

SHELL OIL COMPANY

PETROLEUM BUILDING
P.O. BOX 1509
MIDLAND, TEXAS 79701

January 20, 1970

**Subject: Amerada Division, Amerada Hess Corp.
State "K", "O", "P" and "R" Leases
Monument Pool, Lea County, New Mexico**

Amerada Division, Amerada Hess Corp. (2)
Post Office Box 1920
Hobbs, New Mexico 88240

Attention Mr. G. O. Webb

Gentlemen:

We are in receipt of your letter of January 15, 1970, addressed to Shell Pipe Line Corporation requesting Shell Pipe Line as purchaser to approve the commingling of the Grayburg-San Andres production from the captioned leases into an LACT located on the State "K" lease.

Shell Oil Company is the purchaser of the crude and Shell Pipe Line transports the crude for our account. Shell Oil Company, as purchaser of the crude, is agreeable to purchasing the crude commingled into an LACT located on the State "K" lease.

Please advise us when you actually commence the commingling so that we may adjust our records and notify our carrier to run the oil for our account.

Yours very truly,

Original Signed By

J. C. HART

**J. C. Hart
Raw Materials Supply
Midland Division Services**

JCH:ERL

cc - Shell Pipe Line Corporation
West Texas Division Manager

AMERADA DIVISION
AMERADA HESS CORPORATION

RECEIVED
JAN 23 AM 8 3

January 15, 1970

Box 1920
HOBBS, NEW MEXICO 88240
505-297-2454

*Mid District CC
metering only and
leave
Hess
New Mexico
State
Dept. of
Conservation
(Government of New Mexico)*

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

Dear Sir:

The Amerada Division, Amerada Hess Corporation respectively request exception to Rule 309-A to commingle Grayburg-San Andres production from the following properties:

<u>Property</u>	<u>Description</u>	<u>State Lease No.</u>
State "K"	E/2 NW/4 Sec. 29-19S-37E	A-4096
State "O"	NE/4 Sec. 30-19S-37E	B-1533 1/2
State "P"	W/2 SW/4 Sec. 29-19S-37E	B-1384
State "R"	E/2 SW/4 Sec. 29-19S-37E	B-1962

Plats of the leases showing the location of wells and a schematic diagram of the commingling facility and test facilities is attached. The New Mexico Land Office approval to commingle Grayburg-San Andres production from the afore mentioned properties, and the purchaser, Shell Pipe Line Corp., approval is also enclosed.

Yours very truly,

G. O. Webb
G. O. Webb

GOW/tlm

Attachment

**AMERADA DIVISION
AMERADA HESS CORPORATION**

December 8, 1969

Box 2040
TULSA, OKLAHOMA 74102
018-584-5554

Re: Monument Field
Lea County, New Mexico

Honorable Alex Armijo
Commissioner of Public Lands
State of New Mexico
Oil and Gas Department
P. O. Box 1148
Santa Fe, New Mexico

Attention: Mr. Ted Bilberry

Gentlemen:

RECEIVED

JAN 1 1970

HOBBS DIST. OFFICE

BY *[Signature]*

RECEIVED
DEC 10 10 25 AM '69
STATE LAND OFFICE
SANTA FE, N.M.

Amerada Hess Corporation requests permission to commingle Grayburg San Andres production from the following properties:

<u>Property</u>	<u>Description</u>	<u>State Lease No.</u>
State "K"	E/2 NW/4 Sec. 29-19S-37E	A-4096 c.s. 4
State "O"	NE/4 Sec. 30-19S-37E	B-1533 1/2
State "P"	W/2 SW/4 Sec. 29-19S-37E	B-1384
State "R"	E/2 SW/4 Sec. 29-19S-37E	B-1962

We propose to install a LACT Unit to be located on the State "K" lease. Although the request covers four separate properties, our records reflect the ownership is uniform throughout. Therefore, commingling of production into common storage will not require separate measurement of production prior to commingling provided an exception to Rule 309-A is obtained and a showing is made to the New Mexico Oil Conservation Commission that adequate facilities are installed to permit determination of the producing capacity of each well at least once a month. We contemplate handling this with the Oil Conservation Commission as soon as approval is obtained from your office of the application for commingling herein made.

Attached, to support our request, are two copies of our letter dated October 24, 1969, showing production from the wells for September 1969 and also two plats showing the location of the wells affected by this request.

