

REGIONAL OFFICE C.O.C.

MAR 6 AM 8 15

SHELL OIL COMPANY

P. O. Box 1858
Roswell, New Mexico

March 5, 1962

Subject: Revision of Taylor Glenn
Commingling System, N.M.O.C.C.
Case No. 2361, Order No. R-2099,
Necessitated by Top Allowable
Production from the Drinkard Pool

PC

71

*OK to commingle
Terry-BL and Hare
oil w/o measurement
then commingle
said commingled
prod w/ Dr
wring the
Dr +
subtracting
from total
to deter
Terry B1 +
Hare
prod.*

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

Gentlemen:

Reference is made to N.M.O.C.C. Case No. 2361, Order No. R-2099 by which Shell Oil Company was granted permission to commingle Drinkard, Terry Blinebry, and Hare production from all wells on our Taylor Glenn Lease into a central tank battery, and to allocate production on the basis of monthly well tests, providing all wells remained marginal.

This is to inform you, as prescribed in the commingling order, that our Taylor Glenn #5 is now capable of top allowable production from the Drinkard Pool. Taylor Glenn #5, which was previously a marginal Hare well, was recently recompleted to the Drinkard Pool. Two Terry Blinebry wells were not included in the commingling system for economic reasons; therefore, we are now commingling four Drinkard wells, one Terry Blinebry, and one Hare well in the central battery.

We therefore request Administrative approval to revise the existing commingling installation as per the attached schematic diagram. Production from the Drinkard Pool will be separately metered. Production from the two marginal Hare and Terry Blinebry wells will be metered after commingling, and production between the two wells allocated on the basis of monthly well tests. BS&W content will be determined by standard centrifugal testing procedures. A common test separator will be utilized with interlocking three-way two-position valves eliminating the possibility of commingling Drinkard with Hare or Terry Blinebry production before metering. The proposed commingling will be operated in accordance with the provisions of the Commission "Manual for the Installation and Operation of Commingling Facilities".

*Need
nuts to
Hobbs to
ck system
out and
to seal
mech
linkage
connecting
valves.*

Attached for your consideration are schematic drawings of the proposed revised commingling system. Also indicated on the drawings are the number of wells producing from the respective pools at this time. If additional information is desired, please contact this office.

