

SHENANDOAH OIL CORPORATION

1018 COMMERCE BUILDING
FORT WORTH, TEXAS 76102

B. J. KELLENBERGER
PRESIDENT

April 24, 1968

TELEPHONE
ED 2-7381

Re: State of New Mexico Leases
Nos. E-881, B-2516 and
K-5636
Lea County, New Mexico

Mr. A. L. Porter Jr.
Secretary-Director
Oil Conservation Commission
Box 2088
Santa Fe, New Mexico 87501

CTB-152

Dear Mr. Porter:

APR 26 1968

It is the desire of Shenandoah Oil Corporation to get your approval to amend CTB No. 52 to include, as to State of New Mexico Lease E-881, the W/2 SW/4 and SE/4 SW/4 of Section 8; as to State of New Mexico Lease B-2516, the N/2 NW/4 and NW/4 NE/4 of Section 7 and S/2 NW/4 and SW/4 NE/4 of Section 8; and as to State of New Mexico Lease K-5636, the NE/4 NE/4 of Section 7.

Attached are three copies of correspondence with Mr. Guyton Hayes and his approval, along with other data in accordance with instructions contained in Rule 53 of the State Manual.

It should be noted that the State "C" 1-Y was completed and potentialied on February 24, 1968, for a pumping potential of 65 BOPD and 5 BWPD, (GOR 872:1). This well is currently and has been since March 1, 1968, producing into this common tank battery along with the Aztec-State (E-881), State "A" (B-2516) and State "A" (K-5636) Leases.

If additional information is necessary, please advise.

Very truly yours,

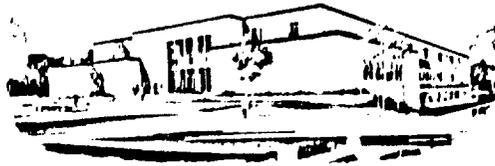


T. P. Bates, Supervisor
Secondary Recovery

TPB/ms

State of New Mexico

TPB



Commissioner of Public Lands



P. O. BOX 1148
SANTA FE, NEW MEXICO

GUYTON B. HAYS
COMMISSIONER

February 7, 1968

Shenandoah Oil Corporation
1018 Commerce Building
Fort Worth, Texas
76102

Attention: Mr. T. K. Campbell, Land Department

Gentlemen:

F1-3, 5 4

Re: State of New Mexico Oil & Gas Leases Nos. E-881, B-2516 and K-5636 (Commingling)

With reference to your application of January 17, 1968, to amend Commingling Permit (CTB) No. 52 to cover and include acreage under the captioned leases, as described in your Exhibit "B", we will grant permission for this amendment subject to receipt from you of the \$10.00 filing fee for the application.

Approval of this amendment by the Commissioner of Public Lands is specifically limited to the commingling of the products produced from lands in Sections 7 and 8, as set forth in Exhibits "A" and "B" of the Application to Amend, and specifically deletes lands in Sections 5 and 9 from being included in this approval to amend (CTB) No. 52.

The Commissioner of Public Lands reserves the right to withdraw approval of the application if at any time, in his discretion, he deems this operation to be adverse to the best interests of the State of New Mexico.

Very truly yours,

GUYTON B. HAYS
Commissioner of Public Lands

By: *Ted Bilberry*
TED BILBERRY, Director
Oil and Gas Department

RGM:TB:jc

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

cc made for: Mr. T. P. Bates

January 17, 1968

Mr. Guyton P. Hayes
Commissioner of Public Lands
State of New Mexico
P.O. Box 1148
Santa Fe, New Mexico

Attention: Mr. Romulo Martinez

Re: State of New Mexico Leases Nos. E-881, B-2516 and K-5638
Lea County, New Mexico

Dear Mr. Hayes:

In accordance with the writer's telephone conversation of January 16, 1968 with your Mr. Ted Pilberry, this letter is submitted in lieu of our letter of October 5, 1967, as the formal application by Shenandoah Oil Corporation for permission to amend Commingling Permit (CTB) No. 52 to cover and include all of the acreage described on Exhibit "E" attached hereto.

