



SHELL OIL COMPANY

1200 MILAM STREET
P. O. BOX 576
HOUSTON, TEXAS 77001

March 2, 1977

Subject: Zone Commingling of Drinkard,
Blinebry, Tubb, Wantz ABO, Brunson,
and Hare, State Lease of Section 2
Township 21S Range 37E
Drinkard Field
Lea County, New Mexico

State of New Mexico
Commissioner of Public Lands
P. O. Box 1148
Santa Fe, New Mexico 87501

Gentlemen:

Shell Oil Company proposes to commingle the State-Section 2 production of the above-captioned zones.

We propose to commingle the two zones without separately metering the production from each pool since zones are marginal with no wells physically capable of top allowable production. Allocation of production from each well will be based on monthly well tests.

According to our records, the API gravities of the State-Section 2 crude range from 32.0 to 38.9. No change in the actual commercial value of the crude production is anticipated as a result of commingling.

Attached for your consideration is a lease plat, schematic diagram of the proposed installation, and a tabulation of production by each well on the lease for the months of December 1976 and January 1977.

If you are in agreement with this proposal, please furnish us with a letter to the State of New Mexico Oil Conservation Commission stating your approval.

If any additional information is needed concerning this proposal, please contact Beverly Adamson of this office.

Yours very truly,


M. J. Adams

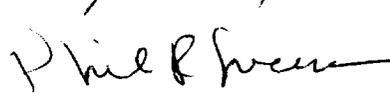
Supervisor Oil Accounting
Western E&P Region

BA:SA

Enclosures

cc - New Mexico Oil Conservation Commission
P. O. Box 2088
Santa Fe, New Mexico 81501

RECEIVED
MAR 9 8 14 AM '77
STATE OF NEW MEXICO
COMMISSIONER OF PUBLIC LANDS

April 12, 1977

COMMISSIONER OF PUBLIC LANDS

SHELL OIL COMPANY
 COMMINGLING REQUEST FORM
 FOR THE
 STATE OF NEW MEXICO
 OIL CONSERVATION
 COMMISSION

APPLICATION FOR EXCEPTION TO COMMISSION RULE 303a AND/OR 309A

1. Operator SHELL OIL COMPANY		5. Commission Dist. No. 2		
2. Address P. O. BOX 576		6. County Lea		
3. City HOUSTON	4. State TEXAS	7. Date of Application 3-2-77		
8. Identification of leases and pools as shown on statewide oil proration				
9. Field Name	Lease Name	Pool (Zone) Name	API Gravity Range	Lease Location S-T-R
Drinkard	State-Sec. 2	Blinebry	32.0-37.2	2-21-37
Drinkard	State-Sec. 2	Drinkard	35.6-36.0	2-21-37
Drinkard	State-Sec. 2	Tubb	35.4-36.3	2-21-37
Drinkard	State-Sec. 2	Wantz Abo	32.0	2-21-37
Drinkard	State-Sec. 2	Brunson	38.9	2-21-37
Drinkard	State-Sec. 2	Hare	35.1	2-21-37

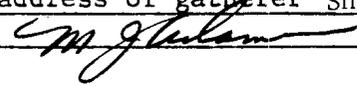
10. Request for exception to Rule 303a (segregation of production from pools)
11. Request for exception to Rule 309A (lease commingling)
12. POOL COMMINGLING (exception to Rule 303) 1.) Lease plat (required)
 2.) Schematic of commingling (required)
13. Commingled royalty interest are the same Yes No
14. Are producing zones marginal or top allowable Marginal-see (a.) below
 Top allowable
- (a.) If producing zones are not capable of producing top unit allowable for their respective pools, commingling will be permitted without separately measuring the production from each pool. A 60-day period tabulation of production showing that the average daily production has been below top allowable for the subject pools.
15. Allocation of production from well zones will be by Periodic well test All zones metered All zones metered & sampled All zones except one separately metered - subtraction method
16. Will the commingling of zones or pools decrease revenue due to API gravity change Yes No
17. If answer to (16.) is "Yes" state how much less.
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18. Are Federal lands or State lands involved? Yes No
19. If answer to (18.) is "Yes" furnish an approval letter from the Commissioner of Public Lands for the State of New Mexico or the Regional Supervisor of the United States Department of the Interior Geological Survey stating approval of the proposed commingling.
20. LEASE COMMINGLING (exception to Rule 309A)
- 20a. 1.) Lease plat required
 2.) Schematic diagram of the commingling facility
21. All production is from the same common source of supply or an exception to Rule 303(a) has been obtained Yes No
22. If answer to (21.) is "Yes" show acceptance letter date and commission order number _____.
23. Allocation of production Monthly well test All leases metered All leases metered & sampled All leases except one separately metered - subtraction method

24. All parties owning an interest in the Leases and the purchaser of the commingled production have consented in writing to the commingling of production from the separate leases. Yes No

25. If answer to (24.) is "No," Explain

Commingling consent will come by notification from Commissioner of Public Lands as a reply to attached letter.

