

LAW OFFICES OF
JENNINGS, CHRISTY & COPPLE

JAMES T. JENNINGS
SIM B. CHRISTY IV
ROGER L. COPPLE
BRIAN W. COPPLE

1012 SECURITY NATIONAL BANK BUILDING
P. O. BOX 1180
ROSWELL, NEW MEXICO 88201

TELEPHONE 622-8432
AREA CODE 505

August 9, 1971

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

Attention: Dan Nutter

RE: COMMINGLED PRODUCTION - D. H. PARKE "A", "B" AND "C"
LEASES, GRAYBURG JACKSON POOL, EDDY COUNTY, NEW MEXICO

Enclosed you will find a copy of a letter dated July 21 from
Texas-New Mexico Pipe Line Company advising that it has no
objection to running commingled oil from the above leases.


JAMES T. JENNINGS

JTJ/mb
Encl.



RECEIVED
JUL 23 1971

TEXAS-NEW MEXICO PIPE LINE COMPANY

P. A. LYONS
DIVISION MANAGER

P. O. BOX 1810
MIDLAND, TEXAS 79701

July 21, 1971

COMMINGLED PRODUCTION
D. H. PARKE "A," "B," AND "C" LEASES
GRAYBURG JACKSON POOL
EDDY COUNTY, NEW MEXICO

Shenandoah Oil Corporation
1500 Commerce Building
Fort Worth, Texas 76102

Attention: Mr. Neil F. Toler

Gentlemen:

Texas-New Mexico Pipe Line Company has no objections to running commingled oil from the above leases as sour crude in our sour crude common stream.

When the New Mexico Oil Conservation Commission authorization of commingling has been approved by Administrative Order, we will make a corrected connection order for the lease.

Yours very truly,



RMP-AER

JAMES T. JENNINGS
SIM B. CHRISTY IV
ROGER L. COPPLE
BRIAN W. COPPLE

LAW OFFICES OF
JENNINGS, CHRISTY & CO. P.C.
1012 SECURITY NATIONAL BANK BUILDING
P. O. BOX 1180
ROSWELL, NEW MEXICO 88201

RECEIVED
AUG 5 1971
OIL CONSERVATION COM.

TELEPHONE 622-8432
AREA CODE 505

August 3, 1971

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

RE: SHENANDOAH OIL CORPORATION APPLICATION FOR
ADMINISTRATIVE APPROVAL OF LEASE COMMINGLING
ON LEASES LC 029020(a), NM 0467930 AND LC 029020)c)
GRAYBURG-JACKSON POOL, EDDY COUNTY, NEW MEXICO

On July 13 we filed Shenandoah's Application for Administrative Approval of commingling of the production from the above leases. Thereafter on July 19 we filed an Affidavit of Mailing reflecting that a copy of the Application was mailed to all of the owners of the production.

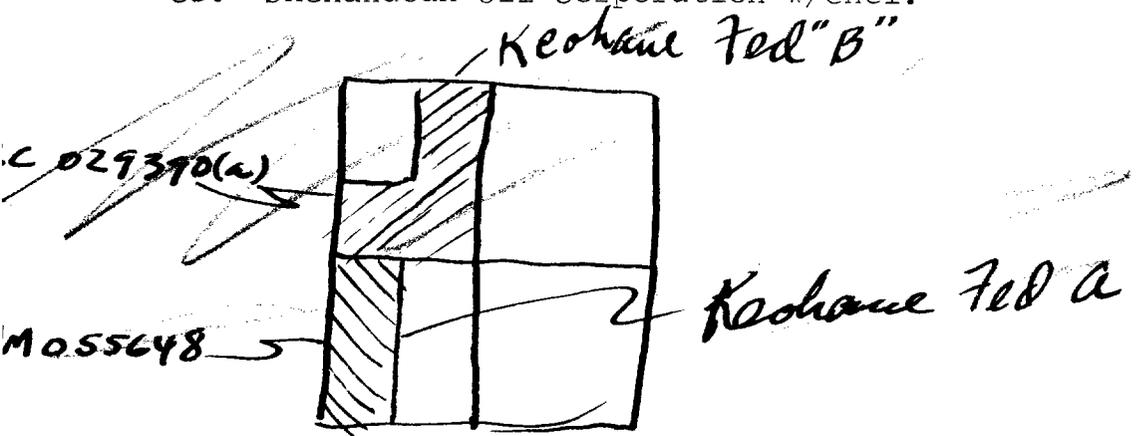
We have now obtained and you will find enclosed herewith letter dated August 2, 1971 from the Regional Oil and Gas Supervisor, United States Geological Survey, Roswell, New Mexico, approving the commingling of production from the three federal leases in question.

