



SHELL OIL COMPANY

RECEIVED 1 AM 10:07
P. O. Box 1858
Roswell, New Mexico
August 31, 1964

Subject: Commingling of Abo and Glorieta on
State "T" Lease, Vacuum Field

New Mexico Oil Conservation Commission
P. O. Box 871
Santa Fe, New Mexico

Gentlemen:

10-171
G. H. Dwyer

We are, by this letter and enclosed documents, requesting an amendment to Administrative Order PC-171 which gives Shell Oil Company permission to commingle the Glorieta and San Andres crudes on the State "T" Lease, Vacuum Field, Lea County, New Mexico. Since this order was issued, we have obtained an intermediate market for the Glorieta and propose to commingle it with the intermediate priced Abo crude. Production from the four Abo wells is approximately 9000 barrels of 38° to 40° oil per month. Production from the two Glorieta wells has been approximately 4200 barrels of 37° to 39° oil per month. We anticipated an increase in revenue of from 7¢ to 9¢ per barrel of Glorieta oil as a result of the new market. However, we expect no significant difference in revenue to exist as a result of commingling of the two crudes.

As per the attached schematic, we plan to separately meter and sample the Glorieta production and to determine the Abo production by the subtraction method. Production for individual wells will be allocated by monthly well tests which will be conducted by producing the subject well through a metering separator.

The following attachments accompany this letter 1) Plot of Lease
2) Schematic of Installation 3) Letter of Approval from State Land Department.

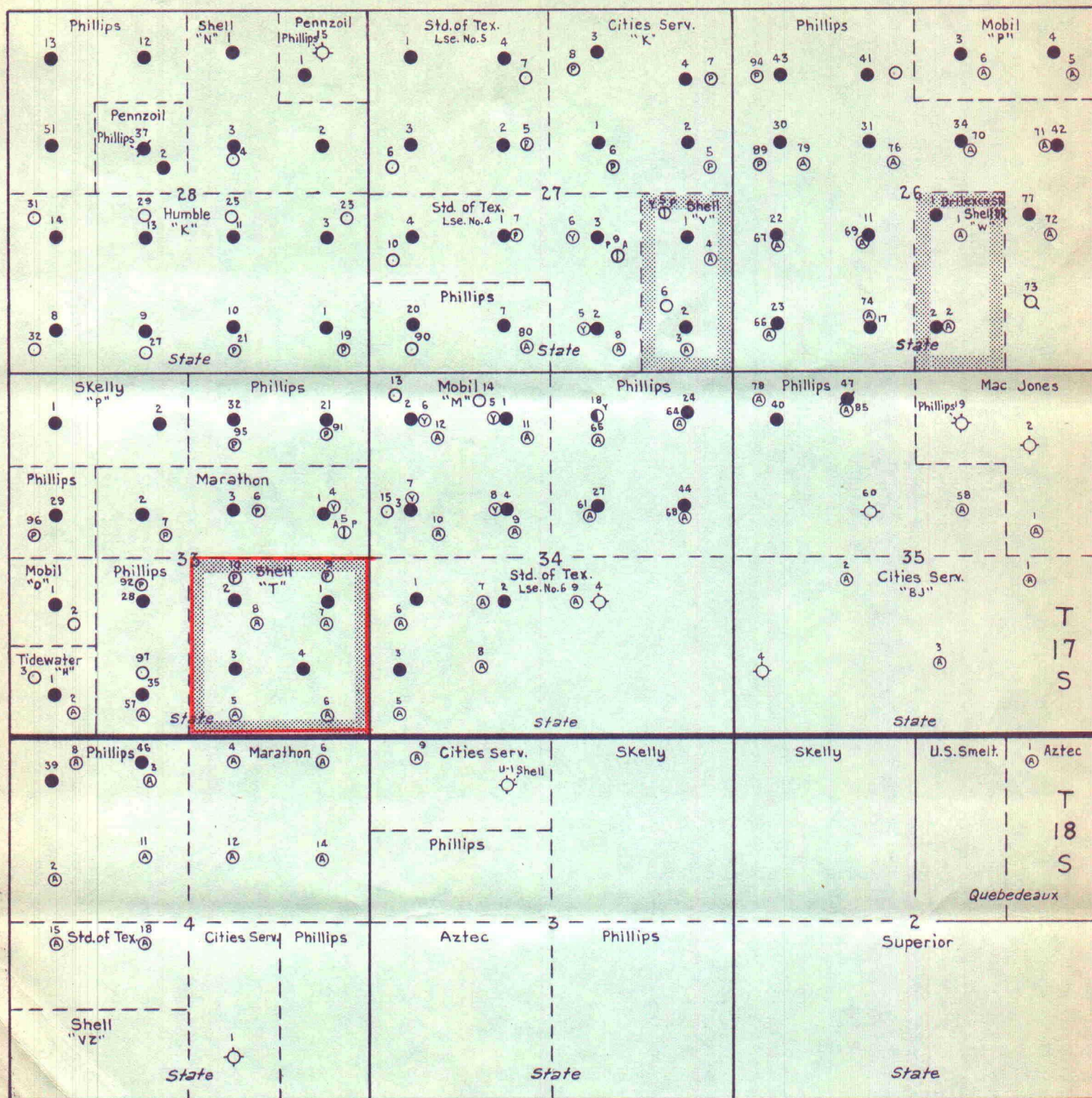
In view of the above presented information, we respectfully request your approval of this project which we feel is in the best interests of both the State of New Mexico and Shell Oil Company.

