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SHELL OIL COMPANY

P. O. Box 1858
Roswell, New Mexico

1963 DEC 19 AM 8 43

December 17, 1963

Subject: Commingling of Yates Zone
with already commingled
San Andres & Paddock Zones
State V Lease, Vaccum Field

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

Gentlemen:

We are, by this letter and enclosed documents making application for an exception to Rule 303(a) of the N.M.O.C.C. Rules and Regulations. We propose to commingle whatever wells we may successfully complete in the Yates Zone with the already commingled (Administrative Order #PC-170) Paddock and San Andres Zones on Shell's State "V" Lease located in E/2, SE/4, Section 27, T-17-S, R-35-E in the Vacuum Field. Since each of these zones contains top allowable wells, we plan to continuously meter and sample the Yates and Paddock Zones as prescribed by the subtraction method of zone commingling. Individual well production will be allocated by monthly well tests which will be conducted by producing the subject well through a metering separator. Since both the Paddock and San Andres are sour with an API gravity range of 35° to 38° and the Yates is normally sour with a similar gravity range, we expect no change in revenue as a result of commingling. Daily production in the San Andres and Paddock Zones is 78 barrels and 69 barrels respectively. Production from each Yates well added is expected to be equal to top allowable for that zone.

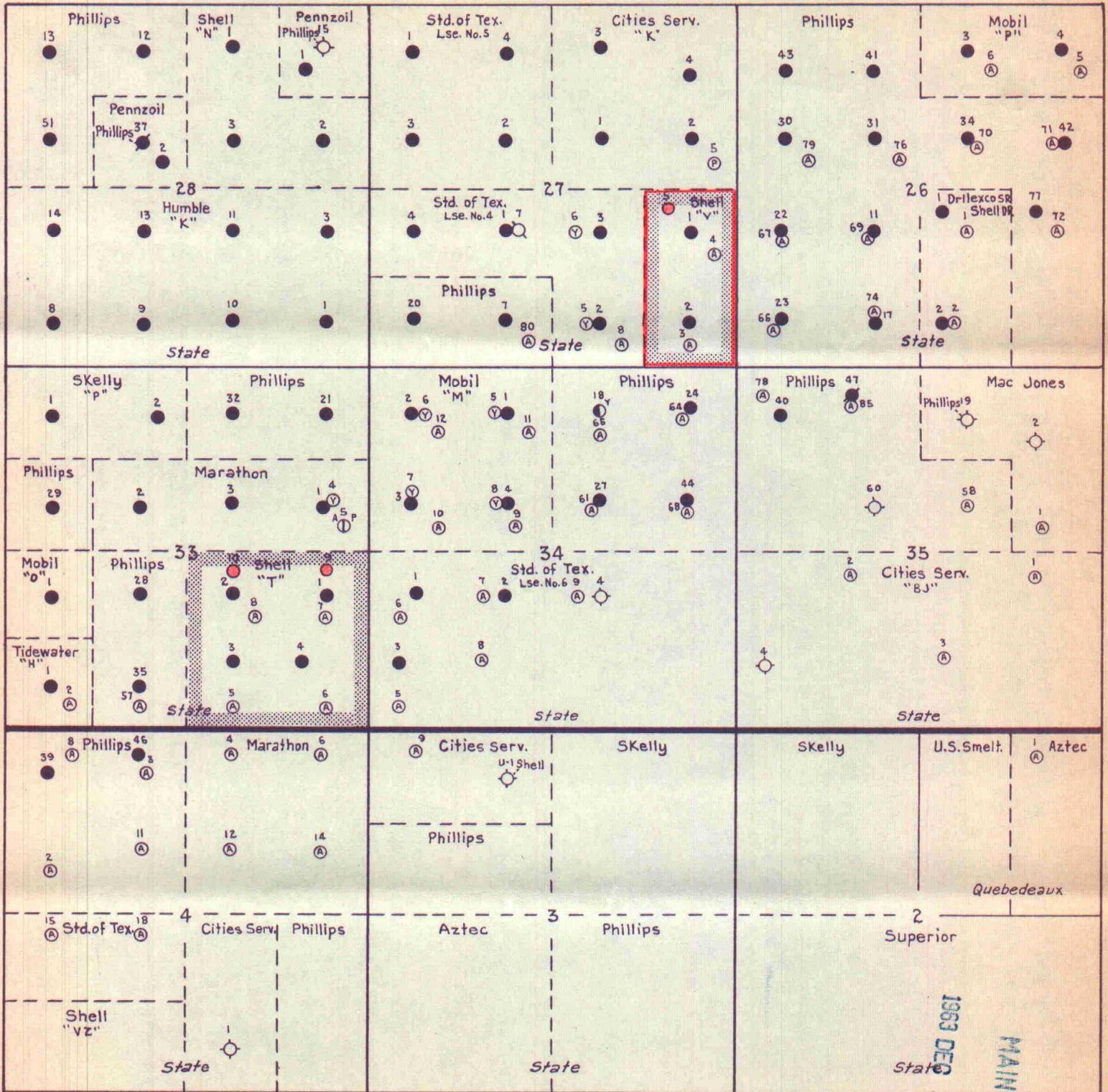
In accordance with Rule 303(b), the following attachments accompany this application (1) Plat of the lease (2) Schematic of proposed installation (3) Letter of approval from State Land Department.

In view of the above presented information, we respectfully request approval of this project.