In accordance with instructions contained in Rule 53 of the State Manual, we wish to advise you as follows:

- (1) Attached hereto as Exhibit "A" is a plat which shows the location of said leases, wells, flow lines and common tankage.
- (2) Attached hereto as Exhibit "B" is a list of the involved lease area by State lease number and legal description; and representing that all royalties therefrom are paid to the State of New Mexico and that there is no difference in ownership between said leases as to royalty or working interest thereunder. The only change in ownership is that all of said lands are subject to an overriding royalty, with the exception of the SW/4 NE/4 of Section 8, T-17-S, R-33-E, and we are obtaining the approval of the overriding royalty owners for the commingling of production from said tract with the other lands described in Exhibit "B".
- (3) All wells currently being produced by Shenandoah on these leases produce from a single common reservoir, being the Grayburg-San Andres formation.
- (4) The purpose for this request for commingling is to achieve a reduction in cost of operation.

- (5) The State "A" producing wells 1, 5 and 7, along with the Aztec-State 1, 2, 3 and 4 wells, are being produced into one common tank battery that is located approximately 600 feet north of the State "A" 6-W injection well (see plat).

The wells are all equipped with a conventional pumping unit and a standard rod pump.

Each pumping well head is designed to permit the use of an individual well testing machine that is owned by Shenandoah Oil Corporation, is located on the property and is maintained and operated by Shenandoah Oil Corporation personnel.

It is the general practice to test each well at least two times during the month, preferably one test early in the month and another one later in the month.

- (6) The State "A" No. 7 well located on Lease K-5636 was re-activated to pumping status on September 17, 1966, and to August 1, 1967 has produced 7,941 barrels of oil and no water, as has been reported on the monthly OCC Form C-115.

- STATE "C" 14 → (7) Shenandoah is currently drilling a new well, located on the SW/4 NE/4 of Section 8, T-17-S, R-33-E, and enclosed herewith is a copy of Form C-102, being the Well Location and Acreage Dedication Plat covering this operation.

The royalty payable to the State of New Mexico will not be diminished nor changed in any manner as a result of your approval of this application.

It is therefore requested that Commingling Permit (CTB) No. 52 be amended to include, as to State of New Mexico Lease E-881, the W/2 SW/4 and SE/4 SW/4 of Section 8; as to State of New Mexico Lease B-2516, the N/2 NW/4 and NW/4 NE/4 of Section 7, and S/2 NW/4 and SW/4 NE/4 of Section 8; and as to State of New Mexico Lease K-5636, the NE/4 NE/4 of Section 7.

Very truly yours,



TKC:gb
Attachments

T. K. Campbell
Land Department

EXHIBIT "B"

Lease	Description	Interest Covered	Acres		Burdens	Entire Royalty Payable to
			Gross	Net		
State of New Mexico E-881	Insofar as said lease covers: <u>T-17-S, R-33-E</u> Sec. 8: W/2 SW/4 and SE/4 SW/4 down to depth of 4600'	Full	120.00	120.00	*	State of New Mexico
State of New Mexico B-2516	Insofar as said lease covers: <u>T-17-S, R-33-E</u> Sec. 7: NW/4 NW/4, NW/4 NE/4 and NE/4 NW/4, down to depth of 5000'	Full	121.33	121.33	*	State of New Mexico
	State "D" / X [Sec. 8: SW/4 NE/4, down to depth of 4600']	Full	80.00	80.00	None	State of New Mexico
	Sec. 8: S/2 NW/4, down to depth of 5000'	Full	80.00	80.00	*	State of New Mexico
State of New Mexico K-5636	Insofar as said lease covers: <u>T-17-S, R-33-E</u> Sec. 7: NE/4 NE/4	Full	40.00	40.00	*	State of New Mexico

* 2% of 7/8 ORR to First National Bank of Fort Worth, Trustee.

LARGE FORMAT
EXHIBIT HAS
BEEN REMOVED
AND IS LOCATED
IN THE NEXT FILE

SHENANDOAH OIL CORPORATION

406 MUTUAL SAVINGS BUILDING

FORT WORTH, TEXAS 76102

B. J. KELLENBERGER
PRESIDENT

August 23, 1966

1966 AUG 25 PM 1 56
TELEPHONE
ED 2-7381
RK

New Mexico Oil Conservation Commission
Santa Fe, New Mexico

Attention: Mr. Dan Nutter

Re: Our No. F 1-66

State of New Mexico Lease #2516, T-17-S, R-33-E

Sec. 7: NW/4 NW/4, NW/4 NE/4 & NE/4 NW/4, down to a depth of
5000' below surface.