We sincerely hope that you have found everything in order and that you will be able to issue the Order approving the commingling administratively in the very near future.

JAMES T. JENNINGS

JTJ/mb
Encl.

cc: Shenandoah Oil Corporation w/encl.

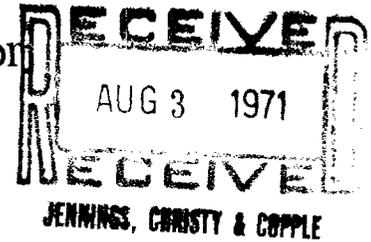




United States Department of the Interior

GEOLOGICAL SURVEY

P. O. Drawer 1857
Roswell, New Mexico 88201



August 2, 1971

Shenandoah Oil Corporation
c/o Jennings, Christy, and Copple
Post Office Box 1180
Roswell, New Mexico 88201

Gentlemen:

Your letter of July 13, 1971 requests approval to commingle Grayburg and San Andres production from leases Las Cruces 029020(a), Las Cruces 029020(c), and New Mexico 0467930, with the commingling facility to be located in the NE $\frac{1}{4}$ NE $\frac{1}{4}$ sec. 22, T. 17 S., R. 30 E., N.M.P.M., Eddy County, New Mexico.

For royalty purposes, production allocation to individual leases will be based on periodic well tests. The monthly production for each well and subsequently each lease, as reported on Lessee's Monthly Report of Operations, form 9-329, will be based on these well tests. The Lessee's Monthly Report of Sales and Royalty, form 9-361, must show all computations used in the calculation of lease sales.

The method of commingling described by your application is hereby approved subject to like approval by the New Mexico Oil Conservation Commission. Notify the District Engineer, U. S. Geological Survey, Post Office Drawer U, Artesia, New Mexico 88210, when the installation is completed and operative so that it can be inspected.

Sincerely yours,

A handwritten signature in cursive script, appearing to read "N. O. Frederick".

N. O. FREDERICK
Regional Oil and Gas Supervisor

LAW OFFICES OF
JENNINGS, CHRISTY & COPPLE
1012 SECURITY NATIONAL BANK BUILDING
P. O. BOX 1180
ROSWELL, NEW MEXICO 88201

JULY 13, 1971

JAMES T. JENNINGS
SIM B. CHRISTY IV
ROGER L. COPPLE
BRIAN W. COPPLE

71 JUL 15 AM 8 09

TELEPHONE 622-6432
AREA CODE 505

OVERRIDING ROYALTY OWNERS UNDER
LEASE LC 029020(a) COVERING THE
SE $\frac{1}{2}$ SW $\frac{1}{4}$ SECTION 15, AND LEASE NM
0467930 COVERING THE SW $\frac{1}{2}$ SE $\frac{1}{4}$ SEC-
TION 15, N $\frac{1}{2}$ N $\frac{1}{2}$, S $\frac{1}{2}$ NW $\frac{1}{4}$, NW $\frac{1}{4}$ SW $\frac{1}{4}$ SEC-
tion 22, INsofar AS THE LEASES COVER
THE SURFACE TO THE BASE OF THE SAN
ANDRES FORMATION, AND LEASE LC
029020(c) INsofar AS IT COVERS THE
GRAYBURG-JACKSON ZONE OF THE SAN
ANDRES FORMATION UNDER THE SE $\frac{1}{2}$ SE $\frac{1}{4}$
SECTION 15, NW $\frac{1}{2}$ NW $\frac{1}{4}$ SECTION 23, ALL
IN TOWNSHIP 17 SOUTH, RANGE 30 EAST,
N.M.P.M.

