

**OIL CONSERVATION COMMISSION**

P. O. BOX 2088

SANTA FE, NEW MEXICO 87501

September 24, 1968

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Shell Oil Company  
Petroleum Building  
P. O. Box 1509  
Midland, Texas 79701

Attention: Mr. S. M. Paine

**AMENDMENT**

**Administrative Order CTB-179**

Gentlemen:

Reference is made to your application dated September 12, 1968, wherein you request an amendment to Administrative Order CTB-179 dated December 14, 1967, which authorizes the commingling of Cato-San Andres production from your Amco Federal and Amco Federal "A" Leases in Section 33, Township 8 South, Range 30 East, and Section 4, Township 9 South, Range 30 East, Chaves County, New Mexico. It is our understanding that you now wish to also include in the commingling installation your Corder Federal Lease which comprises the NE/4 of Section 5 and your Hedges Federal "D" Lease which comprises all of Section 3, both in Township 9 South, Range 30 East. It is our understanding that the production from each of the four leases will be separately metered prior to commingling, although the ownership of the Amco and Amco "A" Leases is identical. We also note that you do not propose to treat the production from the Amco and Amco "A" Leases separately unless difficulties in sampling arise due to an increase in the water cut. While your proposed arrangement is satisfactory at the present time, we believe that you may want to give study to the possibility of commingling the Amco and Amco "A" production without metering since it is of identical ownership, then treating, metering and sampling this

OIL CONSERVATION COMMISSION

P. O. BOX 1088

SANTA FE, NEW MEXICO 87501

September 1, 1957

Mr. J. C. Williams  
Oil Conservation Commission  
P. O. Box 1088  
Santa Fe, New Mexico 87501

Dear Mr. Williams:

ATTACHMENT

Administrative Order 015-17

Dear Sir:

Reference is made to your application dated September 11, 1957, wherein you request an amendment to Administrative Order 015-17, passed December 14, 1957, which authorizes the commingling of Cato and Amco leases from your Amco Federal and Amco Federal 10" lease in Section 3, Township 9 South, Range 30 East, and Section 1, Township 9 South, Range 30 East, Garfield County, New Mexico. It is our understanding that you now wish to also include in the commingling your other Federal lease which comprises the 10" and 12" sections of Section 3, Township 9 South, Range 30 East, both in Section 3, both in Township 9 South, Range 30 East. It is our understanding that the production from each of the four leases will be separately metered prior to commingling, although the ownership of the Amco and Amco "A" leases is identical. We also note that you do not propose to treat the production from the Amco and Amco "A" leases separately unless difficulties in sampling arise due to an increase in the water cut. While your proposed commingling is satisfactory at the present time, we believe that you may wish to give study to the possibility of commingling the Amco and Amco "A" production without metering since it is an identical ownership, then treating, metering and sampling this

OIL CONSERVATION COMMISSION

P. O. BOX 2088

SANTA FE, NEW MEXICO 87501

-2-

September 24, 1968

Shell Oil Company  
Petroleum Building  
P. O. Box 1509  
Midland, Texas 79701

AMENDMENT

Administrative Order CTB-179

production prior to commingling with the production from the Hodges Federal "D" and the Corder Federal Leases which would, of course, each be separately treated and metered.

Pending revision of the installation as suggested above, Administrative Order CTB-179 is hereby amended to authorize the commingling of the above-described production as you have proposed, subject to the provisions of the Commission "Manual for the Installation and Operation of Commingling Facilities." Please notify the Hobbs District Office of the Commission at such time as the installation is complete in order that an inspection may be made of the installation prior to putting it in operation.

Very truly yours,

A. L. PORTER, Jr.  
Secretary-Director

ALP/DSN/esr

cc: Oil Conservation Commission (with enclosure) - Hobbs  
Oil & Gas Engineering Committee - Hobbs  
United States Geological Survey - Roswell

OIL CONSERVATION COMMISSION  
P. O. BOX 2038  
SANTA FE, NEW MEXICO 87501

Reference to 1-1-77

Chief Oil Company  
P.O. Box 2038  
Santa Fe, New Mexico 87501

MEMORANDUM  
Administrative Order 008-17

Production prior to commencing with the production from the "General" and the "General" lease shall be as follows:  
Each separately treated and treated.

Production prior to the production as shown above,  
Administrative Order 008-17, is hereby amended to authorize the  
production of the above-described production as you have proposed.  
The Commission of the Commission is hereby authorized for the initial  
factor and operation of commencing production. Please notify  
the Commission of the Commission of the Commission of the Commission  
in order that the Commission may be able to  
production prior to production as shown above.

Very truly yours,

H. L. HARRIS, Jr.  
Secretary

cc: 1-1-77

cc: 1-1-77  
cc: 1-1-77  
cc: 1-1-77



# SHELL OIL COMPANY

PETROLEUM BUILDING

P.O. BOX 1509

MIDLAND, TEXAS 79701

September 12, 1968

Subject: Application for Exception  
to N.M.O.C.C. Rule 309 (a)

New Mexico Oil Conservation Commission (3)  
P. O. Box 2088  
Santa Fe, New Mexico

Gentlemen:

Shell hereby makes application for an amendment to Administrative Order CTB-179 dated December 14, 1967 to allow the commingling of San Andres production from the Amco Federal, Amco Federal "A", Hodges Federal "D", and Corder Federal leases, Cato Field, Chaves County, New Mexico. In accordance with Rule 309 (b), the following attachments accompany this application:

- 1) Plat of the leases showing the wells to be commingled.
- 2) A schematic diagram of the commingling installation.
- 3) Copies of approvals from all parties owning an interest in the leases and the purchaser of the commingled production.

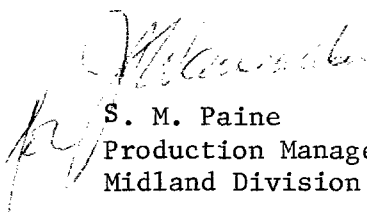
Because leases with diverse ownership are involved in this project, we plan to continuously meter and sample the production from each lease prior to commingling. We do not plan to install treating facilities prior to metering on the Amco Federal or Amco Federal "A" leases as the water cut on these leases is less than 5%; however, should the water increase significantly so as to make accurate sampling difficult, water removal facilities prior to metering will be installed at that time. Individual well production will be allocated by monthly well tests which will be conducted by producing the subject well through a metering separator. Since all production will be from the San Andres zone, we expect no change in revenue as a result of commingling.

We trust that in view of the above information this project will meet with your early approval; however, if further information is required please contact Mr. R. J. Coenen of our Mechanical Engineering staff.

Yours very truly,

RJC:GM

Attachments



S. M. Paine  
Production Manager  
Midland Division - West

13