

OK  
check  
pool names

**Shell Western E&P Inc.**

A Subsidiary of Shell Oil Company



P.O. Box 576  
Houston, TX 77001

June 18, 1984

New Mexico Oil Conservation Commission  
ATTN Gilbert Quintana  
State Land Office Building  
P. O. Box 2088  
Sante Fe, NM 87501



Gentlemen:

APPLICATION FOR EXCEPTION TO RULE 303-A  
LIVINGSTON LEASE  
LEA COUNTY, NEW MEXICO

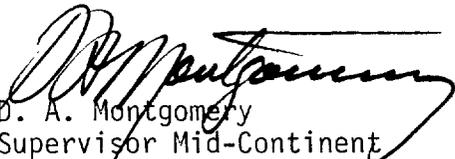
Application is hereby made for an exception to Rule 303-A to permit the commingling of oil production from the Wantz-Abo and Tubb formations into the commingled Blinebry-Drinkard Battery on the Livingston lease located in Sections 3 and 4, T-21-S, R-37-E, Lea County, New Mexico.

Currently, oil from the Drinkard and Blinebry Oil and Gas formations are commingled under Administrative Order DHC-361 on the Livingston Well No. 13. The Livingston Well No. 14 has been recently completed to the Wantz-Abo and Tubb formations. We propose to commingle production from these formations in a single battery. None of the four zones are capable of top allowable production and are categorized as marginal. Allocation of production from this battery would be based on periodic well tests.

The weighted average API gravities of these zones range from 35.9 to 36.6. No change in actual commercial value of the crude is anticipated as a result of commingling.

As requested, enclosed is a lease plat and a schematic diagram to aid you in reviewing our proposal. If we may be of further assistance, please contact D. V. Swan at (713) 870-4101.

Yours very truly,

  
D. A. Montgomery  
Supervisor Mid-Continent  
Oil Accounting  
Mid-Continent Division

Pool/s  
Drinkard  
Blinebry Oil & Gas  
Wantz-Abo  
Tubb Oil & Gas

DVS:EBR

Enclosures

RS3:dvs-1-5

**SHELL WESTERN E+P INC.**  
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 WESTERN E+P, INC. 5. Commission Dist. No. 1  
2. Address P. O. BOX 576 6. County LEA  
3. City HOUSTON 4. State TEXAS 7. Date of Application 6/19/84

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
<u>DRINKARD</u>	<u>LIVINGSTON</u>	<u>BLINEBRY</u>	<u>36.3</u>	<u>3,4-21S-37E</u>
↓	↓	<u>TUBB</u>	<u>31.5</u>	<u>3-21S-37E</u>
↓	↓	<u>DRINKARD</u>	<u>36.2</u>	<u>3,4-21S-37E</u>
		<u>WANTZ ABO</u>	<u>41.8</u>	<u>3-21S-37E</u>

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 Weighted Average gravity changes from 35.9 to 36.6

17. If answer to (16.) is "Yes" state how much less.

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.