Sec. 8: S/2 NW/4, down to a depth of 5000' below surface.

Sec. 9: S/2 NW/4, down to a depth of 5000' below surface.

Sec. 8: SE/4 NE/4, down to a depth of 4600' below surface.

Sec. 9: N/2 NE/4, down to a depth of 5000' below surface.

State of New Mexico Lease #881, T-17-S, R-33-E

Sec. 8: W/2 SW/4 & SE/4 SW/4, down to a depth of 4600' below
surface.

State of New Mexico Lease #K-5636, T-17-S, R-33-E

Sec. 7: NE/4 NE/4, limited to a depth of 5000'

Gentlemen:

Shenandoah Oil Corporation has recently acquired from Mr. Leonard Nichols of Dallas, Texas, all interest in the captioned Leases Nos. 2516 and 881. At the time of the acquisition from Mr. Nichols, it was thought that he held the NE/4 NE/4 of Section 7 under his lease No. 2516. However, upon consummation of our trade with Mr. Nichols, it was discovered that the lease, insofar as it covered this 40 acres, had expired. Shenandoah therefore subsequently acquired from the State of New Mexico lease covering this 40 acres, being No. K-5636 described in the caption of this letter.

Commingling Permit (CTB) #52 dated 3/15/60 covered State of New Mexico Lease No. 2516 as to the S/2 SW/4 of Sec. 5; N/2 NE/4 & NE/4 NW/4 of Sec. 7; N/2 NE/4 & S/2 NW/4 of Sec. 8; N/2 NE/4 & S/2 NW/4 of Sec. 9; and State of New Mexico Lease No. 881 as to the NW/4 SW/4, SW/4 SW/4 & SE/4 SW/4 of Section 8; all in T-17-S, R-33-E.

Shenandoah is currently preparing to place this 40 acres, being the NE/4 NE/4 of Section 7, back on production; and in this connection it is our understanding that

New Mexico Oil Conservation Commission

Page 2.

the Commingling Permit (CTB) #52 should be amended to include this 40-acre tract.

It is therefore requested that Commingling Permit (CTB) #52 be amended to include as to State of New Mexico Lease No. 2516, the N/2 NW/4 and NW/4 NE/4 of Sec. 7; S/2 NW/4 of Sec. 8; N/2 NE/4 & S/2 NW/4 of Sec. 9; and as to the State of New Mexico Lease No. 881, the W/2 SW/4 and SE/4 SW/4 of Sec. 8; and as to State of New Mexico Lease No. K-5636, the NE/4 NE/4 of Sec. 7.

All of the above lands to be included in the requested permit have wells drilled thereon, with the exception of the NW/4 NW/4 of Sec. 7; N/2 NE/4 & S/2 NW/4 of Sec. 9; and these non-producing tracts have been included in our request, inasmuch as they may receive development drilling in the near future.

Your approval of our request for an extension and amendment of this permit will be appreciated.

Yours very truly



T. K. Campbell
Land Department

TKC:gb

Mr. Guyton B. Hays

cc: Commissioner of Public Lands

P. O. Box 1148

Santa Fe, New Mexico

State of New Mexico

[Handwritten mark]



Commissioner of Public Lands

GUYTON B. HAYS
COMMISSIONER



P. O. BOX 1148
SANTA FE, NEW MEXICO

February 7, 1968

Shenandoah Oil Corporation
1018 Commerce Building
Fort Worth, Texas
76102

[Handwritten scribbles]

MAIL ROOM

'68 FEB 8 AM 8 38

Attention: Mr. T. K. Campbell, Land Department

Gentlemen:

Re: State of New Mexico Oil & Gas Leases Nos. E-881, B-2516 and K-5636 (Commingling)

With reference to your application at January 17, 1968, to amend Commingling Permit (CTB) No. 52 to cover and include acreage under the captioned leases, as described in your Exhibit "B", we will grant permission for this amendment subject to receipt from you of the \$10.00 filing fee for the application.

