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CTB-11

SHELL OIL COMPANY OFFICE CDC

P. O. Box 1858 1963 OCT 25 AM 8:49
Roswell, New Mexico

October 23, 1963

Subject: Request for approval to commingle
Production, State MQ, MQA, MQB,
MQC, and MQD Leases

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

Gentlemen:

It is hereby requested that administrative approval (Rule 309-B) be granted Shell to commingle production from the following leases in T16S, R32E, Lea County, New Mexico:

<u>Shell Designation</u>	<u>State Designation</u>	<u>Location</u>
State MQ No. 2528	OG - 6014	NW/4, SW/4, Sec. 16
State MQA No. 2691	K - 959	SE/4, NE/4, Sec. 16
State MQB No. 2792	K - 1282	NE/4, SE/4, Sec. 17
State MQC No. 2528	OG - 6014	NW/4, SE/4, Sec. 17
State MQD No. 2674	K - 867	SW/4, Sec. 17

Shell is the sole working interest owner of these leases and the State Common School Fund is the only royalty beneficiary. The only wells currently producing from this acreage are located on the State MQ and MQB leases and are completed in the Queen formation. Similar completions are anticipated on the other leases listed.

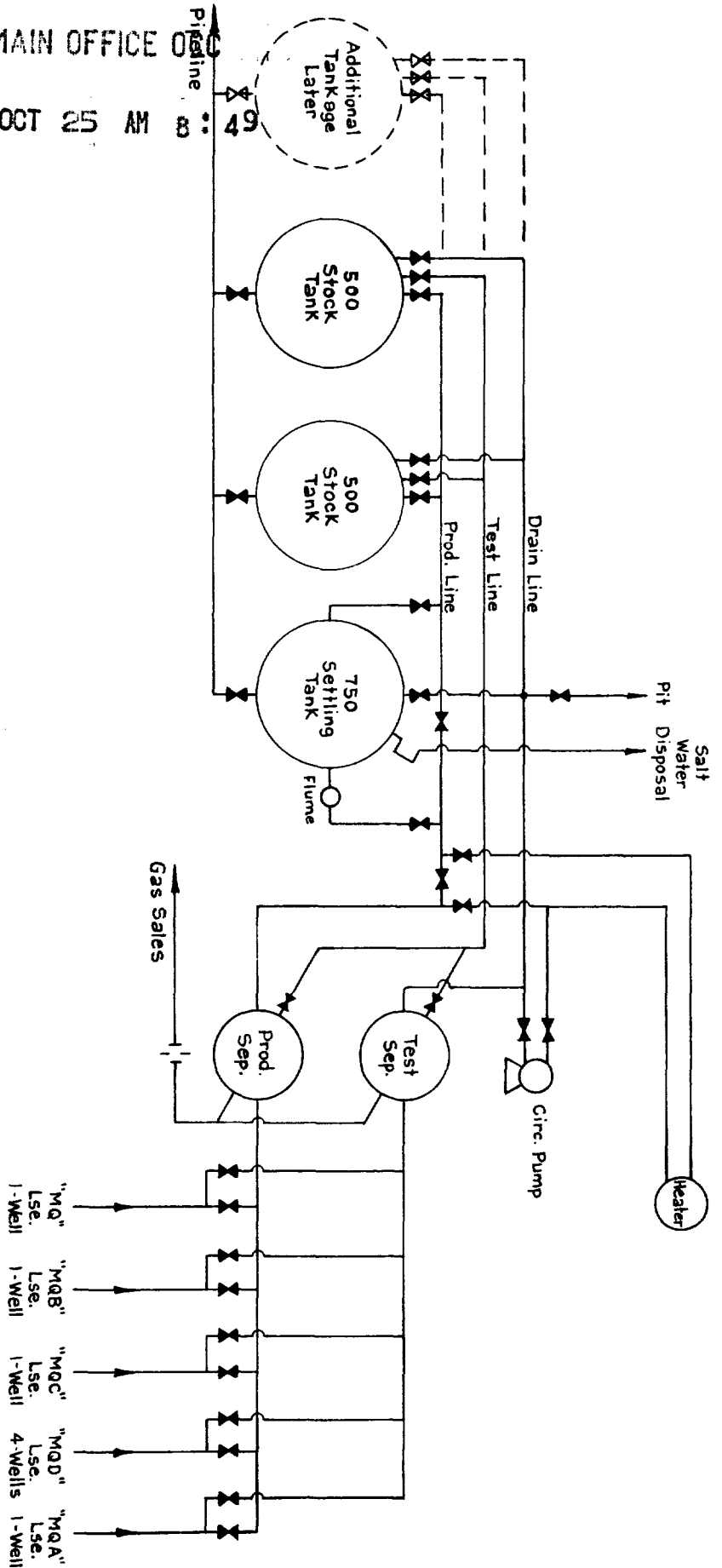
Approval to commingle at this time will allow more flexibility in the location of flowlines, tankage and treating facilities, and should result in a more economical exploitation of the reserves from these leases.