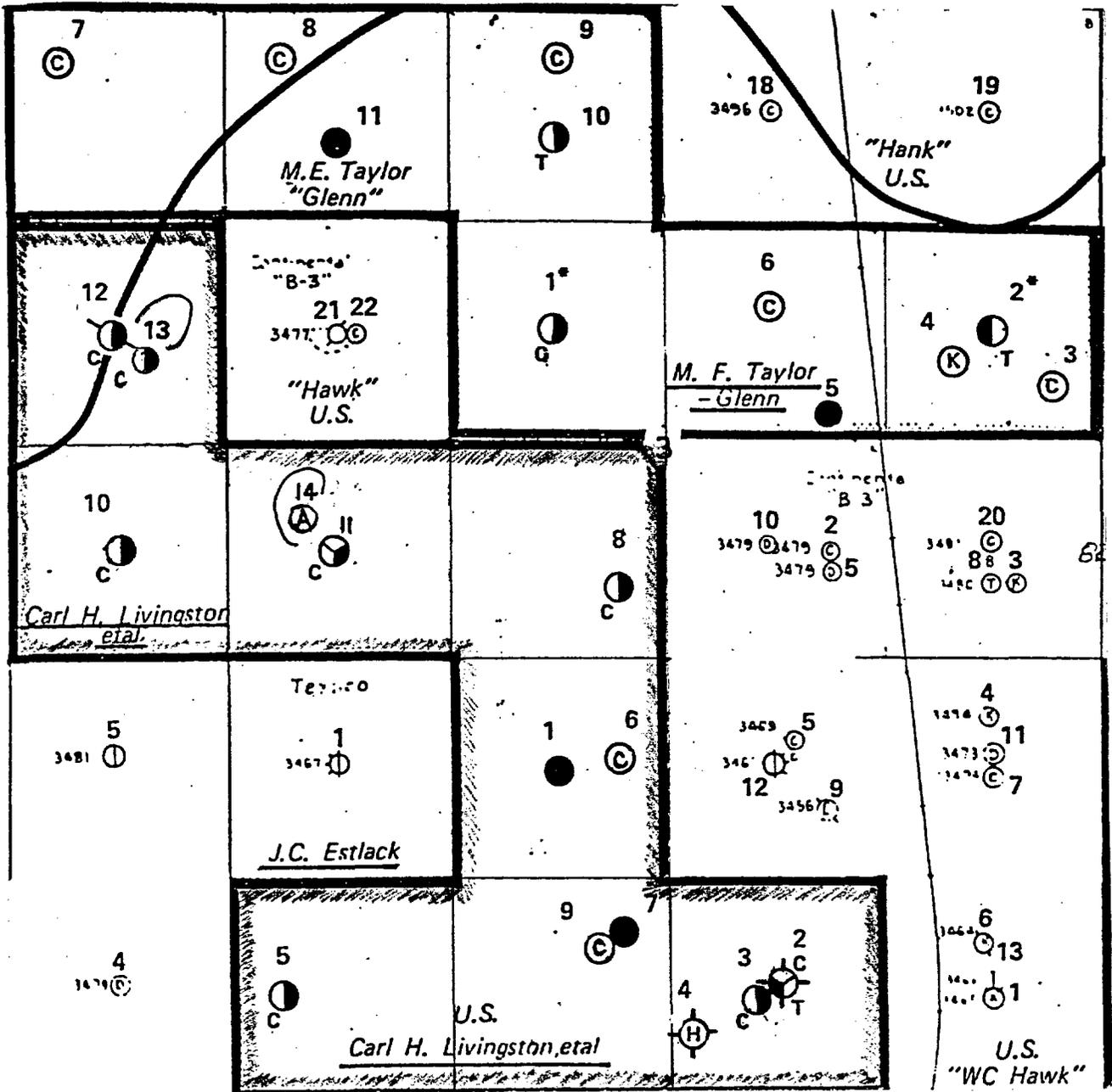
20. LEASE COMMINGLING (exception to Rule 309A)

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 Common source of supply

23. Allocation of production  Monthly well test  All leases metered  All leases metered & sampled  All leases except one separately metered - subtraction method