Should our request meet your approval, please so indicate by your approval and return one copy of this letter in the stamped, addressed envelope which is enclosed.

Amerada check in the amount of \$10.00 to cover the filing fee in connection with this application is also enclosed.

Yours very truly,

G. C. Pack
G. C. Pack
Land Department

GCP/lc

att.

Approved this 15th day of December, 1969.

Ted Bilberry
Ted Bilberry, Director
Oil and Gas Department

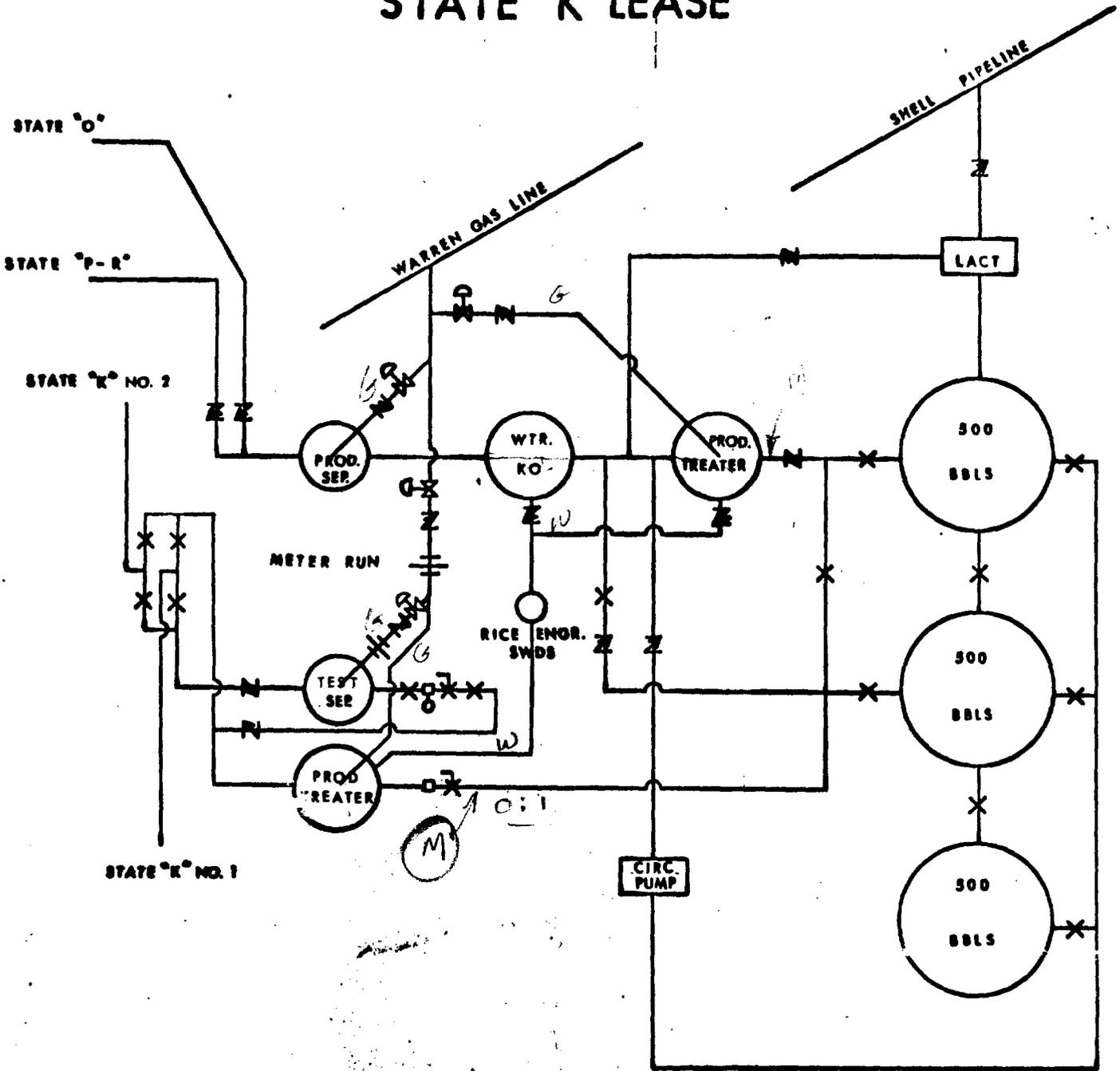
RECEIVED
DEC 10 10 25 AM '69
STATE LAND OFFICE
SANTA FE, N.M.

