

SHELL OIL COMPANY MAIN OFFICE OCC

WESTERN DIVISION
P. O. BOX 1509
MIDLAND, TEXAS 79704

JAN 25 PM 1:19

January 20, 1966

Subject: Commingling of Wolfcamp and Devonian
Production, State A Lease, Denton
Field, Lea County, New Mexico

2

MC-295

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

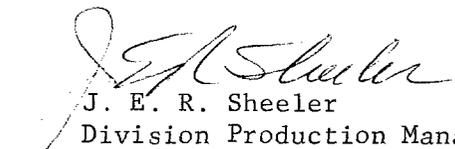
Gentlemen:

We request an exception to Rule 303(a) of the N.M.O.C.C. Rules and Regulations so that we may commingle Wolfcamp and Devonian production on the above subject lease. We propose to measure Wolfcamp production with a 3-phase metering separator and determine Devonian production by subtraction.

The A.P.I. gravity of the Wolfcamp production is 44°, while the Devonian gravity is 47°. The weighted gravity of the mixture is 46° A.P.I., based on 3400 BOPM from the Devonian and 1300 BOPM from the Wolfcamp. At prevailing crude oil prices, the commercial value of the commingled crude should not change by any significant amount.

In accordance with Rule 303(b), we are enclosing (1) a plat of the subject lease, (2) a schematic diagram of the proposed installation, and (3) approval from the Commissioner of Public Lands for the state of New Mexico.

