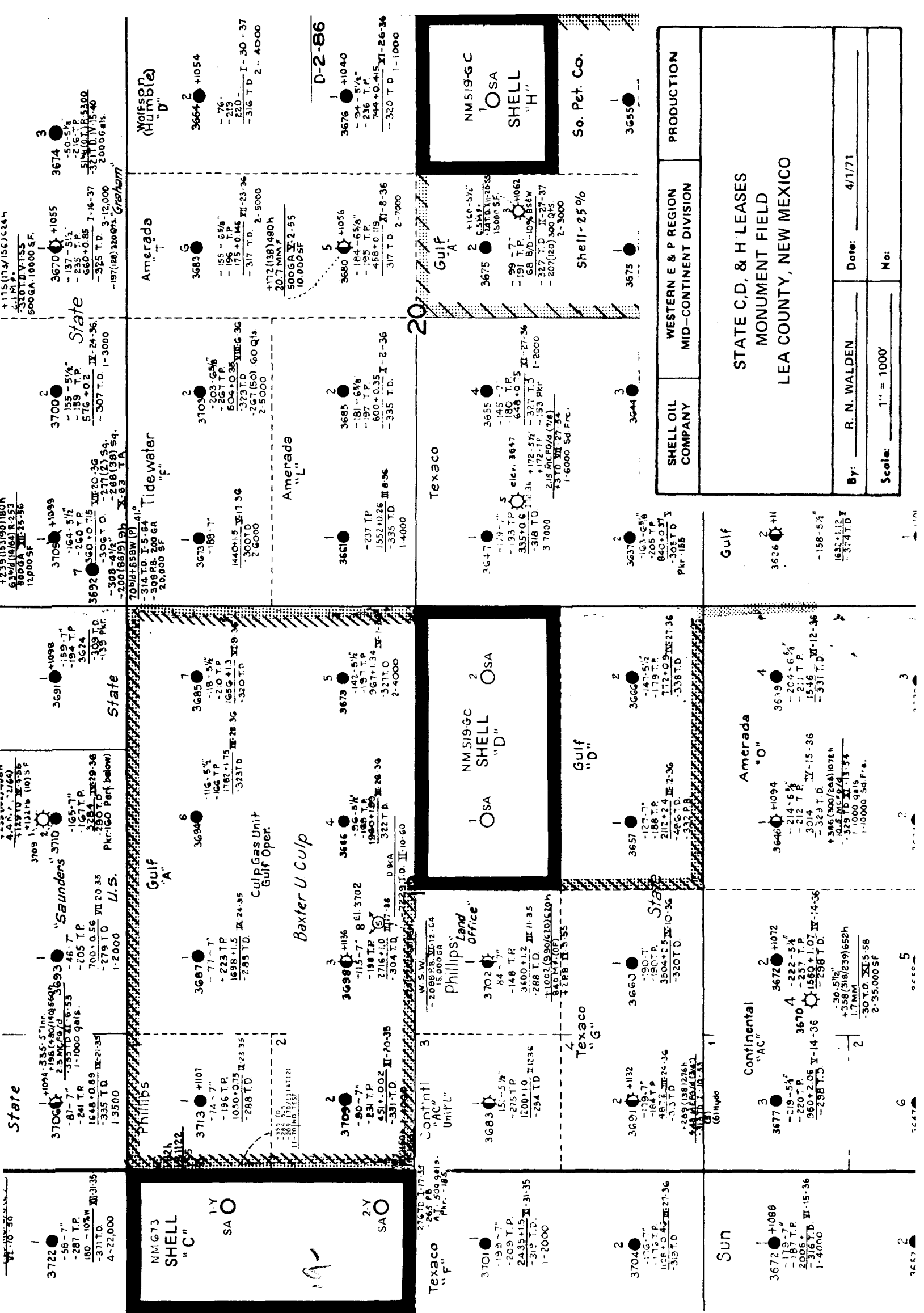
25. If answer to (24.) is "No," Explain All parties have been notified by letter

