

SHELL OIL COMPANY

P. O. Box 845
Roswell, New Mexico

December 30, 1960

Subject: Application for Exception
to Rule 303(a)

New Jan 25

*PC - 19
(waiting for...)*

REGISTERED MAIL

New Mexico Oil Conservation Commission
P. O. Box 871
Santa Fe, New Mexico

Attention Mr. A. L. Porter

Gentlemen:

Shell Oil Company hereby requests an exception to Rule 303(a) as provided in Rule 303(b) of the Rules and Regulations of the New Mexico Oil Conservation Commission. We propose to commingle the San Andres oil production from wells Nos. 1, 2, 3 and 4, with the Abo oil production from the proposed wells Nos. 5 and 6 on our State T lease, Vacuum Field, located in the SE/4 of Section 33, T-17-S, R-35-E, as shown on the attached plat. It is expected that well No. 5 will be spudded about January 15, 1961, and well No. 6 will be started immediately following the completion of well No. 5, about February 15, 1961.

The production from each zone will be continuously measured through metering separators prior to commingling as illustrated on the attached drawing.

The four San Andres wells are top allowable or 35 barrels per day per well and the allowable of the two Abo wells would be 105 barrels per day per well. It is expected that the two Abo wells will be top allowable. The gravity of the San Andres wells has ranged from 36 to 38°API and averaged 37.2°API during the past year. The gravity of the Standard of Texas Vac-Edge Unit # 2 well which is the only Abo well completed in this field, is 40.3°API. Therefore, the average value of the 140 barrels of San Andres oil would be \$400 per day and the value of the 210 barrels of Abo oil would be

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N.M.O.C.C.

2

12-30-60

\$620 per day, or a total of \$1,020 per day. If these crudes were mixed, the resultant gravity would be 39°API and the value of the 350 barrels of mixed crude would be \$1,020 per day. Therefore, the value of the mixed crude would be the same as the sum of the values of both crudes prior to mixing.

The State Land Commissioner's office will be notified by copy of this letter via Registered Mail.

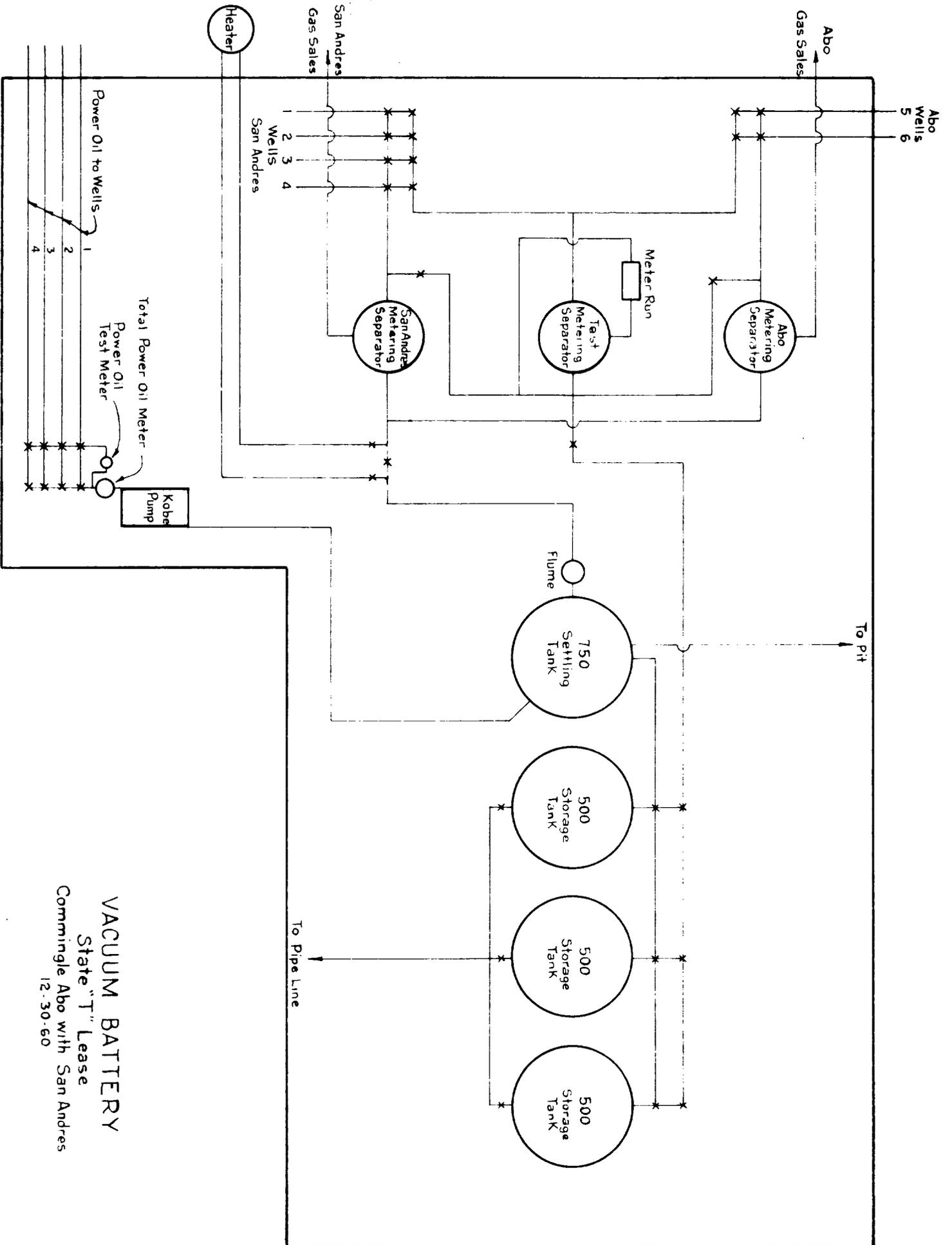
Very truly yours,



for R. L. Rankin
Division Production Manager

Attachments

cc: State Land Commissioner
P. O. Box 791
Santa Fe, New Mexico
REGISTERED MAIL



VACUUM BATTERY

State "T" Lease

Commingle Abo with San Andres

12.30.60

Skelly
"P"

Phillips
"Santa Fe"
R-35-E

Magnolia
"V"

Phillips
Santa Fe
T
17
S

Ohio
Warn
Acct No 3

Magnolia
"V"

Phillips
"Santa Fe"

NM 891-A
160 Ac.
P.D.S.
"T"

3951 ● 2

3944 ● 1

Tidewater
"H"

3945 ● 3

3933 ● 4

State

○ 5

○ 6

Phillips
"Santa Fe" 3957 ○ 3

Ohio
H.B.P.

Cities Service
H.B.U.

Std. of Texas
"Vac Edge Unit"
3961 ⓐ 2

Phillips
H.B.P.

T
18
S

Std. of Texas
3-18-68

Cities Service
H.B.U.

Phillips
H.B.P.

Aztec
H.B.U.

NM 1605
240 Ac.
9-9-62
P.D.S.

Std. of Texas
"Vac. Edge Unit"

3947 ○

D 8-A

State

-8683T.D. XI-59

LEGEND

- Abo Location
- ⓐ Drilling Well
- San Andres
- ⓐ Abo