Yours very truly,

F. H. Dwyer
Division Production Manager

Attachments

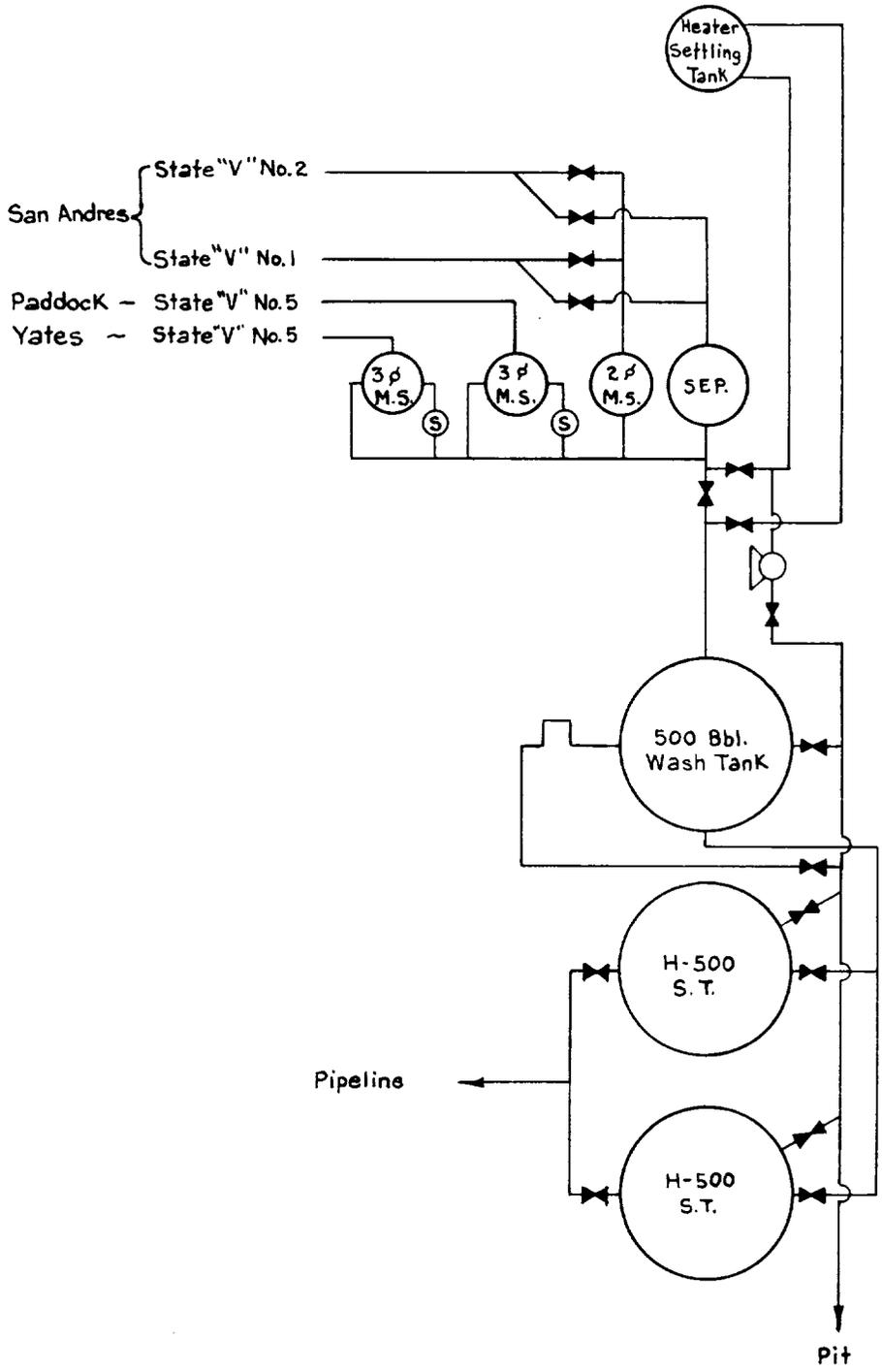


LEGEND

- Ⓜ Yates
- Grayburg-San Andres
- Ⓟ Paddock
- Ⓐ Abo
- Proposed Duals

1963 DEC 20 AM 8:43
 MAIN OFFICE OCC
 SHELL OIL CO.
 OWNERSHIP PLAT
 1"=2000'

SHELL OIL CO.
 SCHEMATIC DIAGRAM
 STATE "V" BATTERY
 VACUUM FIELD
 10-8-63



1963 DEC 20 AM 8:43
 MAIN OFFICE OCC

State of New Mexico



Commissioner of Public Lands

E. S. JOHNNY WALKER
COMMISSIONER



P. O. BOX 791
SANTA FE, NEW MEXICO

December 11, 1963

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

ATTENTION: Mr. T. H. Dwyer

RE: Commingling of production from Yates Pool with previously approved installation of Paddock and San Andres (Administration Order PC-170) State "V" Lease, E/2 SE/4, Section 27-17S-35E, Vacuum Field, Lea County, New Mexico

Gentlemen:

Since we have previously approved commingling of production from two pools on this lease, we have no objections to commingle Yates production also. This, of course, being subject to approval by the Oil Conservation Commission.

Your plat shows the E/2 SE/4 of Section 27 as being the only acreage in State "V" Lease. Let us know if this is correct.

Very truly yours,

E. S. JOHNNY WALKER
COMMISSIONER OF PUBLIC LANDS

BY: *Romulo Martinez*
ROMULO MARTINEZ
Oil and Gas Department

ESJW/RM/po

CC: Oil Conservation Commission
Oil and Gas Accounting Commission

SHELL	
RECEIVED	
DEC 12 1963	
ROSWELL PROD.	
Div. Eng.	1
Surf.	2
E. Eng.	4
M. Eng.	3
P-S Supv.	
Drig. E.	
Off. Suov.	
Discuss	Well File
Report	Log File
Call Up	Field File
Destroy	Gen. Inv.

200
REC
Report