

SHELL OIL COMPANY

P. O. Box 1858
Roswell, New Mexico

June 19, 1962

Subject: Application by Shell Oil Company
For Amendments to New Mexico Oil
Conservation Commission Adminis-
trative Orders PC-37 and CTB-70

ILLEGIBLE

AIR MAIL

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

Gentlemen:

Reference is made to your letter of December 21, 1961, amending Administrative Orders PC-37 and CTB-70 to permit Shell Oil Company to commingle production from the Devonian and Fusselman Zones on our State "JM" and "JP" Leases located in Section 2, T-25-S, R-37-E, Lea County, New Mexico. Due to further revision of our development plans, we request that you amend the above Administrative Orders to authorize us to commingle before marketing the Blinebry, Drinkard, Devonian, and Fusselman crude oil production from three wells on our State "JM" and "JP" Leases. The three wells to be handled by the consolidation are as listed below:

Shell State "JM" No. 1, presently a Devonian-Fusselman oil-oil dual, will soon be recompleted as a Drinkard-Blinebry oil-oil dual.

Shell State "JM" No. 2, now drilling, will be completed as a Devonian-Fusselman oil-oil dual.

Shell State "JP" No. 1 will soon be drilled and completed as a Devonian-Drinkard-Blinebry oil-oil-oil triple.

Both of the above described leases belong to common schools and are on Lease No. B-1167. Shell has designated the leases differently for accounting purposes.

Each of the four reservoirs is expected to be capable of top allowable production and will therefore be continuously metered prior to commingling. Production will be allocated to each well on the basis of monthly well tests. Samplers will be installed on all zones which are found to produce two per cent or more BS&W.

Production from the reservoirs is expected to be 122 barrels per day of 35.6° API oil from the two Devonian producers, 80 barrels per day of 36.5° API oil from the one Fusselman producer, 92 barrels per day of 33.6° API oil from the two Drinkard producers, and 92 barrels per day of 35.8° API oil from the two Blinebry producers. The gravity of the commingled crude will be about 35.3° API. The value of the commingled production will be equal to the sum of the values of the production from each common source of supply.

Attached for your consideration are schematic diagrams of the proposed commingling installation, lease plats, and written approvals from the Commissioner of Public Lands and the purchaser of the commingled crude.

Very truly yours,

Original Signed By:

R. L. Rankin

R. L. Rankin

Division Production Manager

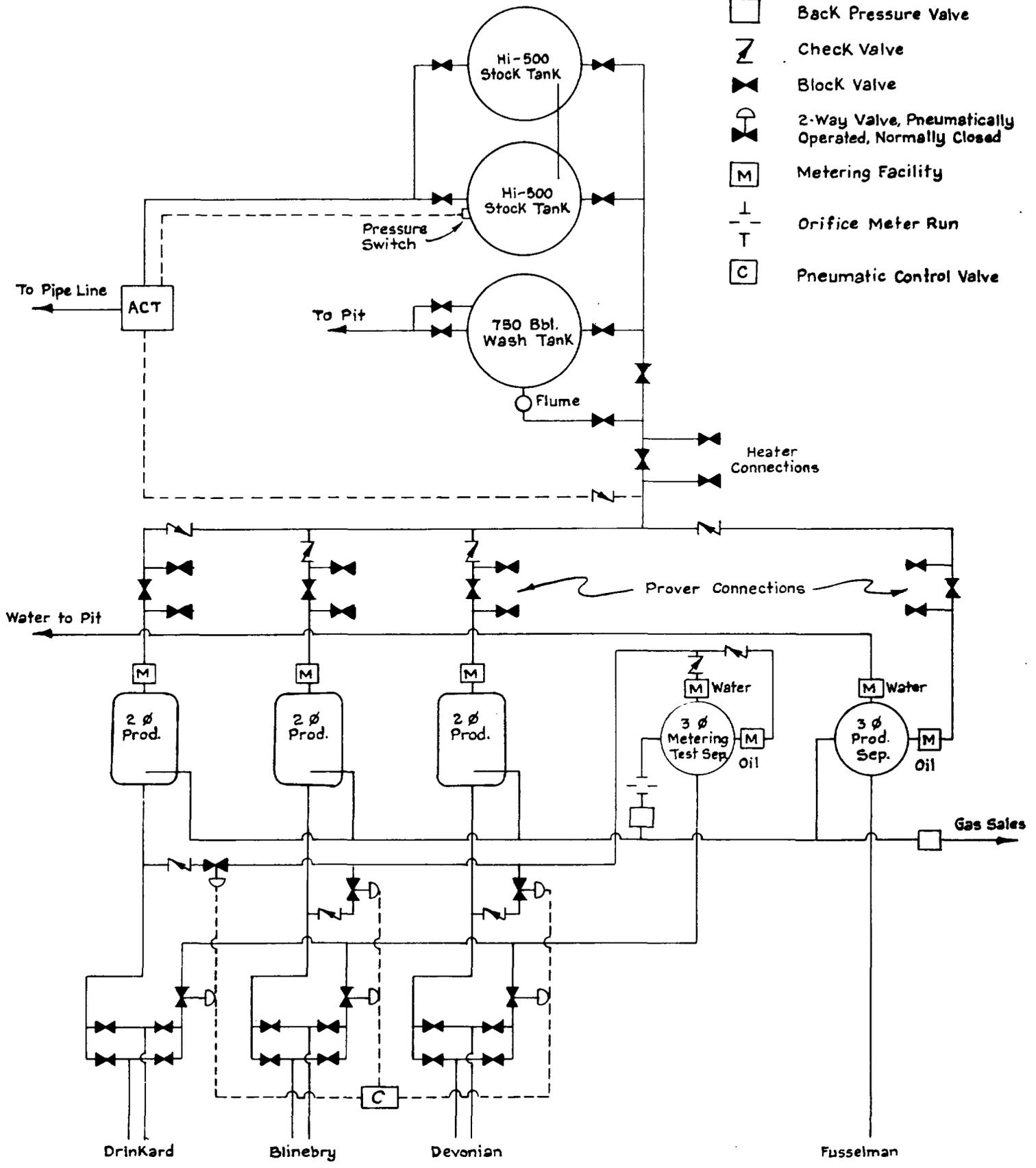
ILLEGIBLE

Attachments

Shell Oil Co.
PROPOSED INSTALLATION DIAGRAM
 Commingle DrinkKard, Blinebry, Devonian & Fusselman Oil
 Shell State "JM" & "JP" Leases
 Sec. 2, T-25-S, R-37-E
 6-18-1962

SYMBOLS

-  Back Pressure Valve
-  Check Valve
-  Block Valve
-  2-Way Valve, Pneumatically Operated, Normally Closed
-  Metering Facility
-  Orifice Meter Run
-  Pneumatic Control Valve



3207
-13-7"
-245 TP
312 Wd (34) R 1830
323 TD I-5-35
-216 (100) 320 Qts

Texaco
NCT #1
"A"
6
3195
-176-7"
-190 TP
-166 PKR
110 Wd (24) R 2803
-523 TD II-16-40
-190 (133) 400 Qts

Texaco
NCT #2
"B"

3173
-77-7"
-178-TP
98 b/d (5/32) R 3939 42.1°
-290 T.D. VI-16-50
-178 (112) 224 Qts

3154
-135-7"
-188-TP
45 b/d (12/64) R 360 39°
-298 TD III-21-35
-188 (105) 340 Qts

3191
-12-TP
-26-7"
31 Wd (4 hrs) R 14 37
-344 T.D.
-94 (250) 500 Qts

3201
-71-7"
TP
43 b/d + 2.1 M
-330 T.D. VI-12-37
-290 (40) 200 Qts

3173
-58-7"
-177 TP
29 b/d (3/8) R 11130 38.5°
-252 T.D. VI-10-57
-173 (79) 156 Qts
1-1500 Gals

3151
-314-5/2"
-166 (112/60) 314 h
65 b/d (35/64) R 1250
-318 TD II-8-54
1-4000 Gals