Shenandoah Oil Corporation, the Operator of the rights down to
the above mentioned depths of the above leases, is filing an
application with the Oil Conservation Commission seeking the
commingling of production from the zones in question of the three
leases into a common tank battery located in the NE $\frac{1}{4}$ NE $\frac{1}{4}$ Section 22,
Township 17 South, Range 30 East, N.M.P.M. The application is filed
pursuant to Oil Conservation Commission Rule 309-B and a copy of
the application is enclosed. The Secretary-Director of the Oil
Conservation Commission may approve the application if, after a 20
day period following receipt of the application, no party has made
objection to the application. Simultaneous herewith the applicant
has requested the approval of the pipeline purchaser to purchase
the commingled production.

If you have any questions or need any further information, we will
be glad to attempt to furnish it.

JAMES T. JENNINGS

JTU/mb

Encl. copy of Appln.

cc: Shenandoah Oil Corporation

New Mexico Oil Conservation Commission

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

BEFORE THE OIL CONSERVATION COMMISSION
STATE OF NEW MEXICO

71 JUL 15 AM 8 09

IN THE MATTER OF THE APPLICATION OF
SHENANDOAH OIL CORPORATION FOR AN
EXCEPTION TO RULE NO. 309-A TO PER-
MIT THE COMMINGLING OF PRODUCTION
FROM THREE SEPARATE LEASES IN A
COMMON TANK BATTERY IN THE GRAYBURG-
JACKSON POOL, EDDY COUNTY, NEW MEXICO.

Case No.

JAMES T. JENNINGS
SIM B. CHRISTY IV
ROGER L. COPPLE
BRIAN W. COPPLE

LAW OFFICES OF
JENNINGS, CHRISTY & COPPLE
1012 SECURITY NATIONAL BANK BUILDING
P. O. BOX 1180
ROSWELL, NEW MEXICO 88201

TELEPHONE 622-8432
AREA CODE 505

71 JUL 15 AM 8 09

July 13, 1971

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

RE: SHENANDOAH OIL CORPORATION APPLICATION FOR
ADMINISTRATIVE APPROVAL OF LEASE COMMINGLING
ON LEASES LC 029020(a), NM 0467930 AND LC 029020(c)
GRAYBURG-JACKSON POOL, EDDY COUNTY, NEW MEXICO

Enclosed herewith you will find Shenandoah's Application for Ad-
ministrative Approval of commingling of the production from the
above leases in triplicate. Simultaneous herewith, we are
furnishing a copy of the Application to the U.S.G.S. and are
requesting its approval. When the approval is received, we will
forward it to you.

We are also requesting approval of the pipeline purchaser to
the commingling and this too will be furnished to you.

The ownership of the three federal leases is common and a list
of the overriding royalty owners is attached to the Application
as Exhibit "B". A copy of this Application is being forwarded to
each of the overriding royalty owners today by certified mail.

By Order No. R-4133 in Case No. 4521, the Applicant was authorized
to institute a waterflood project and the installation of a common
tank battery.

JAMES T. JENNINGS

JTJ/mb

Encl.

cc: Shenandoah Oil Corporation
U. S. Geological Survey

2. That all production from the leases is from a common source of supply in the Premier Zone of the Grayburg Formation and the Grayburg-Jackson Zone of the San Andres Formation, and that adequate facilities will be provided for accurately determining the production from each well at reasonable intervals.

3. That in support of this application and in accordance with the provisions of Rule 309-B, Applicant submits herewith the following exhibits:

A - Plat of the leases showing the wells thereon, the formation in which they have been completed, and the location of the proposed tank battery and flowlines.

4. That the Applicant is the operator and owner of the working interest production from the leases and that the ownership of all production from the leases is common throughout. That a list of the owners of the overriding royalty interest under the leases is attached hereto and marked Exhibit B, and that simultaneous with the filing of this application, Applicant is notifying all parties by certified mail of its application for permission to commingle production from the separate leases.

5. That Leases LC 029020(a), NM 0467930 and LC 029020(c) were originally a part of the same prospecting permit and the leases have identical Schedule "C" royalty provisions, and that a copy of this application is being filed with the United States Geological Survey, Roswell, New Mexico, and upon receipt of approval of commingling from the United States Geological Survey the approval will be filed with the Commission.