Your request for permission to commingle Grayburg San Andres production from the following properties:

<u>PROPERTY</u>	<u>DESCRIPTION</u>	<u>BENEFICIARY</u>	<u>STATE LEASE</u>
St. "K"	E/2NW/4 Sec. 29-19S-37E	C.S.	A-4096
St. "O"	NE/4 Sec. 30-19S-37E	D.D.B.	B-1533 1/2
St. "P"	W/2SW/4 Sec. 29-19S-37E	D.D.B.	B-1384
St. "R"	E/2SW/4 Sec. 29-19S-37E	D.D.B.	B-1962

Approval is hereby given to you to commingle the above mentioned properties, contingent to your separately metering your State "K" lease, whose beneficiary is Common Schools while your other leases belong to Deaf, Dum and Blind and the subsequent approval of the Oil Conservation Commission.

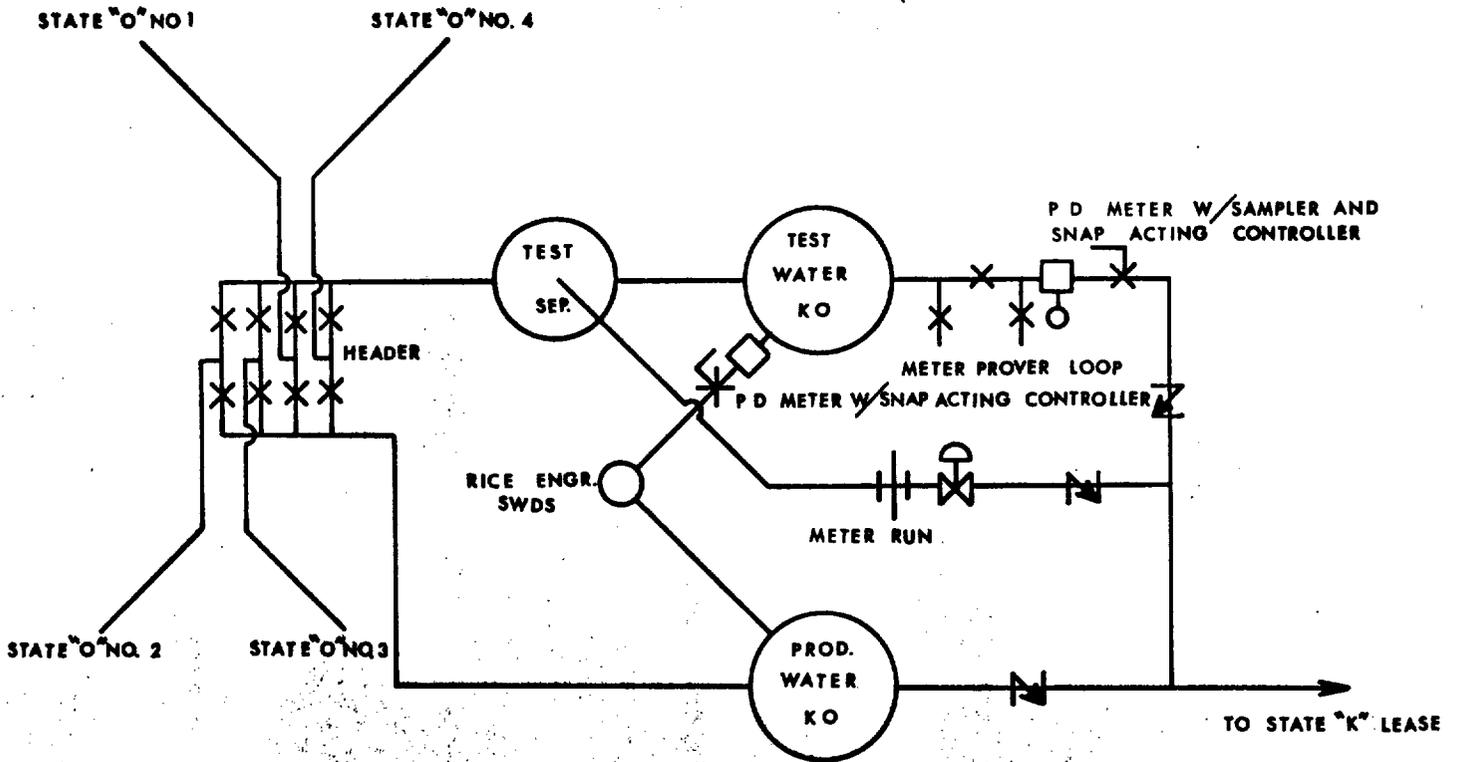
PROPOSED CENTRAL BATTERY STATE "K" LEASE