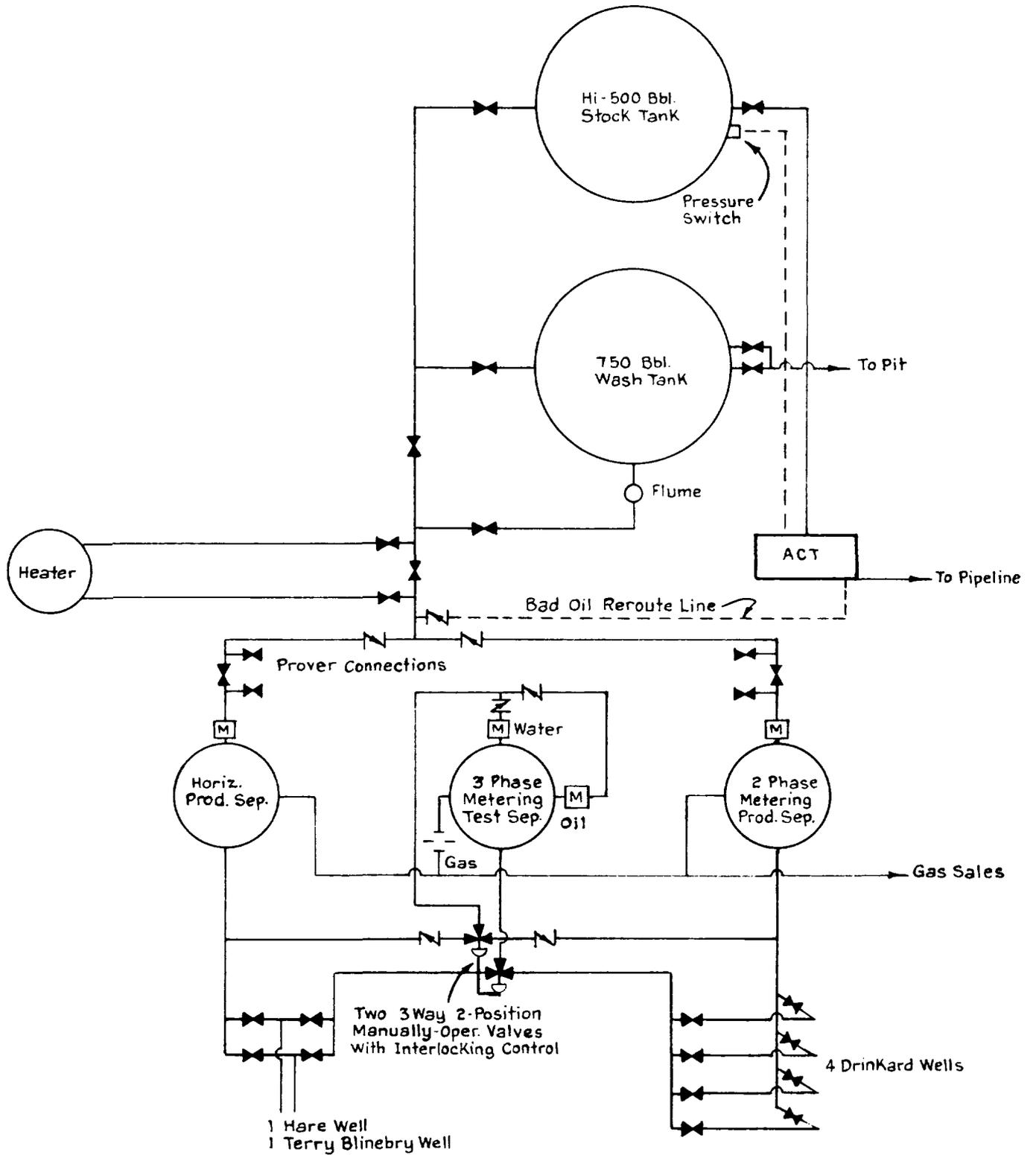
Yours very truly,

A handwritten signature in cursive script, appearing to read "R. L. Rankin".

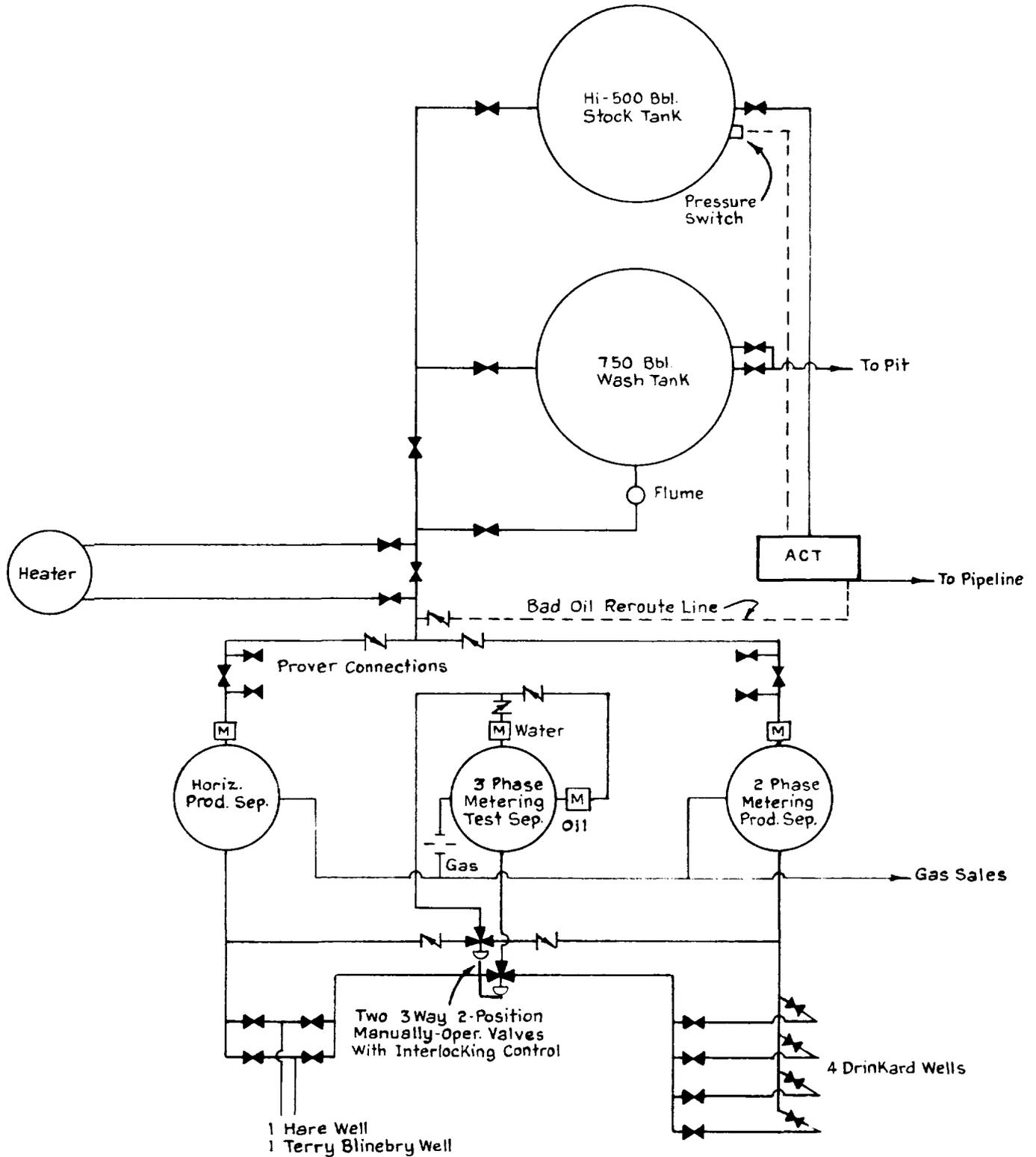
R. L. Rankin
Division Production Manager