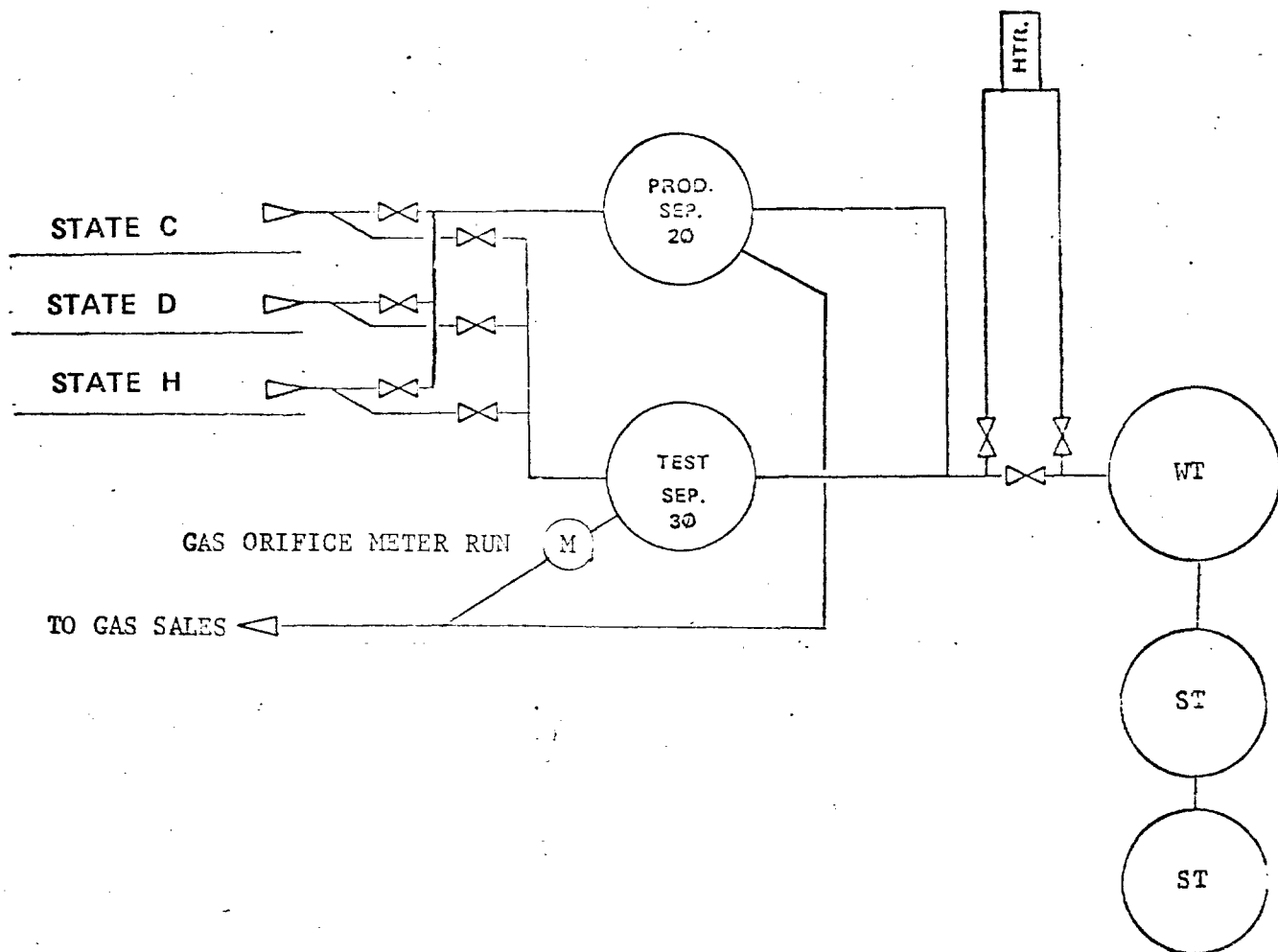
26. Name and address of gatherer Texas New Mexico Pipe Line, P.O. Box 1510, Midland, Tex. 79701

27. Signature *RA Halverson* Title Division Production Superintendent

Commingling permit number _____ Approval date _____

Approved by _____





LEGEND

WT WASH TANK

ST STOCK TANK

SEP. SEPARATOR

HTR. INDIRECT HEATER

SHELL OIL COMPANY	WESTERN E & P REGION MID-CONTINENT DIVISION	PRODUCTION SOUTH
SCHEMATIC OF COMMINGLED FACILITIES <u>STATE C, D, & H LEASE</u> <u>SAN ANDRES ZONE</u> <u>MONUMENT FIELD</u> <u>LEA COUNTY, NEW MEXICO</u>		
By R.N. WALDEN	Date: 3-5-71	
Scale: NONE	No M-3072	

WELL HISTORY

Monument (G-SA)

January 1971

<u>Well No.</u>	<u>Allowable</u>	<u>Actual Oil Produced</u>	<u>Barrels Water</u>	<u>Gas MCF</u>	<u>Days Produced</u>
		<u>STATE D</u>			
1	2,480	2,406	0	1,325	31
2	527	525	39,860	661	31
		<u>STATE C</u>			
1Y	1,209	886	1,427	1,568	26
2Y	1,860	1,362	48	3,159	26
		<u>STATE H</u>			
1	496	399	455	5,824	31

February 1971

		<u>STATE D</u>			
1	2,240	2,249	0	1,284	28
2	476	394	32,439	514	28
		<u>STATE C</u>			
1Y	1,092	1,180	2,062	1,640	28
2Y	1,680	1,481	192	2,985	28
		<u>STATE H</u>			
1	448	323	369	4,923	28

May 14, 1971

Subject: Commingling of G-SA Leases
State D, Sec. 19, T-19, R37
State C, Sec. 24, T-19, R-36
State H, Sec. 20, T-19, R-37
Monument (G-SA) Field
Lea County, New Mexico

Texas New Mexico Pipeline
P. O. Box 1510
Midland, Texas 79701

Gentlemen:

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

According to our records, the API gravities of the G-SA crude ranges from 30.9° API to 33.0° 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 Mr. J. A. Watson of this office.

Yours very truly,

Original Signed By
R. A. LOWERY

J. J. Pickell
Manager Production-South
Mid-Continent Division

JAW:AO