26. Name and address of gatherer Shell Pipeline Corp. P.O. Box 1910 Midland, TX 79701

27. Signature  Title Supv. Oil Accounting

Commingling permit number _____ Approval date _____

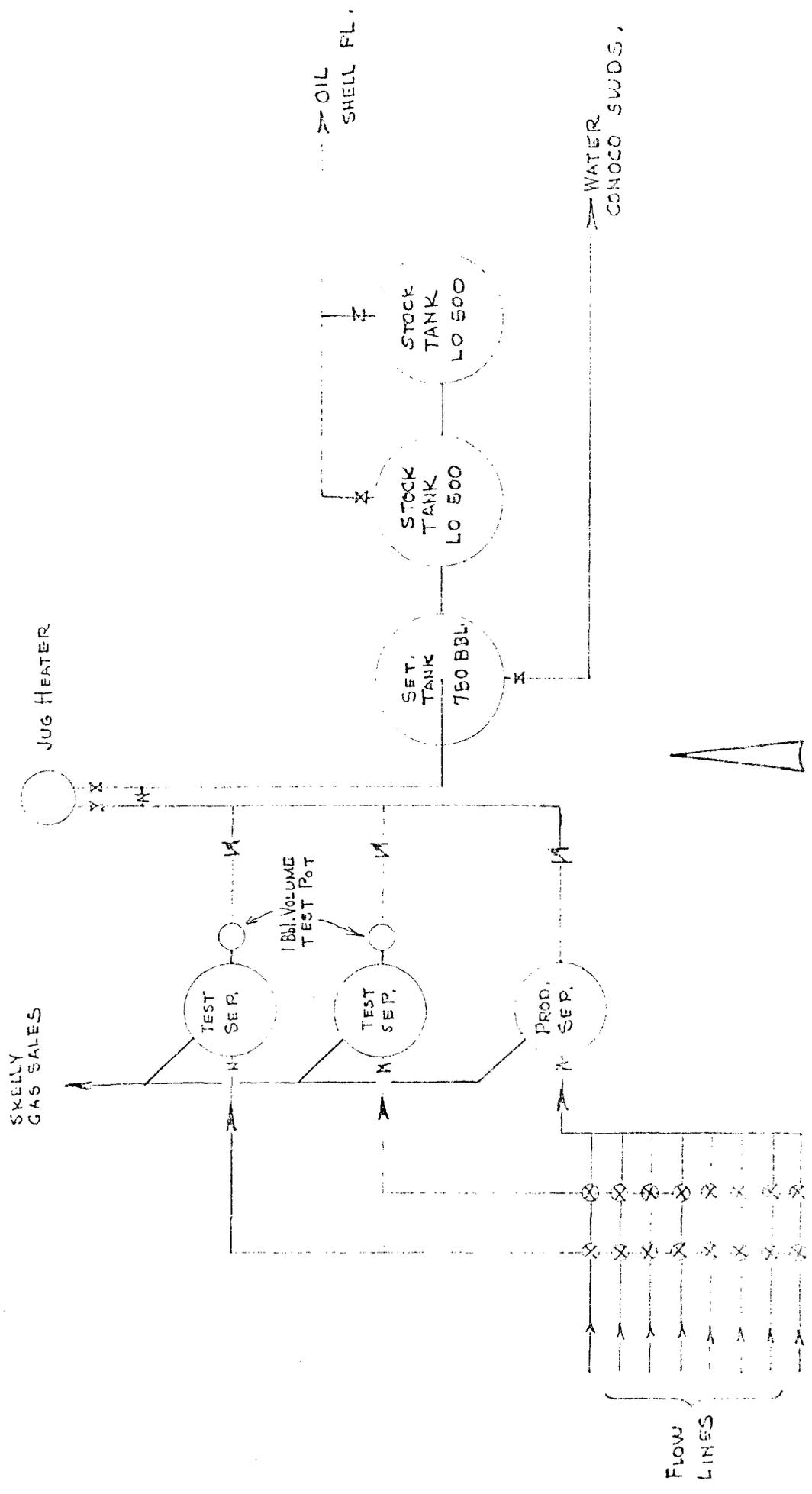
Approved by _____

Production History
 Commingling Brunson, Hare, Blinebry, Drinkard
 Tubb, and Wantz ABO Pools
 State-Section 2 Lease
 Drinkard Field

