

OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

March 17, 1958

Mr. J. W. Montgomery
Shell Oil Company
P.O. Box 845
Roswell, New Mexico

Dear Mr. Montgomery:

We enclose two copies of Order R-1137 issued March 14, 1958, by the Oil Conservation Commission in Case 1387, which was heard on February 26th at Santa Fe.

You will note that the third paragraph in the "It Is Therefore Ordered" portion of the order requires that each of the positive displacement flow meters shall be calibrated in a manner and at intervals satisfactory to the Commission. Shell Oil Company is hereby directed to calibrate each of the positive displacement flow meters at intervals not to exceed one month and to file a report of said calibrations with the Commission. The meters shall be calibrated against a master meter or against a test tank of measured volume.

Very truly yours,

A. L. Porter, Jr.
Secretary - Director

ALP/DSN:bp
Encls.

Handwritten notes:
3-17-58
R-1137 about to J.W.M.
L.S. Hamlin
Antonia
E.P.

Handwritten: R-1137

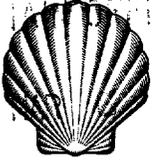
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W.E. Owen

MAIL SERVICE CODE

SHELL OIL COMPANY

1958 MAR 1 10 20 AM



P. O. Box 845
Roswell, N. M.

March 4, 1958 *case file*

Subject: Supplementary Information
Case 1387 Examiner Hearing
Santa Fe, New Mexico

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

Gentlemen:

The following information was requested by Mr. Cooley at the Examiner Hearing in Santa Fe on February 26, 1958.

The oil and gas leases designated by the U.S.G.S. as New Mexico 06407-B and Las Cruces 060398 in their letter of January 23, 1958, which was entered in evidence in the above case are shown on our Exhibit I, also entered in evidence, as NM-1785 and NM-1782, respectively.

Very truly yours,

W. E. Owen
Division Manager

OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO

Hold for Transcript to be prepared out.

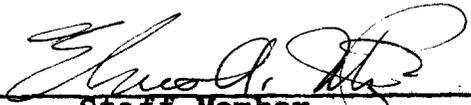
Date 2-28-58

CASE NO. 1387

HEARING DATE 2-26-58

My recommendations for an order in the above numbered case(s) are as follows:

1. The Shell application should be approved as requested.
2. The 2 leases are:
Federal "Taylor" lease, Lots 9, 10 + 11 of Sec 4-165-30E
" " " Spencer" lease, Lots 13, 14, 15 + 16 " " " "
3. Maximum of 7 wells shown testing + metering equipment to a common tank battery to be located in Lot 15 of Sec. 4-165-30E.
4. The total monthly production will be gauged in the common tank battery and production allocated to each lease on the basis of metering separator readings.
(shrinkage and BSW will be lost.)
5. Only wells completed in the West Henahan-Grayburg Pool shall be commingled.


Staff Member

nji 2-16

PAN AMERICAN PETROLEUM CORPORATION

*Case file
Case 1387*

OFFICE OCC

Roswell, New Mexico

January 9, 1958

8:39 File: S-5-986.510.1

Subject: Waiver of Objection
Proposed Use of Common
Tankage - Shell Spencer
Federal "A" and Taylor
Federal Leases - West
Henshaw Field, Eddy County,
New Mexico.

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

Attention: Mr. A. L. Porter, Jr.

Gentlemen:

The undersigned, being an authorized representative of the offset operator, has been duly informed by Shell Oil Company of their proposal to use common tankage for the Spencer Federal "A" and the Taylor Federal Leases in Section 4, T-16-S, R-30-E, West Henshaw Field. Pan American Petroleum Corporation hereby waives all objections to the granting of a permit for the above purpose.

It is our understanding that the common tank battery is to be located on the Spencer Federal "A" Lease and that production from each of the two leases will pass through individual metering separators prior to entering common storage.

Yours very truly,

PAN AMERICAN PETROLEUM CORPORATION



C. L. Kelley
District Superintendent