STATE K, Q, P, R CONSOLIDATION
MONUMENT GRAYBURG - SAN ANDRES
LEA COUNTY, NEW MEXICO

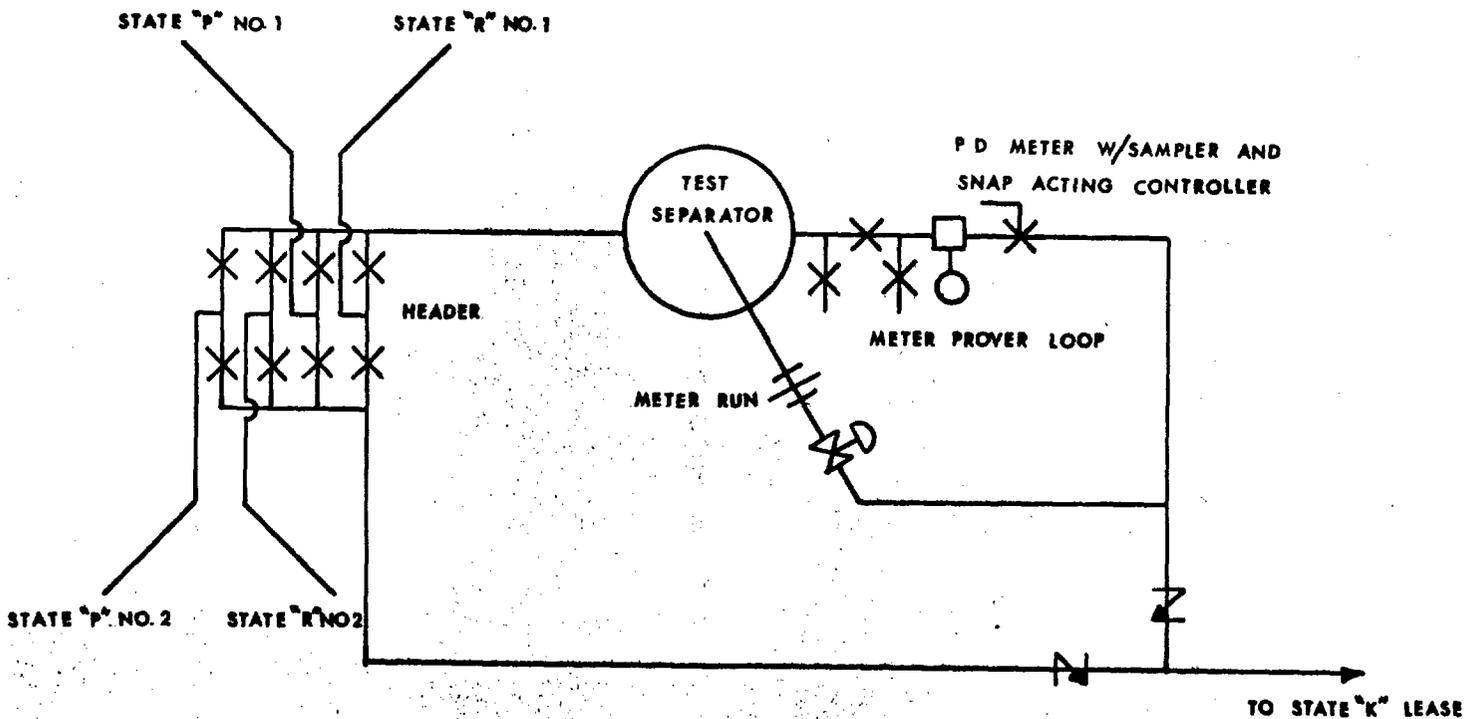
PROPOSED SATELLITE TEST SYSTEM

STATE "O" LEASE



STATE K, O, P, R CONSOLIDATION
 MONUMENT GRAYBURG-SAN ANDRES
 LEA COUNTY, NEW MEXICO

PROPOSED SATELLITE TEST SYSTEM STATE "P" AND "R" LEASE



STATE K, O, P, R CONSOLIDATION
MONUMENT GRAYBURG - SAN ANDRES
LEA COUNTY, NEW MEXICO