A location plat of the subject leases and a schematic diagram of the proposed metering and tankage facilities are attached. Further, in compliance with Paragraph 4, Rule 309-B, we are sending a copy of this letter by certified mail to the State Land Commissioner's Office and to the anticipated purchaser of the commingled production.

Very truly yours,

T. H. Dwyer
Division Production Manager

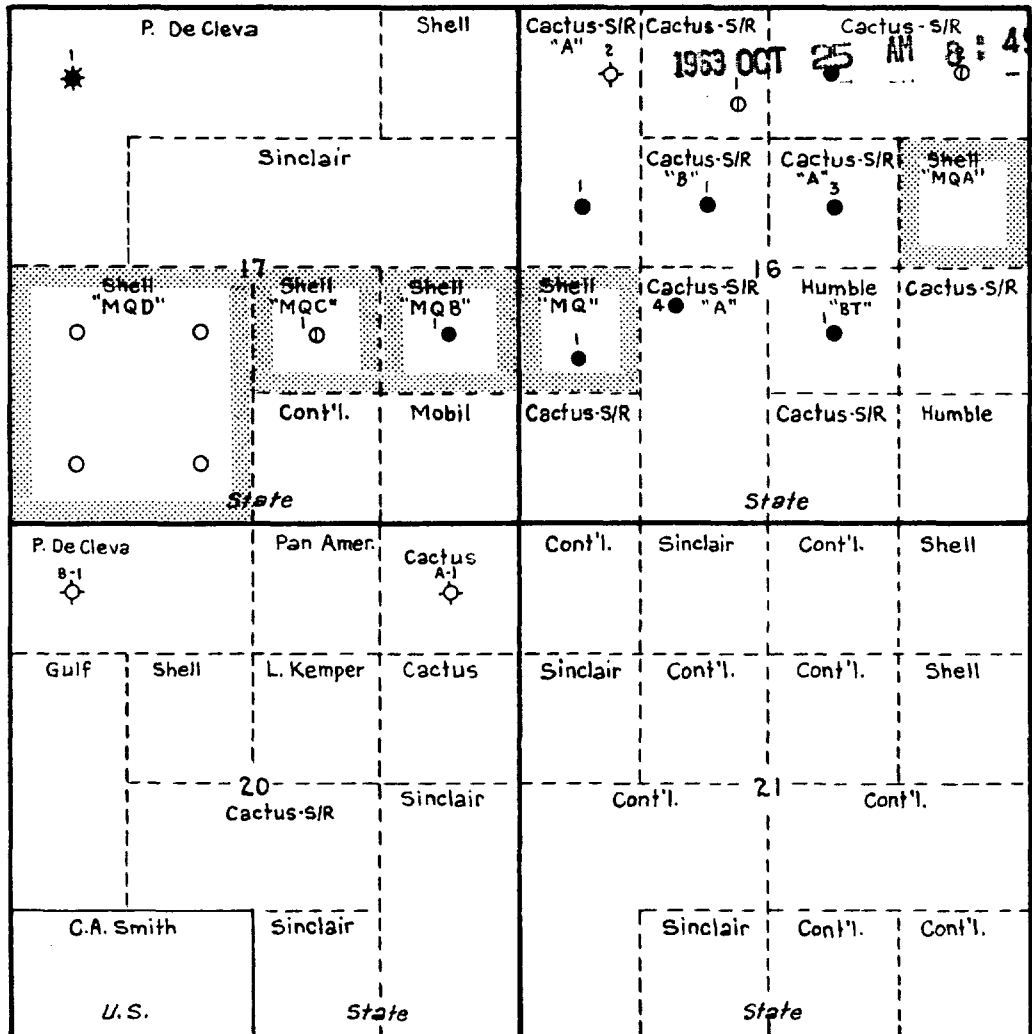
MAIN OFFICE OCT 25 AM 8:49



Shell Oil Co.
St. "MQ" "MQA", "MQB", "MQC" & "MQD" Battery
Mesa Queen Field
10-18-63

R-32-E

MAIN OFFICE OCC

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16
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LEGEND

- Queen Producer
- ⊙ Drilling Well
- Possible Location

SHELL OIL CO.
OWNERSHIP PLAT
1" = 2000'

MAIN OFFICE OCC

1963 OCT 29 PM 3:29

October 29, 1963

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Y

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

ATTENTION: Mr. T. H. Dwyer, Division Production
Manager

RE: Request permission to commingle production
from State MQ, MQA, MQB, MQC, and MQD Leases
located in Township 16S, Range 32E, Lea
County, New Mexico

Gentlemen:

We will approve the above pending some information
concerning your production from the producing wells.
We would like to know what production you are get-
ting from each well and the gravity, and the royalty
before and after commingling.

This, of course, is subject to approval by the Oil
Conservation Commission.

Ownership is common throughout. Should this opera-
tion prove infeasible and not beneficial to the State
of New Mexico, the Commissioner reserves the right
to reconsider his decision.

Very truly yours,

E. S. JOHNNY WALKER
COMMISSIONER OF PUBLIC LANDS

BY:

ROMULO MARTINEZ
Oil and Gas Department

ESJW/TB/po

CC: Oil Conservation Commission
Oil and Gas Accounting Commission

UNCLASSIFIED 110 11/04/04
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 001000 001 11/04/04