Approval of this amendment by the Commissioner of Public Lands is specifically limited to the commingling of the products produced from lands in Sections 7 and 8, as set forth in Exhibits "A" and "B" of the Application to Amend, and specifically deletes lands in Sections 5 and 9 from being included in this approval to amend (CTB) No. 52.

The Commissioner of Public Lands reserves the right to withdraw approval of the application if at any time, in his discretion, he deems this operation to be adverse to the best interests of the State of New Mexico.

Very truly yours,

GUYTON B. HAYS
Commissioner of Public Lands

By:
TED BILBERRY, Director
Oil and Gas Department

RGM:TB:jc

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

Commissariat de l'Éducation



Commissariat de l'Éducation



1911-1912
N° 1000-1001

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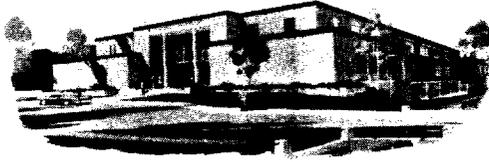
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State of New Mexico



Commissioner of Public Lands

GUYTON B. HAYS
COMMISSIONER



P. O. BOX 1148
SANTA FE, NEW MEXICO

July 27, 1967

Shenandoah Oil Corporation
406 Mutual Savings Building
Fort Worth, Texas
76102

Attention: Mr. T. K. Campbell

Gentlemen:

Re: State of New Mexico Oil and Gas Leases K-5636, E-881 and B-2516

Upon reviewing the correspondence in this office it has come to our attention that we have in our files copy of a letter, from you, addressed to the New Mexico Oil Conservation Commission, for the attention of Mr. Dan Nutter; said letter being dated August 22, 1966, and requesting permission to amend Commingling Permit (CTB) #52, dated 3/15/60, covering State of New Mexico Oil and Gas Lease No. B-2516, to include the N $\frac{1}{2}$ NW $\frac{1}{4}$, and NW $\frac{1}{4}$ NE $\frac{1}{4}$ of Section 7; S $\frac{1}{2}$ NW $\frac{1}{4}$ of Section 8; N $\frac{1}{2}$ NE $\frac{1}{4}$ and the S $\frac{1}{2}$ NW $\frac{1}{4}$ of Section 9; and as to the State of New Mexico Oil and Gas Lease No. E-881, the W $\frac{1}{2}$ SW $\frac{1}{4}$ and SE $\frac{1}{4}$ SW $\frac{1}{4}$ of Section 8; and as to State of New Mexico Oil and Gas Lease No. K-5636, the NE $\frac{1}{4}$ NE $\frac{1}{4}$ of Section 7.

Apparently there has been an oversight on our part, which probably resulted from your letter of 8/23/66 being addressed to the New Mexico Oil Conservation Commission, rather than to this office. We assume that your letter was intended as a request for permission, from the State Land Office, to commingle production from the above described acreage.

If you will compile and forward to this office the information outlined in Rule 53 of the enclosed handbook of rules and regulations, we will be glad to review your proposal so that we may clarify your position.

Please feel free to call upon us at any time we can be of assistance.

Very truly yours,

cc: OCC

GUYTON B. HAYS
Commissioner of Public Lands

GBH:TB:EB:jc

By: 
TED BILBERRY, Director
Oil and Gas Department

Enc-handbook of R&R

1967 JUL 31 AM 8:30

State of New Mexico



Commissioner of Public Lands



Albuquerque, N.M.

DEPARTMENT OF
PUBLIC LANDS

STATE OF NEW MEXICO
COMMISSIONER

TO THE HONORABLE
COMMISSIONER OF PUBLIC LANDS
STATE OF NEW MEXICO
ALBUQUERQUE, N.M.

My dear Sir:

Dear Sir:

I have the honor to acknowledge the receipt of your letter of the 10th inst.

in relation to the application for a patent for the land described in the
enclosed plat, and in reply to inform you that the same has been
examined and approved by the Surveyor General, and that the same
is now ready for the consideration of the Board of Land Commissioners.
The Board will meet on the 15th inst. and will consider the same at that
time. You will be notified of the result of their action.