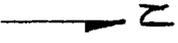
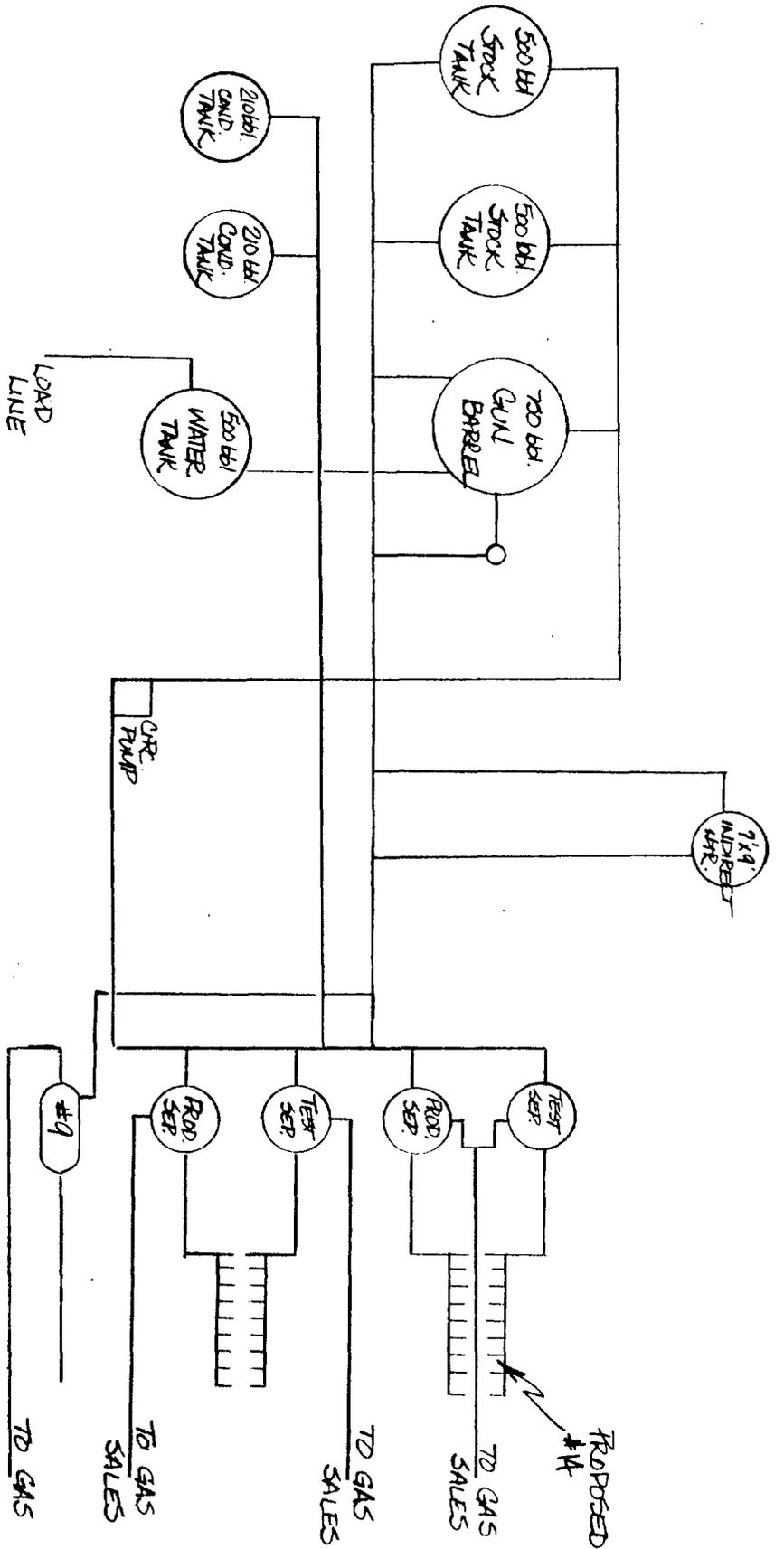
LEGEND

- Blinebry/Drinkard
- Blinebry
- ⊙ Wantz ABO
- Drinkard
- ⊙ Tubb
- ⊙ Hare McKee

SUMMARY

<u>Producing Formation</u>	<u>Well #s</u>
Blinebry/Drinkard	3,5,8,10,13
Blinebry	6,9
Drinkard	1,7
Tubb	11
Wantz ABO	14

<u>SHELL OIL COMPANY</u>	<u>WESTERN E &amp; P REGION MID-CONTINENT DIVISION</u>	<u>PRODUCTION DEPARTMENT</u>
Lease Plat Livingston Lease Drinkard Field Lea County, New Mexico T-21-S R-37-E		
By: <u>EAJ</u>	Date: <u>6/13/84</u>	
Scale: 1" = 1 000'		



SHELL OIL COMPANY	WESTERN E & P REGION MID-CONTINENT DIVISION	PRODUCTION DEPARTMENT
SCHEMATIC OF PROPOSED COMMINGLED FACILITIES LIVINGSTON LEASE DRINKARD FIELD LEA COUNTY, NEW MEXICO		
By: E.S.C.	Date: 6/12/84	
Scale: _____	Rev: _____	