

SHELL OIL COMPANY

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

September 17, 1976

Subject: Application for Exception to
Commission Rule 303A

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

Gentlemen:

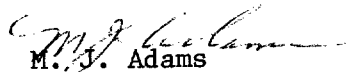
Shell Oil Company hereby makes application for administrative approval to commingle the Tubb and Blinebry production on the Taylor-Glenn Lease, Section 3, T-21, R-37, Lea County, New Mexico.

We propose to commingle the two zones without separately metering the production from each pool since zones are marginal with no wells physically capable of top allowable production. Allocation of production from each well will be based on monthly well tests.

The API gravities of the Tubb and Blinebry Crudes range from 35.3 to 37.0. No change in the actual commercial value of the production is anticipated as a result of commingling.

Attached for your consideration is a lease plat, schematic diagram of the proposed installation, and a tabulation of production by each well on the lease for the months of June and July of 1976. If additional information is desired, please contact this office.

Yours very truly,


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

JJ:DAW

Attachments

U.S. GEOLOGICAL SURVEY

Monterey
H.B.P.

Continental
"B-3" U.S.

Continental
"B-3"

Aztec
R-

M.R. Antwell

M.E. Taylor
"Glen"

Carl H. Livingston

Continental
"B-3"

"Hawk" U.S.

M.F. Taylor - Glen
3000 Ac.

TUBB BATT.

Shell
200 Ac.

Western Oil Fields
H.B.P.

Shell
(320 Ac.)
200 Ac.

Continental
"B-3"

Aztec

BATTERY & WELL PLAT
DRINKARD FIELD
LEA CO., NEW MEXICO

SHELL OIL COMPANY	WESTERN E & P REGION MID-CONTINENT DIVISION	PRODUCTION DEPARTMENT
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- DRINKARD
- ⊙ BLINEBRY
- ① TUBB
- Ⓚ HARE-MCKEE

By: CEP Date: 8-24-76

Scale: 1" = 1000' No:

PRODUCTION HISTORY
 Commingling Tubb And Blinebry Pools
 Taylor - Glenn Lease
 Drinkard Field

<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>June</u>						
Tubb	Taylor-Glenn 10 (GW)	33	33	632	14209	30
Blinebry	Taylor-Glenn 3 (GW)	74	74	18	13986	30
<u>July</u>						
Tubb	Taylor-Glenn 10 (GW)	77	77	602	13529	31
Blinebry	Taylor-Glenn 3 (GW)	185	185	96	12984	31

FORM NO. 1
COMMINGLING BY
POOL

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. 1	
2. Address	P. O. BOX 576		6. County Lea	
3. City	HOUSTON	4. State TEXAS	7. Date of Application 8-76	
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
Drinkard	Taylor-Glenn	Tubb	36.5 - 37.0	3-21-37
	#10			
Drinkard	Taylor-Glenn	Blinebry	35.3 - 37.0	3-27-37
	#3			

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) Attached
2.) Schematic of commingling (required) Attached
13. Commingled royalty interest are the same ☒ Yes ☐ No
14. Are producing zones marginal or top allowable ☒ Marginal-see (a.) below Attached
☐ 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 _____.
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

26. Name and address of gatherer

27. Signature

Title

Commingling permit number _____ Approval date _____

Approved by _____