I am, Sir, very respectfully,
Your obedient servant,
Commissioner of Public Lands

Very truly yours,
Commissioner of Public Lands

10

SHENANDOAH OIL CORPORATION

1018 COMMERCE BUILDING
FORT WORTH, TEXAS 76102

B. J. KELLENBERGER
PRESIDENT

October 21, 1968

TELEPHONE
ED 2-7381

Mr. Guyton B. Hayes
Commissioner of Public Lands
State of New Mexico
P.O. Box 1148
Santa Fe, New Mexico 87501

Mr. A. L. Porter, Jr.
Secretary-Director, Oil Conservation Commission
P.O. Box 2088
Santa Fe, New Mexico 87501

*Amended
CTB-185*

Re: SOC F-1
Request for Amendment to Include N/2 NW/4 Sec. 8,
T-17-S, R-33-E, Lea County, New Mexico, to
Commingling Permit CTB-185

Gentlemen:

This CTB-185 designation is in accordance with designation made in your letter of May 20, 1968, pursuant to our previous request of January 17, 1968 relative to previous commingling. Attached hereto is up to date plat which shows all properties connected to this commingled battery as of this date, which you will note also includes the 80 acres, N/2 NW/4 Sec. 8, T-17-S, R-33-E, which is the subject of this commingling request.

In connection with our request for commingling permit CTB-185 to include the N/2 NW/4 of Section 8, T-17-S, R-33-E, we wish to advise you as follows:

- (1) Attached hereto as Exhibit "A" is a plat which shows the location of said leases, wells, flow lines and common tankage.
- (2) Attached hereto as Exhibit "B" is a list of the lease area by State lease number and legal description, representing that all royalties therefrom are paid to the State of New Mexico, and that there is no difference in ownership between said leases as to royalty or working interest thereunder, with the exception of an overriding royalty in the SW/4 NE/4 Section 8, T-17-S, R-33-E; and relative to this overriding royalty you have heretofore been furnished a telegram from the Trust Department of the Fort Worth National Bank of Fort Worth, Texas, waiving any objection to the commingling of production from such 40-acre tract.

Mr. Guyton B. Hayes
Mr. A. L. Porter, Jr.
Page 2

- (3) All wells currently being produced by Shenandoah on these leases produce from a single, common reservoir, being the Grayburg-San Andres formation.
- (4) The purpose for this request for commingling is to achieve a reduction in the cost of operation.
- (5) The State "A" producing wells 1, 5 and 7, along with the Aztec State 1, 2, 3 and 4 and the State "C" 1-Y wells are being produced into one common tank battery that is located approximately 600' north of the State "A" 6-W injection well (see plat).
- (6) Shenandoah has completed and is currently testing its State "D" 2 well located in the center of NW/4 NW/4 Section 8, T-17-S, R-33-E. Enclosed herewith is a copy of Form C-102, Well Location and Acreage Dedication Plat, covering this operation

The royalty payable to the State of New Mexico will not be diminished nor changed in any manner as a result of your approval of this application.

It is therefore requested that Commingling Permit CTB-185 be amended to include the 80 acres described in paragraph (6) above, so that Commingling Permit CTB-185 will now include the following acreage: As to State of New Mexico Lease E-881, W/2 SW/4 and SE/4 SW/4 Section 8; as to State of New Mexico Lease B-2516, N/2 NW/4 and NW/4 NE/4 Section 7, and S/2 NW/4, SW/4 NE/4 and N/2 NW/4 Section 8; and as to State of New Mexico Lease K-5636, NE/4 NE/4 Section 7.

Very truly yours,



T. K. Campbell
Land Department

TKC:gb
Attachments

WELL LOCATION AND ACREAGE DEDICATION PLAT

Supersedes C-12B
Effective 1-1-65

All distances must be from the outer boundaries of the section.