Request permission to construct production
from late 1950, 1960, and 1961
located in Township 18S, Range 11E, Sec
Collier, New Mexico

before and after commencing.
 ing from each well and the royalty
 We would like to know what production you are get-
 concerning your production from the producing wells.
 We will approve the above pending some information.

to reconsider his decision. of New Mexico, the Commissioner reserves the right to prove infeasible and not beneficial to the State. Whenever it is common throughout. Should this opera-

110 Conservation Commission
110 and the Accounting Commission



SHELL OIL COMPANY

MAIN OFFICE OCC

PETROLEUM BUILDING

P. O. BOX 1509

MIDLAND, TEXAS

October 21, 1963

1963 OCT 25 AM 8:49

**Subject: Shell Oil Company
State MQ, MQB, MQC and
MQD Leases
Sections 16 and 17,
T-16-S, R-32-E,
Mesa Queen Pool
Lea County, New Mexico**

**Sinclair Crude Oil Company
P. O. Box 1470
Midland, Texas**

Attention Mr. W. T. Shirey

Gentlemen:

In the Mesa Queen Pool, Lea County, New Mexico, Shell has recently completed the Number 1 State MQ, is in the process of completing the Number 1 State MQB and will drill on the State MQC and State MQD Leases.

Shell proposes to commingle the production from all of these leases into a tank battery located on the State MQ Lease which we understand Texas-New Mexico Pipe Line will connect very soon for your account.

In order to support Shell's application to the New Mexico Oil Conservation Commission for approval to commingle this production, as provided in Rule 309-B-3 of the Amended Rules and Regulations, we would appreciate your indicating in the space provided below your consent to purchase the commingled production and return two copies hereof to us.

Yours very truly,

**For: B. G. Crocker
Crude Oil Representative
Houston-Midland**

**AGREED TO AND ACCEPTED THIS
21 DAY OF OCTOBER, 1963**

**SINCLAIR CRUDE OIL COMPANY
BY W. T. Shirey**