6. That by Order No. R-4133 in Case No. 4521 entered April 14, 1971, the Applicant was authorized to institute a

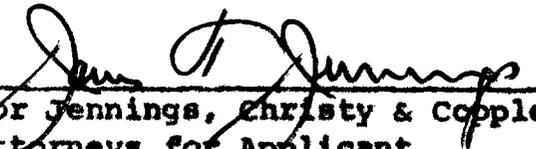
waterflood project designated as the Shenandoah Grayburg-Jackson Parke Waterflood Project. That the installation of a common tank battery will be in the interest of conservation and prevent waste.

WHEREFORE, Applicant requests that the Secretary-Director of the Commission approve the commingling of production from the wells located in the SE $\frac{1}{4}$ SW $\frac{1}{4}$ Section 15, Township 17 South, Range 30 East, N.M.P.M. under Lease LC 029020(a) with the wells located in the SW $\frac{1}{4}$ SE $\frac{1}{4}$ Section 15, N $\frac{1}{4}$ N $\frac{1}{4}$, S $\frac{1}{4}$ NW $\frac{1}{4}$, NW $\frac{1}{4}$ SW $\frac{1}{4}$ Section 22, Township 17 South, Range 30 East, N.M.P.M. on Lease NM 0467930, and with the wells on Lease LC 029020(c) located on the SE $\frac{1}{4}$ SE $\frac{1}{4}$ Section 15, NW $\frac{1}{4}$ NW $\frac{1}{4}$ Section 23, Township 17 South, Range 30 East, N.M.P.M. into a common tank battery to be located on the NE $\frac{1}{4}$ NE $\frac{1}{4}$ Section 22, Township 17 South, Range 30 East, N.M.P.M.

Respectfully submitted,

SHENANDOAH OIL CORPORATION

By


For Jennings, Christy & Copple
Attorneys for Applicant
P. O. Box 1180
Roswell, New Mexico 88201

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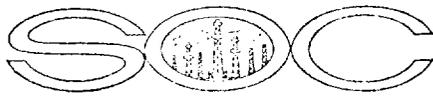
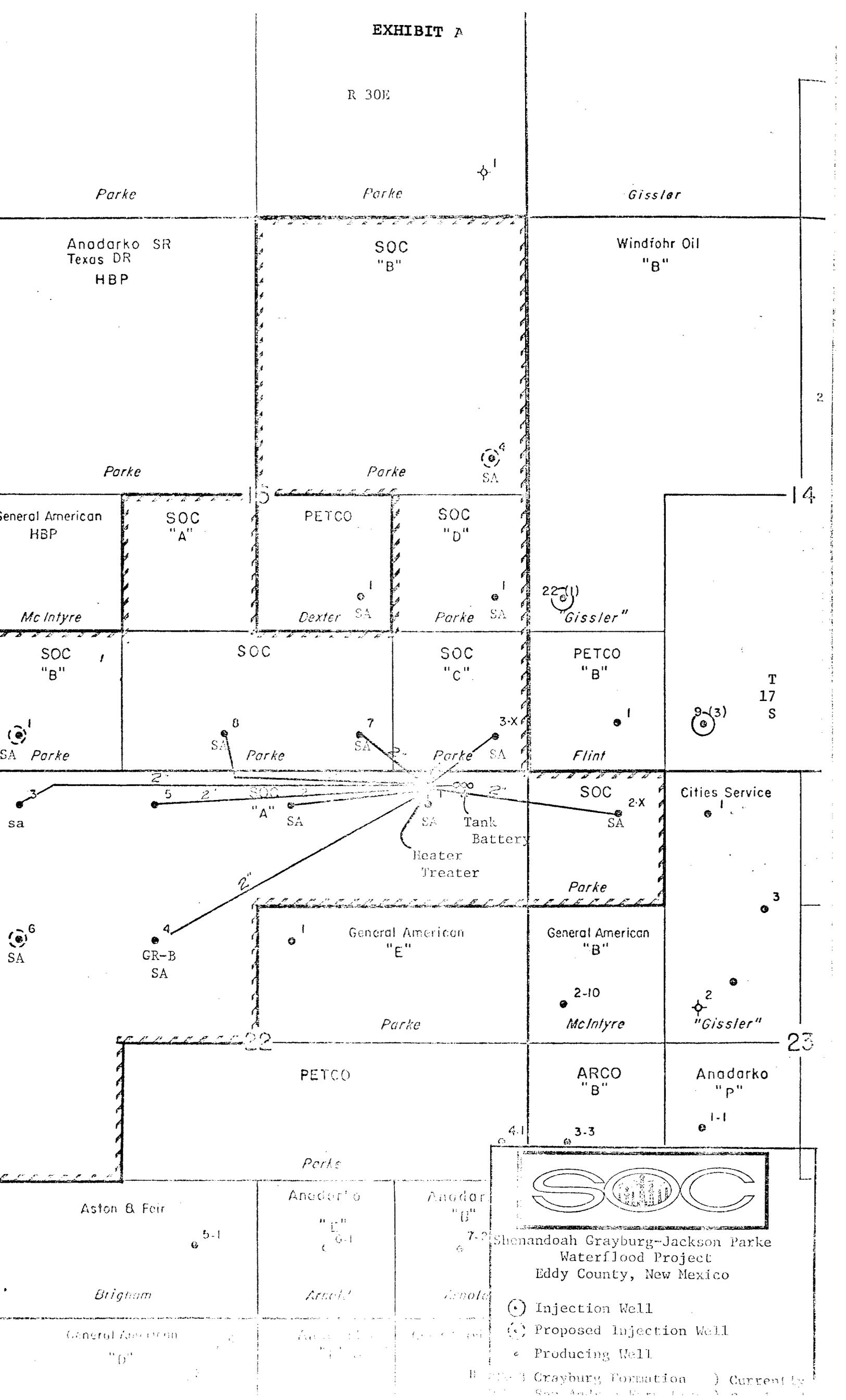
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EXHIBIT A

