

Shell Western E&P Inc.

A Subsidiary of Shell Oil Company



P.O. Box 576
Houston, TX 77001

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June 21, 1990

Mr. Jerry Sexton
Supervisor, District I
State of New Mexico
Energy, Minerals and Natural Resources Dept.
Oil Conservation Division
Hobbs District Office
P. O. Box 1980
Hobbs, NM 88241-1980

SUBJECT: NORTHEAST DRINKARD UNIT
#305-R SEC. 3 T21S R37E
#405-B SEC. 10 T21S R37E
#920-J SEC. 23 T21S R37E
NORTH EUNICE BLINEBRY-TUBB-DRINKARD O&G POOL

Dear Mr. Sexton:

We request approval to produce NEDU gas wells 305-R, 405-B and 920-J through unit facilities which gather the unit's associated gas production (non-prorated). Because of the low producing rates (15-50 MCFPD) from these wells, the gas pipeline operators will not install the separate facilities required to keep this gas-well-gas separate from oil-well-gas. The only alternate means of producing these wells is through the unit's facilities for gathering oil-well-gas. Please call W. R. (Bill) Lancaster at 713-870-3869 or J. M. (Marcus) Winder at 713-870-3797 if you have any questions.

Yours very truly,

J. H. Smitherman

J. H. Smitherman
Regulatory Supervisor
Western Division

WRL:AD