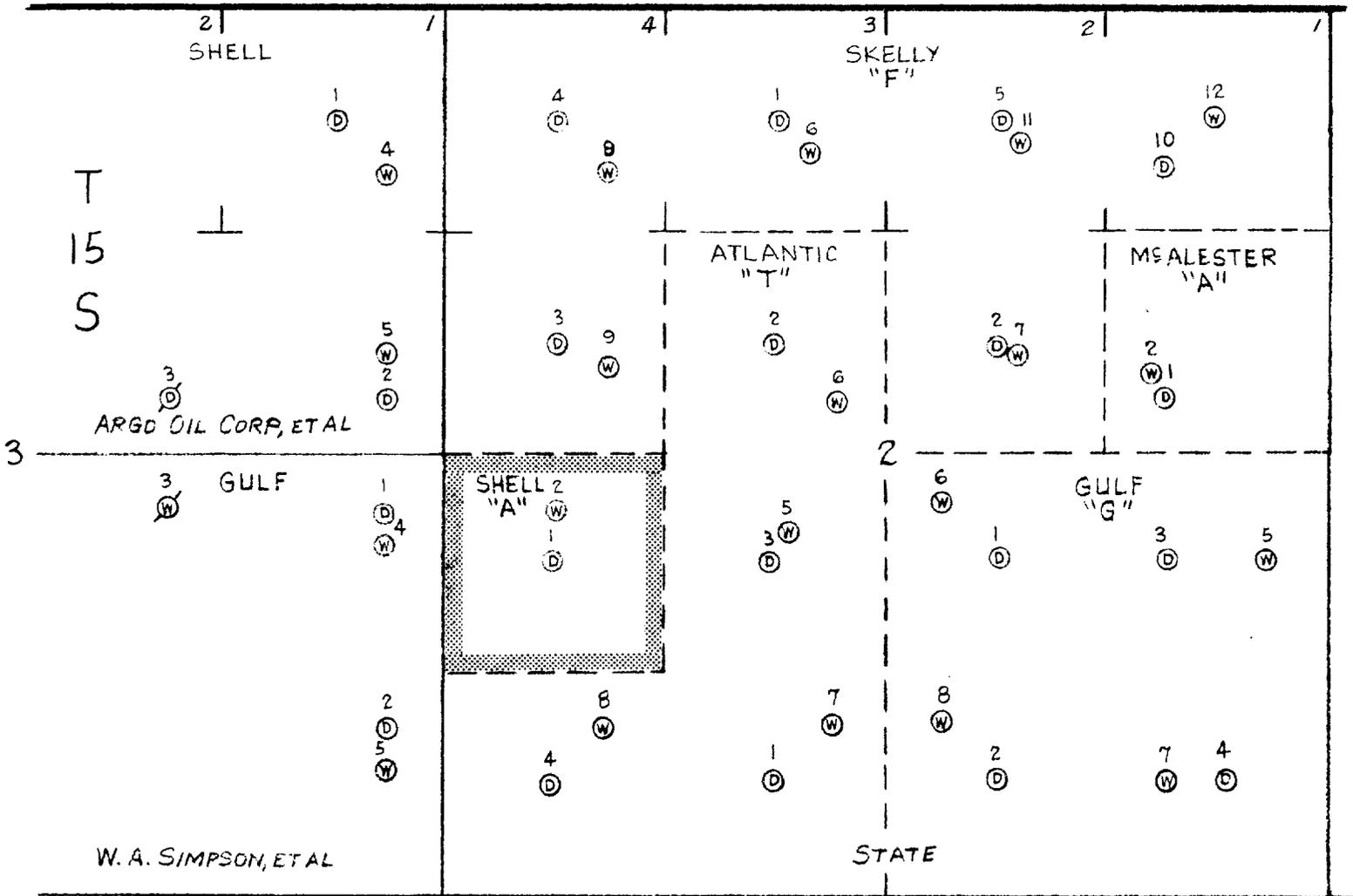
Yours very truly,


J. E. R. Sheeler
Division Production Manager

Enclosures

ILLEGIBLE

R-37-E

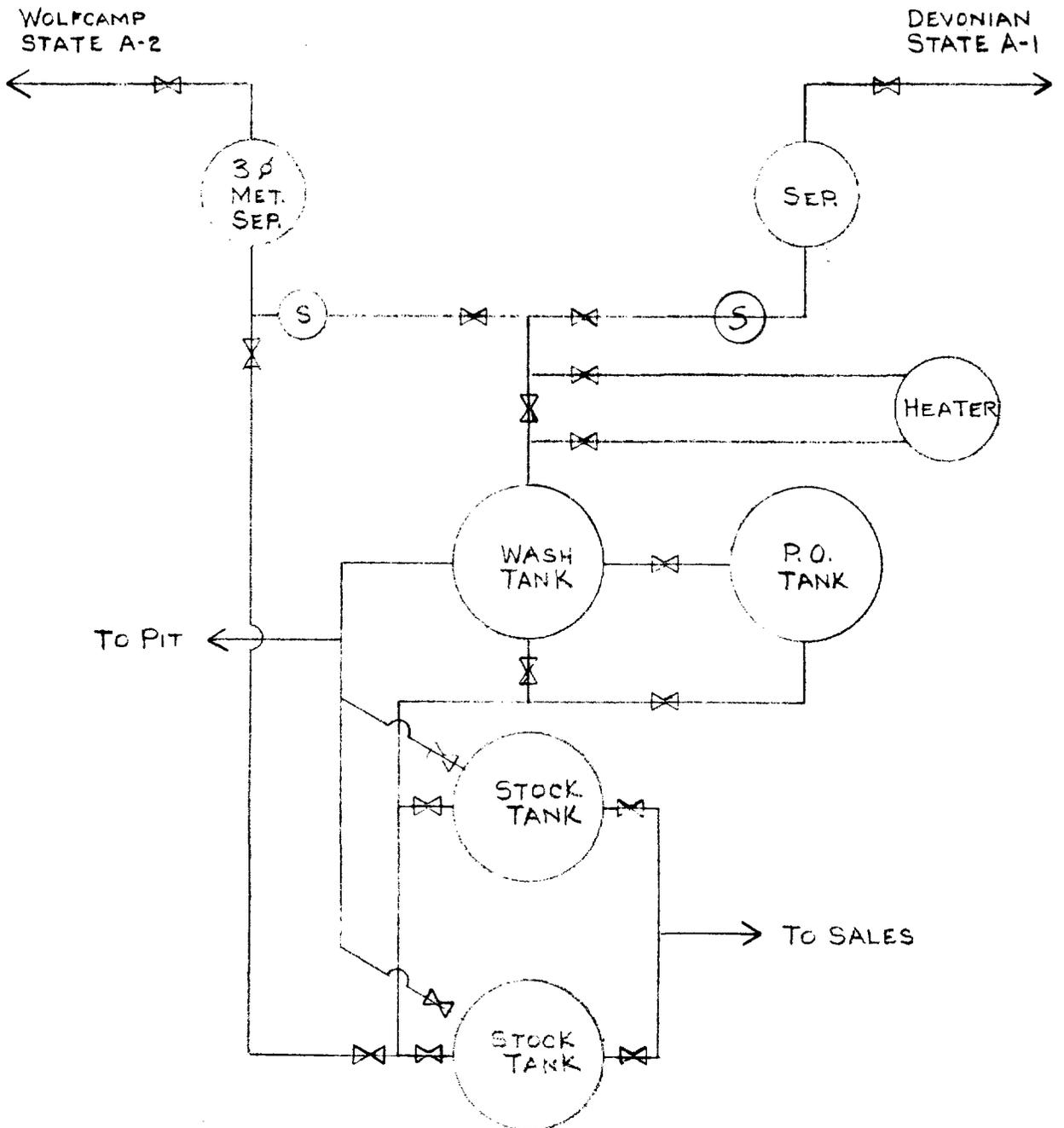


LEGEND

- ⊙ WOLFCAMP
- DEVONIAN

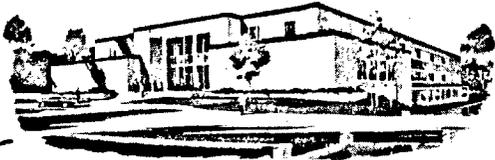
OWNERSHIP PLAT
SCALE: 1"=1000'

SHELL OIL CO.
PROPOSED COMMINGLING
STATE "A" LEASE
DENTON FIELD
LEA Co., N. MEX.



WESTERN DIVISION	
JAN 13 1966	
Production	Services
417 JERS	108 JLD
418 RCC	109 WHB
419 KVL	111 BCH
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State of New Mexico



Commissioner of Public Lands



P. O. BOX 1148
SANTA FE, NEW MEXICO

GUYTON B. HAYS
COMMISSIONER

January 11, 1966

Shell Oil Company
Western Division
Post Office Box 1509
Midland, Texas 79704

Re: State of New Mexico Lease E-2433
Your State "A" Lease
Commingling of Wolfcamp and
Devonian Production

Attention: Mr. J. E. R. Sheeler

Newton

Gentlemen:

With reference to your application to commingle production from Wolfcamp and Devonian formations in the Northwest Quarter of the Southwest Quarter of Section 2, Township 15 South, Range 37 East, please be advised that the Commissioner of Public Lands, within the authority vested in him, hereby grants his approval for your commingling operation as proposed in your letter of September 17, 1965.

This approval is subject to being withdrawn at the discretion of the Commissioner of Public Lands if he deems the operation to be against the best interests of the State of New Mexico.

Your indulgence and assistance in regard to this matter has been appreciated.

Very truly yours,

GUYTON B. HAYS
Commissioner of Public Lands

By *Ted Bilberry*
TED BILBERRY, Director
Oil and Gas Department

GBH/EB/TB/d

cc: New Mexico Oil Conservation Commission, Santa Fe
New Mexico Oil & Gas Accounting Commission, Santa Fe
Oil and Gas Engineering Committee, Hobbs