R 30E



Shenandoah Grayburg-Jackson Parke
Waterflood Project
Eddy County, New Mexico

- ⊙ Injection Well
- ⊕ Proposed Injection Well
- Producing Well

Grayburg Formation () Currently

EXHIBIT "B"

OVERRIDING ROYALTY OWNERS UNDER
LEASES LC 029020(a), NM 0467930 AND LC 029020(c)

Investors Royalty Company, Inc.	1209 Thompson Building Tulsa, Oklahoma 74103
Kirby Petroleum Company	Post Office Box 3142 Houston, Texas 77001 Attention: Treasury Department
Ward H. Maris	c/o Commerce Trust Company Kansas City, Missouri 64106 Attention: C. M. Sulzes
Helen S. Morgan	21348 Pacific Coast Highway Malibu, California 90265
May Taylor Parke	1723 Buckingham Road Los Angeles, California 90019
J. S. Ward	101 South 4th Street Artesia, New Mexico 88210
H. Lee Harvard	P. O. Drawer 2164 Roswell, New Mexico 88201
Sundance Minerals, Ltd.	P. O. Drawer 2164 Roswell, New Mexico 88201
Franklin, Aston & Fair, Inc.	101 North Missouri Avenue Roswell, New Mexico 88201
Harold L. Hensley, Jr.	P. O. Box 10 Roswell, New Mexico 88201

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE APPLICATION OF
SHENANDOAH OIL CORPORATION FOR AN
EXCEPTION TO RULE NO. 309-A TO PER-
MIT THE COMMINGLING OF PRODUCTION
FROM THREE SEPARATE LEASES IN A
COMMON TANK BATTERY IN THE GRAYBURG-
JACKSON POOL, EDDY COUNTY, NEW MEXICO.

AFFIDAVIT OF MAILING

STATE OF NEW MEXICO
COUNTY OF CHAVES

James T. Jennings, being first duly sworn upon his oath,
says that on or before July 13, 1971, I caused to be deposited in
the United States Post Office in Roswell, New Mexico, sealed en-
velopes with prepaid postage addressed to each of the parties named
on Exhibit "B" attached hereto.

Said envelopes contained true copies of the Application
for Administrative Approval of Lease Commingling in the above cause
and were sent by certified mail. Return Receipts reflecting receipt
of the envelopes signed by all of the parties are attached hereto.

SUBSCRIBED AND SWORN TO before me this 19th day of July,
1971.