G.C. Fristoe
35

2
-47-7"
-62 TP
15 b/h II-5-38
83 T.D.
(145) 350 Qts

Parker Drig
2
3191
-13-7"
-182 TP
500 Wd + 1.25 M
-290 T.D. VII-28-38
-209 (75) 290 Qts
3
3183
-17-7"
-200 TP
40 Wd (7/8)
-277 TD II-11-38
-200 (32) 140 Qts

Texaco
NCT #2
"B"

3
3151
-341-5/2"
-166 (90/54) 216 h
118 b/d (26/64) R 8000
-343 TD XI-23-34
(10) 5 F

3187
-38-7"
-197 TP
54 b/d (4 hrs) + 1.1 M (27)
-293 T.D. VII-22-38
-231 (42) 140 Qts

Erwin

U.S.

G.L. Erwin

3171
-5393-7" Inr.
D-2787 (82/38) 76 h
K-4757 (86/44) 88 h
E-5287 (24) 48 h
D-239 b/d (14) R-741 37.5°
3000 G.A. VIII-29-61
K-222 b/d (12) R-1388 46.5°
500 G.A. VIII-27-61
E-157 b/d (18) R-976 46.5°
500 G.A. VIII-27-61
-5394 T.D. -5376 P.B.
Amerada
H.B.P.

Gulf
3144
-356-5/2"
C-2-98 (182/136) 344 h
-356 TD IX-24-33
(15) 5 F

Pacific West
"G"
3184
-161-7"
-201 TP
96 Wd + 2 M
-358 TD I-29-38
-318 P.B.
-201 (57) 180 Qts

Shell Canadian OKR
Parker Drig. Co. (3750)
Shell DR
NM 519-C
P.D. #2
40.13 Ac. #2
"JP"
20-7"
26-TP
20 M
240 T.D. VI-6-39
236 P.B.
Western Nat. Gas Co. Gas Rts.

N.M. 519-H
40.13 Ac. #2
H.B.P. P.D. #1
"JM" #1
Battery

J.C. Williamson
6 "Westates"

Texaco
"C.C. Fristoe"
"A"

3
-44-7"
-254 TP
208 Wd + 1.35 M
-324 T.D. III-29-38

Skelly
"L"
3176
-61-7"
TP
156 b/d + 2.5 M
-247 TD VI-11-38
3170
-100-7"
-198 TP
156 Wd + 2.5 M
-251 TD I-29-40
-207 P.B.

C.E. Aikman

J.C. Williamson
"Westates" 2
3140
-270-5/2"
-106 (98/38) 152 h
3137
-274 TD II-27-35
-5433-5/2 260 P.B.
-3863 (40/36) 72 h
432 b/d (18/64) R-1438 41°
-5563 T.D. VI-24-61
-4413 P.B. -1-2500 G.

Richmond Drig. Co.
"A"

2

M.E. Hale

3171
-126-7"
-190 TP
456 Wd + 1.201 M (34)
-275 TD II-12-35
-211 (58) 180 Qts

3152
-129-7"
-183 TP
292 Wd (07) R 2337
-272 TD IX-28-35
-178 (40) 180 Qts
12 b/d + 2 B.W. R. 66 666
10000 S.F. VI-17-56

Cont.ntl.
"A"
3166
-9-7"
+55 (86) 144 h
1.9 M (1)
-144 T.D. VI-21-38
-198 P.B.
-29 (168) 375 Qts
1-3500 Gals.
-1736-5" Inr.
-1633 (84/74) 288 h
692 MCF/d (1/4")
-1738 TD VII-28-54
-1734 P.B. 1-4000 G.A.
1-6000 Sdfr.

3144
-171-G 5/8
-183 TP
480 Wd + 0.265 M
-270 TD IX-6-35

3138
-128-G"
-147 TP
408 Wd (07) R 3900
-270 TD VI-23-35
-164 (63) 240 Q

3137
-161-7"
-142 M (34)
-487 TD IX-25-35
-528 P.B.
-218 (110) 260 Qts
4-11,000 Gals.