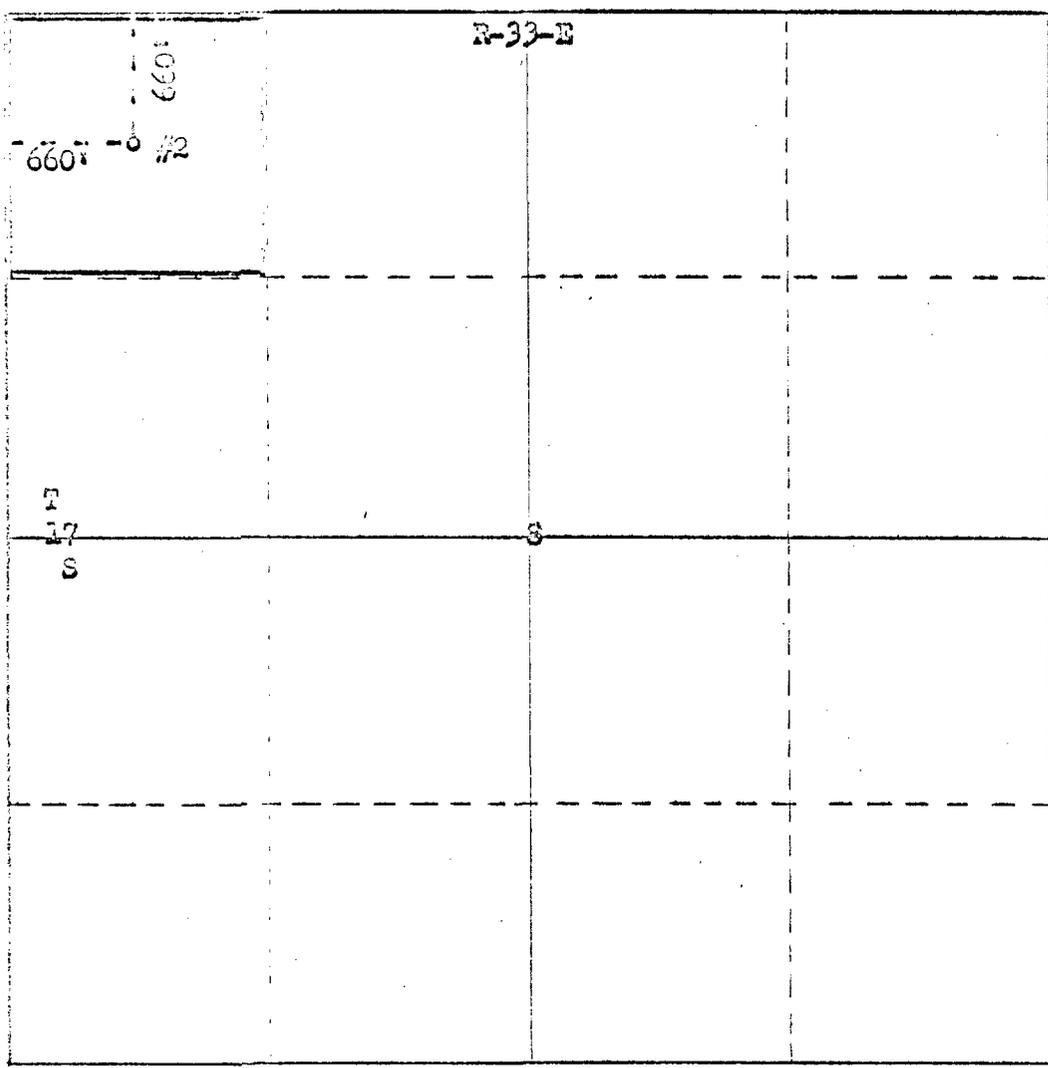
Operator Shenandoah Oil Corporation			Lease No. 10210		Well No. 2
Unit Letter D	Section 8	Township T-17-S	Range R-33-E	County Iowa	
Actual Footage Location of Well:					
660	feet from the	North	line and	660	feet from the
Ground Level Elev. 4213		Grayburg-San Andres		Maljamar Grayburg - S.A.	
				Dedicated Acreages 40	Acres

1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

Yes No If answer is "yes," type of consolidation _____

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) _____

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.



CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

T. P. Bates
Name

T. P. Bates

Position **SUPERVISOR - Secondary Recovery**

Company **Shenandoah Oil Corp.**

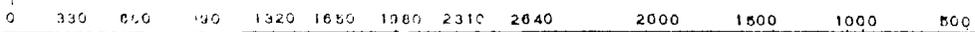
Date **9-16-68**

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

Date Surveyed **July 5, 1968**

Registered Professional Engineer and/or Land Surveyor

James H. Brown
Certificate No. **512**



LARGE FORMAT
EXHIBIT HAS
BEEN REMOVED
AND IS LOCATED
IN THE NEXT FILE