My Commission Expires:

10-12-72

Notary Public

INSTRUCTIONS TO DELIVERING EMPLOYEE

Show to whom and when delivered Show to whom, when, and address where delivered Deliver ONLY to addressee
 (Additional charges required for these services)

RECEIPT

Received the numbered article described below.

REGISTERED NO.	SIGNATURE OR NAME OF ADDRESSEE (Must always be filled in)
CERTIFIED NO. 691522	1 <i>Kerby Cat Co.</i>
INSURED NO.	2 <i>Empire Nat Co.</i>
DATE DELIVERED JUL 15 1971	SHOW WHERE DELIVERED (only if requested) <i>Langhorne</i>

c55-16-71548-8 GPO

INSTRUCTIONS TO DELIVERING EMPLOYEE

Show to whom and when delivered Show to whom, when, and address where delivered Deliver ON to addressee
 (Additional charges required for these services)

RECEIPT

Received the numbered article described below.

REGISTERED NO.	SIGNATURE OR NAME OF ADDRESSEE (Must always be filled in)
CERTIFIED NO. 691519	1 <i>May Taylor Park</i>
INSURED NO.	2
DATE DELIVERED 7-15-71	SHOW WHERE DELIVERED (only if requested)

c55-16-71548-8 G

INSTRUCTIONS TO DELIVERING EMPLOYEE

Show to whom and when delivered Show to whom, when, and address where delivered Deliver ONLY to addressee
 (Additional charges required for these services)

RECEIPT

Received the numbered article described below.

REGISTERED NO.	SIGNATURE OR NAME OF ADDRESSEE (Must always be filled in)
CERTIFIED NO. 691520	1 <i>H. D. Morgan</i>
INSURED NO.	2
DATE DELIVERED JUL 15 1971	SHOW WHERE DELIVERED (only if requested) <i>Langhorne</i>

c55-16-71548-8 GPO

INSTRUCTIONS TO DELIVERING EMPLOYEE

Show to whom and when delivered Show to whom, when, and address where delivered Deliver to address
 (Additional charges required for these services)

RECEIPT

Received the numbered article described below.

REGISTERED NO.	SIGNATURE OR NAME OF ADDRESSEE (Must always be filled in)
CERTIFIED NO. 691523	1 <i>Investors Royalty</i>
INSURED NO.	2 <i>Betty Linn</i>
DATE DELIVERED 7-15-71	SHOW WHERE DELIVERED (only if requested)

c55-16-71548-8

INSTRUCTIONS TO DELIVERING EMPLOYEE

Show to whom and when delivered Show to whom, when, and address where delivered Deliver ONLY to addressee
 (Additional charges required for these services)

RECEIPT

Received the numbered article described below.

REGISTERED NO.	SIGNATURE OR NAME OF ADDRESSEE (Must always be filled in)
CERTIFIED NO. 691521	1 <i>Commerce</i>
INSURED NO.	2 <i>R. Shankland</i>
DATE DELIVERED JUL 15 1971	SHOW WHERE DELIVERED (only if requested)

c55-16-71548-8 GPO

INSTRUCTIONS TO DELIVERING EMPLOYEE

Show to whom and when delivered Show to whom, when, and address where delivered Deliver to address
 (Additional charges required for these services)

RECEIPT

Received the numbered article described below.

REGISTERED NO.	SIGNATURE OR NAME OF ADDRESSEE (Must always be filled in)
CERTIFIED NO. 691515	1 <i>Franklin Aston & Fai</i>
INSURED NO.	2 <i>H. A. Morrison</i>
DATE DELIVERED 7-14-71	SHOW WHERE DELIVERED (only if requested)

c55-16-71548-8

INSTRUCTIONS TO DELIVERING EMPLOYEE

- Show to whom and when delivered Show to whom, when, and address where delivered Deliver ONLY to addressee
 (Additional charges required for these services)

RECEIPT

Received the numbered article described below.

REGISTERED NO.	SIGNATURE OR NAME OF ADDRESSEE (Must always be filled in)
CERTIFIED NO. 691518	<i>[Signature]</i>
INSURED NO.	SIGNATURE OF ADDRESSEE'S AGENT, IF ANY
DATE DELIVERED 2-14-71	SHOW WHERE DELIVERED (only if requested)

c55-16-71648-8 GPO

INSTRUCTIONS TO DELIVERING EMPLOYEE

- Show to whom and when delivered Show to whom, when, and address where delivered Deliver ONLY to addressee
 (Additional charges required for these services)

RECEIPT

Received the numbered article described below.