<u>Pool</u>	<u>Lease & Well No.</u>	<u>Allowable</u>	<u>Act. Bbls. Produced</u>	<u>Bbls. Water</u>	<u>Gas MCF's</u>	<u>Days Produced</u>
			<u>December</u>			
Blinebry	State-Sec. 2 8	155	73	0	1487	31
Blinebry	State-Sec. 2 16	(186	34	0	1278	31
Blinebry	State-Sec. 2 17		82	0	1324	31
Blinebry	State-Sec. 2 18	155	137	0	2473	31
Blinebry	State-Sec. 2 19	217	71	0	3697	31
Blinebry	State-Sec. 2 20	341	98	29	11361	31
Blinebry	State-Sec. 2 21	310	133	30	8074	31
Blinebry	State-Sec. 2 22	279	144	29	1697	31
Lease Total		1643	772	88	31391	
(Combined Allowable)						
Drinkard	State-Sec. 2 1	186	59	0	2361	31
Drinkard	State-Sec. 2 2	93	79	0	1204	31
Drinkard	State-Sec. 2 3	527	103	0	2771	31
Drinkard	State-Sec. 2 7	279	62	10	2084	31
Lease Total		1085	303	10	8420	
Tubb	State-Sec. 2 4	124	73	0	1029	31
Tubb	State-Sec. 2 15	124	74	30	3101	31
Lease Total		248	147	30	4130	
Wantz ABO	State-Sec. 2 10	124	71	0	816	31
Lease Total		124	71	0	816	
Brunson	State-Sec. 2 6	341	348	474	648	31
Lease Total		341	348	474	648	
Hare	State-Sec. 2 14	93	36	0	109	31
Lease Total		93	36	0	109	
			<u>January</u>			
Blinebry	State-Sec. 2 8	186	59	0	1061	26
Blinebry	State-Sec. 2 16	(217	17	0	2208	31
Blinebry	State-Sec. 2 17		104	0	1282	29
Blinebry	State-Sec. 2 18	155	169	28	2621	31
Blinebry	State-Sec. 2 19	155	67	0	4302	31
Blinebry	State-Sec. 2 20	31	115	30	12098	31
Blinebry	State-Sec. 2 21	248	166	31	8786	31
Blinebry	State-Sec. 2 22	248	125	27	1006	28
Lease Total		1240	822	116	33364	
(Combined Allowable)						

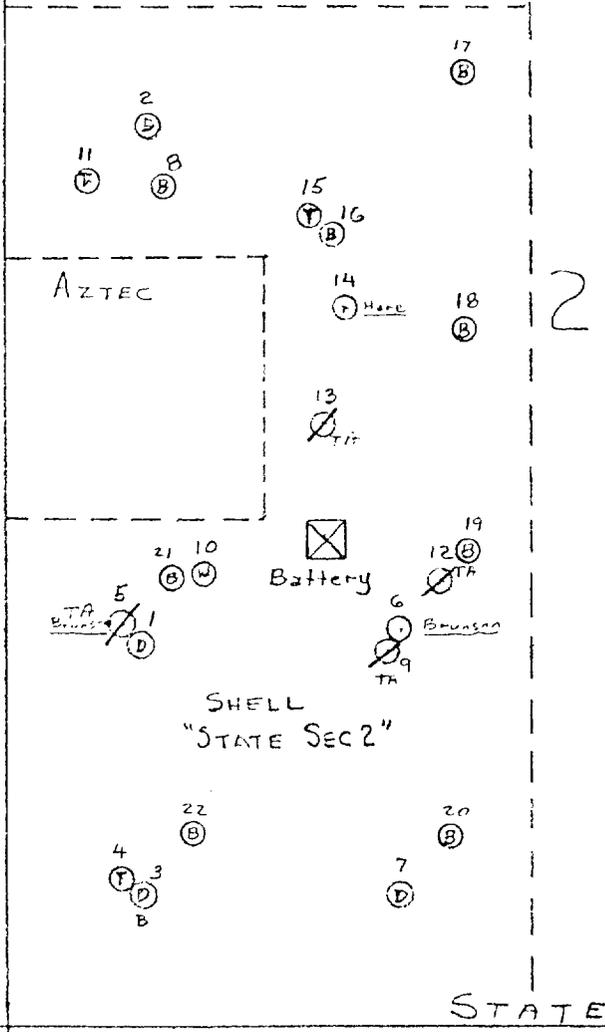
<u>Pool</u>	<u>Lease & Well No.</u>	<u>Allowable</u>	<u>Act. Bbls. Produced</u>	<u>Bbls. Water</u>	<u>Gas MCF's</u>	<u>Days Produced</u>
<u>January (Cont.)</u>						
Drinkard	State-Sec. 2 1	186	82	0	1043	31
Drinkard	State-Sec. 2 2	93	82	0	1436	31
Drinkard	State-Sec. 2 3	527	231	0	3078	31
Drinkard	State-Sec. 2 7	279	6	0	5	31
	Lease Total	1085	401	0	5562	
Tubb	State-Sec. 2 4	124	82	0	1016	31
Tubb	State-Sec. 2 15	93	82	30	5581	31
	Lease Total	217	164	30	6597	
Wantz ABO	State-Sec. 2 10	124	99	0	523	31
	Lease Total	124	99	0	523	
Brunson	State-Sec. 2 16	341	346	493	566	31
	Lease Total	341	346	493	566	
Hare	State-Sec. 2 14	93	26	0	446	31
	Lease Total	93	26	0	446	

1000-1000-1000



(N)

SHELL OIL CO.,
 "STATE SEC. 2" LSE.
 DRINKARD FIELD
 LEA CO., N.M.



R - 37E T-21-S
 Section 2
 Leas Co.
 N.M.

SHELL OIL Co.
 STATE SEC. 2 LSE.
 DRINKARD FIELD
 LEA CO., N.M.
 SCALE 1"=1000'

B - Blinberg
 D - Drinkard
 T - Tubb.
 W - Wintz Abo
 Harc