

SHELL OIL COMPANY

P. O. Box 1858
Roswell, New Mexico

January 30, 1964

Subject: Commingling Swigart Lease
Vacuum Field

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

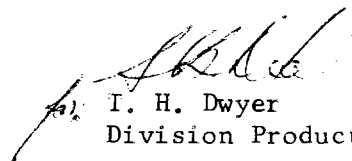
Gentlemen:

We are, by this letter and enclosed documents, making application for an exception to Rule 303(a) of the New Mexico Oil Conservation's Rules and Regulations. We propose to commingle the Blinebry and San Andres Zones on our Swigart Lease, Vacuum Field. (See plat)

We plan to use the subtraction method of commingling which will require continuous metering and sampling of the Blinebry crude. The San Andres well produces approximately 30 BOPD of 36° to 37° API Crude. We expect the Blinebry to initially produce 36° to 37° API Crude at top allowable rate with a very high water cut. Since the San Andres is sour priced and the Blinebry in intermediate priced, there will be a 10¢/bbl. loss on the Blinebry crude. Since the ultimate recoverable reserves for the Blinebry is less than 20,000 barrels, we feel that the \$3,000 additional cost necessary to build separate treating and storage facilities for the Blinebry is not justified.

In view of the above presented information, we respectfully request your approval of this project.

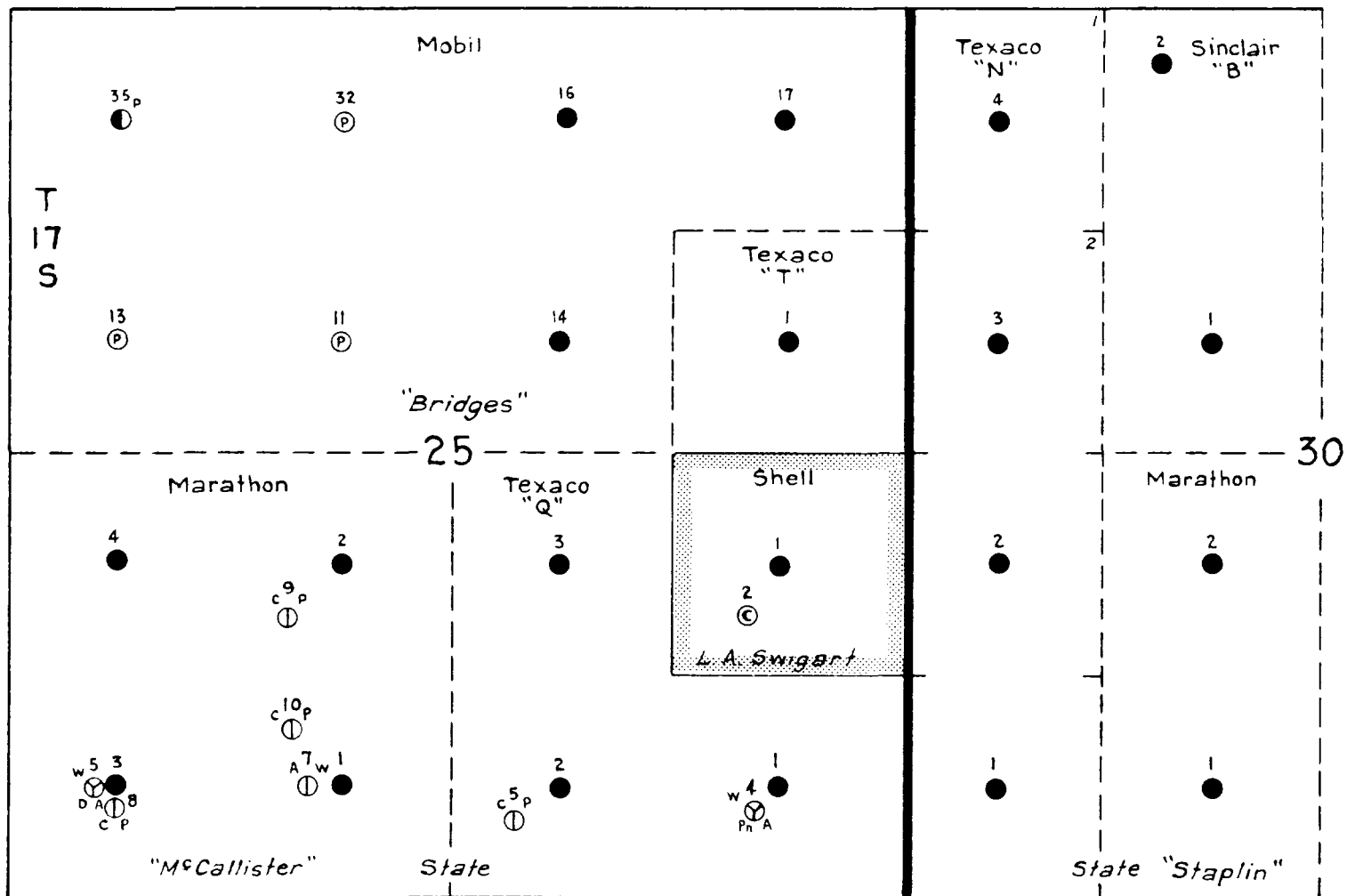
Yours very truly,


I. H. Dwyer
Division Production Manager

Enclosures

R-34-E

R-35-E



LEGEND

- San Andres
- Ⓟ Paddock
- Ⓢ Blinbry
- Ⓐ Abo
- Ⓦ Wolfcamp
- Ⓢ_p Pennsylvanian
- Ⓢ Devonian

SHELL OIL CO
BATTERY SCHEMATIC
PROPOSED BLINEBRY - SAN ANDRES COMMINGLING
SWIGART LEASE
VACUUM FIELD
LEA CO, N.MEX.