Attachments

SHELL OIL COMPANY
 PROPOSED INSTALLATION DIAGRAM
 SHELL TAYLOR GLENN LEASE
 COMMINGLED DRINKARD-TUBB-TERRY BLINEBRY
 BATTERY & ACT
 3-5-62



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 PROPOSED INSTALLATION DIAGRAM
 SHELL TAYLOR GLENN LEASE
 COMMINGLED DRINKARD-TUBB-TERRY BLINEBRY
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BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
COMMISSION OF NEW MEXICO FOR
THE PURPOSE OF CONSIDERING:

CASE No. 2361
Order No. R-2099

APPLICATION OF SHELL OIL COMPANY
FOR AN EXCEPTION TO RULE 303 (a),
LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on August 30, 1961, at Santa Fe, New Mexico, before Elvis A. Utz, Examiner duly appointed by the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission," in accordance with Rule 1214 of the Commission Rules and Regulations.

NOW, on this 18th day of October, 1961, the Commission, a quorum being present, having considered the application, the evidence adduced, and the recommendations of the Examiner, Elvis A. Utz, and being fully advised in the premises,

FINDS:

- (1) That due public notice having been given as required by law, the Commission has jurisdiction of this cause and the subject matter thereof.
- (2) That the applicant, Shell Oil Company, is the owner and operator of the Taylor Glenn Lease, comprising in pertinent part Lots 5, 6, 9, 10 and 11 in Section 3 and Lot 8 in Section 4, all in Township 21 South, Range 37 East, NMPM, Lea County, New Mexico.
- (3) That the applicant seeks permission to commingle the production from the Terry-Blinebry, Drinkard, and Hare Pools on the above-described Taylor Glenn Lease, and to allocate production on the basis of monthly well tests.
- (4) That all the oil wells on the subject lease are marginal in all pools from which they are producing at the present time.
- (5) That the subject application should be approved; provided however, that the Secretary-Director of the Commission may require that meters be installed on all zones in the event any well in any pool should become capable of producing top allowable.

(6) That the subject installation should be operated in accordance with the Commission Manual for the Installation and Operation of Commingling Facilities.

IT IS THEREFORE ORDERED:

(1) That the applicant, Shell Oil Company, is hereby authorized to commingle the production from the Terry-Blinebry, Drinkard, and Hare Pools on the Taylor Glenn Lease, comprising in pertinent part Lots 5, 6, 9, 10 and 11 in Section 3 and Lot 8 in Section 4, all in Township 21 South, Range 37 East, NMPM, Lea County, New Mexico.

PROVIDED HOWEVER, That the commingled production shall be allocated on the basis of monthly well tests, and the results of such tests shall be submitted to the Commission.

PROVIDED FURTHER, That in the event any well in any pool should become capable of producing top allowable, the operator shall notify the Commission of such fact and the Secretary-Director of the Commission may require that meters be installed on all zones.

PROVIDED FURTHER, That the subject installation shall be operated in accordance with the Commission Manual for the Installation and Operation of Commingling Facilities.

(2) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year herein-above designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

EDWIN L. MECHEM, Chairman

E. S. WALKER, Member

S E A L

A. L. PORTER, Jr., Member & Secretary

esr/

OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

ILLEGIBLE

May 3, 1962

Shell Oil Company
P. O. Box 1858
Roswell, New Mexico

Attention: Mr. R. L. Rankin

Gentlemen:

Reference is made to your letter of April 23, 1962, in which you request that PC-71 be cancelled and that Shell Oil Company be permitted to continue commingling Terry-Blinebry, Drinkard and Hare production from its Taylor-Glenn Lease located in Sections 3 and 4, Township 21 South, Range 37 East, Lea County, New Mexico, in accordance with Order No. R-2099, dated October 18, 1961, which request is hereby approved.

Under the provisions of said order, the commingled production shall be allocated to the separate pools on the basis of monthly well tests with the stipulation that in the event any well in any pool shall become capable of producing top allowable, the operator shall notify the Commission of such fact and the Secretary-Director of the Commission may require that meters be installed on all zones.

Very truly yours,

A. L. PORTER, Jr.,
Secretary-Director

ALP/DSM/esr

cc: Oil Conservation Commission
Hobbs, New Mexico

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