

OIL CONSERVATION COMMISSION

P. O. BOX 2088

SANTA FE, NEW MEXICO

June 9, 1967

C  
Shell Oil Company  
P. O. Box 1509  
Midland, Texas 79701

O  
Attention: Mr. J. E. R. Sheeler

Administrative Order PLC-26  
and  
CANCELLATION  
Administrative Orders PC-37 and CTB-70

P  
Gentlemen:

Y  
Reference is made to your letter of April 28, 1967, concerning the commingling installation authorized by Administrative Orders PC-37 and CTB-70, dated October 16, 1961, as amended December 21, 1961, and June 26, 1962. This order, as amended, authorizes the commingling of Blinebry, Drinkard, Devonian, and Fusselman production on your State "JM" and "JP" Leases in Section 2, Township 25 South, Range 37 East, NMPM, Lea County, New Mexico, after separately metering the production from each pool. It is our understanding that both of said leases constitute a portion of New Mexico State Lease No. B 1167 and that metering between the leases is therefore not necessary. Further, that the production was top allowable at the time of the issuance of the orders and the zone metering was therefore required, but that the leases have now declined to a marginal nature.

Administrative Orders PC-37 and CTB-70 are hereby cancelled. This order, Administrative Order PLC-26, authorizes the commingling

CONFIDENTIAL - SECURITY INFORMATION

TOP SECRET

STATE DEPARTMENT

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-2-

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Y  
of Blinebry, Drinkard, Devonian, and Fusselman production on your State "JM" and State "JP" Leases comprising the NW/4 NE/4 and NE/4 NW/4, respectively, of Section 2, Township 25 South, Range 37 East, Lea County, New Mexico, allocating the production to each well and each lease on the basis of periodic well tests, provided however, that the installation shall be operated in accordance with the provisions of the Commission "Manual for the Installation and Operation of Commingling Facilities," provided further, that you shall notify the Commission at such time as any well on either lease is capable of top allowable production.

Very truly yours,

A. L. PORTER, Jr.  
Secretary-Director

ALP/DSN/esr

cc: Oil Conservation Commission (with enclosure) - Hobbs  
Oil & Gas Engineering Committee - Hobbs  
State Land Office - Santa Fe

OIL CORPORATION (FORMERLY)

NEW YORK, N.Y.

PAID BY NEW YORK

1917

NEW YORK, N.Y.  
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NEW YORK, N.Y.  
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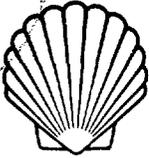
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NEW YORK, N.Y.



# SHELL OIL COMPANY

WESTERN DIVISION  
P. O. BOX 1509  
MIDLAND, TEXAS 79701

3 JAN 8 1967  
MAY 1967

April 28, 1967

Subject: Administrative Orders  
PC-37 and CTB-70

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

Attention Mr. A. L. Porter, Jr.

Gentlemen:

Please refer to your letter of June 26, 1962 in which authorization was given to commingle after separately metering the production from the Blinebry, Drinkard, Devonian and Fusselmen formations on the State "JM" and "JP" leases, Section 2, T-25-S, R-37-E, Lea County, New Mexico.

At that time the wells were capable of producing the top allowable. Since then, however, production has declined so that none of the wells are now capable of producing top allowable. Daily average production, seen on the attachment, indicates that the production has been below top allowable for the past 60 days. We respectfully request, therefore, that the subject administrative orders be amended to permit the allocation of zone production on the basis of well tests and that the requirement for separately metering of each zone be discontinued.

Very truly yours,

  
J. E. R. Sheeler

Attachment

*PLC 2/6*  
*Completed*

STATE "JM" AND "JP" PRODUCTION DATA  
NORTH JUSTIS FIELD

<u>Well No.</u>	<u>Zone</u>	<u>Actual Production</u>		<u>60 Day Average Production</u>	<u>Top Allowable</u>
		<u>February</u>	<u>March</u>		
"JM" 1	Blinebry	839	887	29	64
1	Drinkard	886	995	32	64
2	Fusselman	242	214	8	112
"JP" 1	Blinebry	327	350	11	64
1	Drinkard	437	469	16	64
1	Devonian	541	815	23	112