Yours very truly,

T. H. Dwyer
T. H. Dwyer
Division Production Manager

Attachments

R-35-E



LEGEND

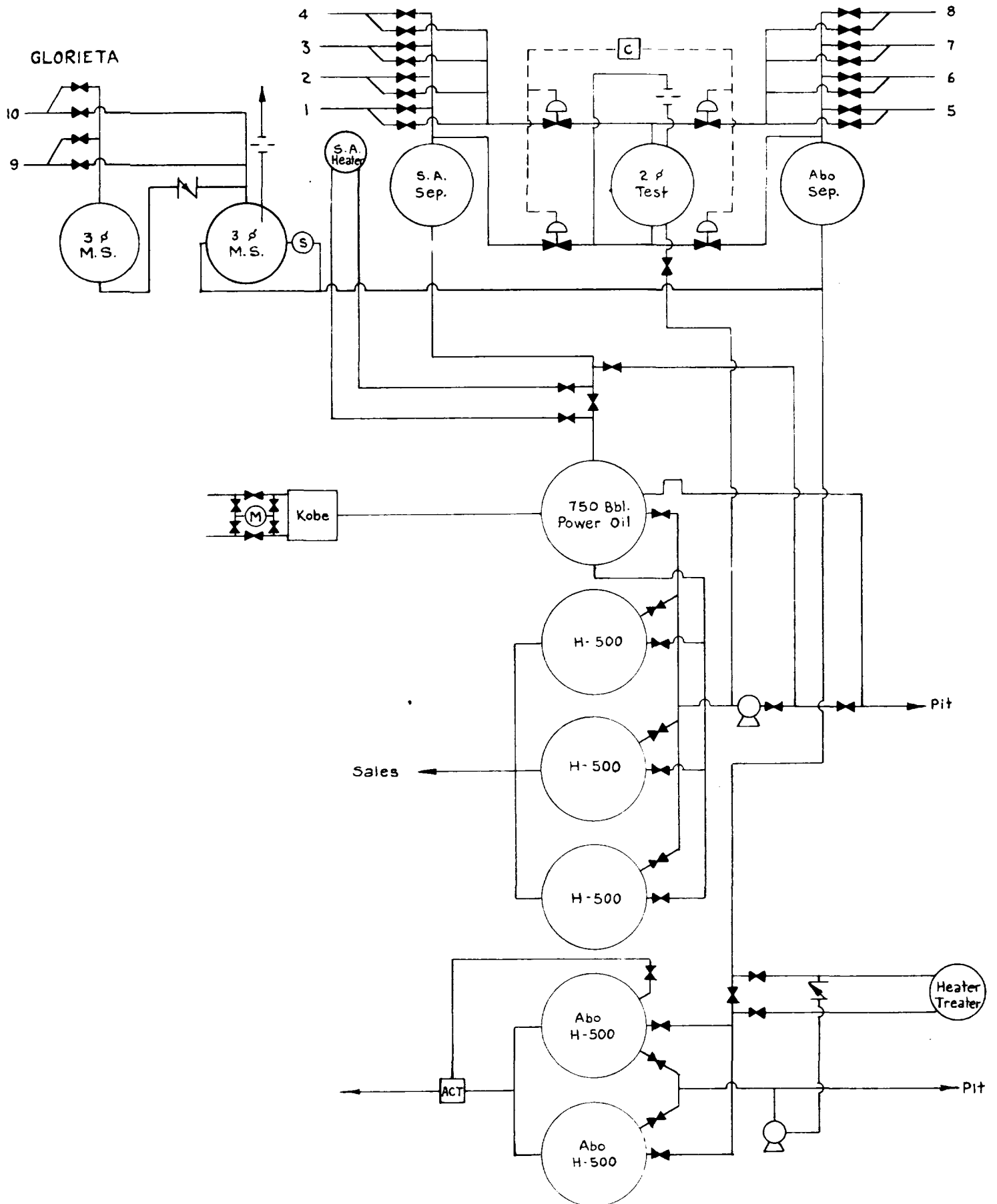
- Y Yates
- Grayburg-San Andres
- P Paddock
- A Abo

SHELL OIL CO.
OWNERSHIP PLAT
1"=2000'

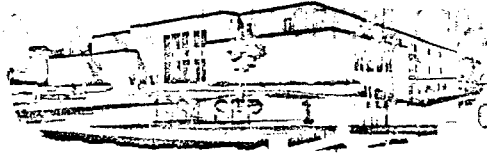
SHELL OIL CO.
SCHEMATIC DIAGRAM
STATE "T" BATTERY
VACUUM FIELD

SAN ANDRES

ABO



State of New Mexico



Commissioner of Public Lands



August 27, 1964

E. S. JOHNNY WALKER
COMMISSIONER

Shell Oil Company
P. O. Box 1858
Roswell, N. M.

Attention: Mr. T. H. Dwyer

Re: Request to Amend Administrative
Order #PC-171 by Shell Oil Company

Gentlemen:

This is to advise you that the State Land Office has no objection to the above request, and since there would be no loss of royalty to the state through this operation, we hereby grant your request.

The Commissioner of Public Lands, however, reserves the right to amend or withdraw this approval at any time for any legal reason.

Very truly yours,

E. S. JOHNNY WALKER
COMMISSIONER OF PUBLIC LANDS

By

Romulo Martinez
Romulo Martinez
Oil and Gas Division

ESJW/RM/dh

cc Oil Conservation Commission
Oil and Gas Accounting Commission

SHELL	
RECEIVED	
AUG 28 1964	
ROSWELL FROD.	
Divn. Mgr.	
Asst. Dir.	
E. Eng.	
M. Eng.	
P-S Supv.	
Eng. E.	
Oil. Supv.	
Discuss	With File
Reply	File File
Call Up	File File
Destroy	

P. O. BOX 1148
SANTA FE, NEW MEXICO

R D V

RECEIVED 2-7 PM 1 00

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