REGISTERED NO.	SIGNATURE OR NAME OF ADDRESSEE (Must always be filled in)
CERTIFIED NO. 691517	<i>[Signature]</i>
INSURED NO.	SIGNATURE OF ADDRESSEE'S AGENT, IF ANY
DATE DELIVERED JUL 14 1971	SHOW WHERE DELIVERED (only if requested)

c55-16-71648-8 GPO

INSTRUCTIONS TO DELIVERING EMPLOYEE

- Show to whom and when delivered Show to whom, when, and address where delivered Deliver ONLY to addressee
 (Additional charges required for these services)

RECEIPT

Received the numbered article described below.

REGISTERED NO. 691514	SIGNATURE OR NAME OF ADDRESSEE (Must always be filled in)
CERTIFIED NO.	<i>Harold L. Hensley</i>
INSURED NO.	SIGNATURE OF ADDRESSEE'S AGENT, IF ANY
DATE DELIVERED JUL 14 1971	<i>Bilvie Hoolsey</i>
	SHOW WHERE DELIVERED (only if requested)

c55-16-71648-8 GPO

INSTRUCTIONS TO DELIVERING EMPLOYEE
 Show to whom and when delivered Show to whom, when, and address where delivered Deliver ONLY to addressee
 (Additional charges required for these services)

RECEIPT

Received the numbered article described below.

REGISTERED NO.	SIGNATURE OR NAME OF ADDRESSEE (Must always be filled in)
CERTIFIED NO. 691516	<i>[Signature]</i>
INSURED NO.	SIGNATURE OF ADDRESSEE'S AGENT, IF ANY
DATE DELIVERED JUL 14 1971	SHOW WHERE DELIVERED (only if requested)

c55-16-71648-8 GPO

SHENANDOAH OIL CORPORATION

1500 COMMERCE BUILDING
FORT WORTH, TEXAS 76102

B. J. KELLENBERGER
PRESIDENT

September 1, 1971

TELEPHONE
817-332-7381

RECEIVED
SEP 1 1971
J. T. Jennings

Re: Shenandoah Oil Corporation's
D.H. Parke "A" (LC 029020(a)
and (LC 029020(c) Leases,
Grayburg Jackson Pool,
Eddy County, New Mexico

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

Attention: Dan Nutter

Dear Mr. Nutter:

Our Application for Administrative Approval of Lease Commingling covering the above property has been approved and Administrative Order #CTB 228 assigned.

The attached copy of a letter from Atlantic Richfield Company, purchaser of the crude on the above leases, indicates their approval to commingle which should complete the documentation of this file.

Thank you for your patience and assistance in this matter.

Very truly yours,

SHENANDOAH OIL CORPORATION

T. P. Bates

T. P. Bates
Vice President

TPB:jn
Attachment

CC: C. W. Downey
J. T. Jennings

Midcontinent Area, Crude Oil Supply
Post Office Box 1610
Midland, Texas 79701
Telephone 915 682-8631

RECEIVED
AUG 30 1971



August 27, 1971

Re: Shenandoah Oil Corporation's
D.H. Parke "A" (LC 029020(a)
and (LC 029020(c) Leases,
Grayburg Jackson Pool,
Eddy County, New Mexico

Mr. T. P. Bates
Shenandoah Oil Corporation
1500 Commerce Building
Fort Worth, Texas 76102

Re: Shenandoah Oil Corporation
D. H. Parke "A"
Eddy County, New Mexico

Dear Mr. Bates:

This letter will inform you that Atlantic Richfield,
as purchaser of the captioned leases, grants approval
to commingle the production. Please make the necessary
changes on the C-104's and send a copy to Texas-New
Mexico Pipe Line Company.

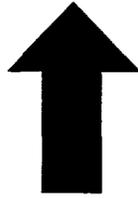
If we may be of service, please do not hesitate to call.

Yours very truly,

Dwayne Glover
Representative,
Crude Purchases

DG:nb

cc: Mr. P. A. Lyons - Texas-New Mexico Pipe Line



LTR



Job separation sheet