3124
-1623-7"
-1623 TP
1.2 M
-1650 TD. I-11-46
1-5000 Gals.

U.S.

Gulf
"J.O. Stuart"

Union Tex. Nat.
"Stuart"

Union Tex. Nat.
"Jal"

State of New Mexico



Commissioner of Public Lands

E. S. JOHNNY WALKER
COMMISSIONER



P. O. BOX 791
SANTA FE, NEW MEXICO

June 6, 1962

Mr. R. L. Rankin
SHELL OIL COMPANY
P. O. Box 1858
Roswell, New Mexico

Re: Proposed Commingling of
Blinebry, Drinkard, Devonian,
& Fusselman Crude Production
from the Shell State "JM" and
"JP" Leases, Lea County, NM

Dear Sir:

Your request to commingle the Blinebry, Drinkard, Devonian, and Fusselman Crude Oil Production from three wells on your State "JM" and "JP" Leases is hereby granted. Since these leases are both located on State Lease No. B1167, and the acreage involved, that is, NW $\frac{1}{4}$ NE $\frac{1}{4}$, NE $\frac{1}{4}$ NW $\frac{1}{4}$ of Section 2, Township 25S, Range 37E, belongs to Common Schools; and further there will be no value changes according to your estimation; and you have agreed to continually meter each zone prior to commingling, we offer no objection.

Thank you for your cooperation in this matter.

Very truly yours,

E. S. JOHNNY WALKER
COMMISSIONER OF PUBLIC LANDS

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

LOB
SBD

EW/TB/pb

SHELL	
RECEIVED	
JUN 7 1962	
ROSWELL FIELD	
OWN	6
DATE	7
BY	W. C. H.
P.S. upv.	
Drly. F.	
Off. Supv.	
Discuss	Well File
Reply	Lse. File
Call Up	Field File
Destroy	Gen. Cor.

Gevdeji



SHELL OIL COMPANY

PETROLEUM BUILDING

P. O. BOX 1509

MIDLAND, TEXAS

June 4, 1962

**Subject: Shell Oil Company
State "JM" and "JP" Leases
Justis, North Field
Section 2, T-25S, R-37E
Lea County, New Mexico**

**Texaco Inc.
P. O. Box 3109
Midland, Texas**

Attention Mr. J. A. Mills

Gentlemen:

Texaco is presently purchasing the Devonian and Fusselman production from Well No. 1 on the Shell State "JM" Lease, Justis, North Field, Section 2, T-25S, R-37E, Lea County, New Mexico. Texas-New Mexico Pipe Line Company gathers this crude for your account.

By Administrative Order PC-37 and CTB-70, the New Mexico Oil Conservation Commission authorized the commingling of production from the Devonian and Fusselman zones on subject leases.

Shell Oil Company is presently drilling its State "JM" No. 2 on the 40 acre lease, being the NW/4 of NE/4 Section 2, and will soon drill the State "JP" No. 1 well on a 40 acre lease, being the NE/4 of NW/4 of said Section 2.

Shell proposes to commingle the allowable production from the Blinbry, Drinkard, Devonian and Fusselman zones from all wells on these two leases in the central tank battery now connected by Texas-New Mexico Pipe Line.

In order to support Shell's application to the New Mexico Oil Conservation Commission for approval to commingle this production,

Gevdert

Gevdert

Gevdert

Gevdert

Gevdert

G

Gevdert

Gevdert

Gevdert

Gevdert

Gevdert

Gevdert

Gevdert

Gevdert

ert

Texaco Inc.

ILLEGIBLE

2

as provided in Rule 309-B-3 of the amended Rules and Regulations, we would appreciate your indicating in the space provided below your consent to purchase the commingled production and return the duplicate copy hereof to us.

Yours very truly,



LBB:JG

C. A. Nyhof
Crude Oil Department - Midland

Agreed to and accepted this
6 day of JUNE 1962

Texaco Inc.

By J. Mills

Texaco is agreeable to the commingling of the 4 zones mentioned above, provided all are intermediate sweet type crude.

Gevaert

Gevaert