

SHELL OIL COMPANY

Box 1957
Hobbs, New Mexico

May 1, 1957

Subject: Request for authority to
centralize Tankage, State
EMA and State EMB leases,
Eumont Field

Mr. A. L. Porter, Jr.
Secretary Director
New Mexico Oil Conservation Commission
P. O. Box 871
Santa Fe, New Mexico

Dear Mr. Porter:

We are currently developing two leases on the east edge of the Eumont Field, both located in Section 36, T-19-S, R-37-E, NMPM, Lea County. The development program includes one well now producing on the 40-acre State EMA lease (Shell NM-519A; New Mexico State B-1167), and two wells under completion on the 200-acre State EMB lease (Shell NM-1549; New Mexico State E-5674). Three additional wells will be drilled on this latter lease contingent upon the successful completion of the first three wells. The lease holdings, prospective well locations, and tank battery location are shown on the attached plat.

We propose to centralize oil treating and storage facilities for the above wells, and to locate this unitized battery on the State EMB lease at the location shown on the plat. This commingling of leases will afford a substantial saving (\$8000) in initial investment cost, plus considerable savings in operational expense over the life of the centralized battery facilities; as compared to separate tank batteries for each lease. The proposed central tank battery will include adequate tankage and other equipment for accurate determination of production from each lease.

We have obtained permission to this centralized tank battery proposal from the Office of the Commissioner of Public Lands. The offset operators to these two Shell leases have been notified of our proposal and waivers were sent to each of these operators to waive notice and hearing under Rule 309b, as revised by Order R-645, as to this application for commingling into the centralized tank battery.

*all waivers
in except
one from Surf
Sent out 3/14/57
30 days up*

put in 3/14/57

on 4/5/57

Exc. to Rule 309(a)

sent 6/5/57

sent 5/6/57

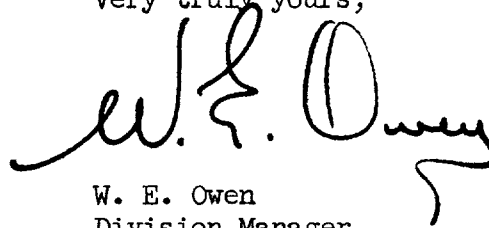
*cc - orc - Hitt
5/6/57*

We have received answers with waivers, from eight of the twelve offset operators; however, we have not received correspondence from the remaining four operators. The specified 30-day waiting period is now over, and we are, therefore, forwarding the eight waivers with this letter, along with certified mail receipts for the waiver request letters, which were sent to all offset operators. No

Temporary approval to produce the State EMA lease production into a tank battery located on the State EMB lease, has been granted by Mr. R.L. Montgomery of the Hobbs, New Mexico Oil Conservation Commission Office. This temporary approval, however, did not include commingling of production from the two leases. on 3/24/07

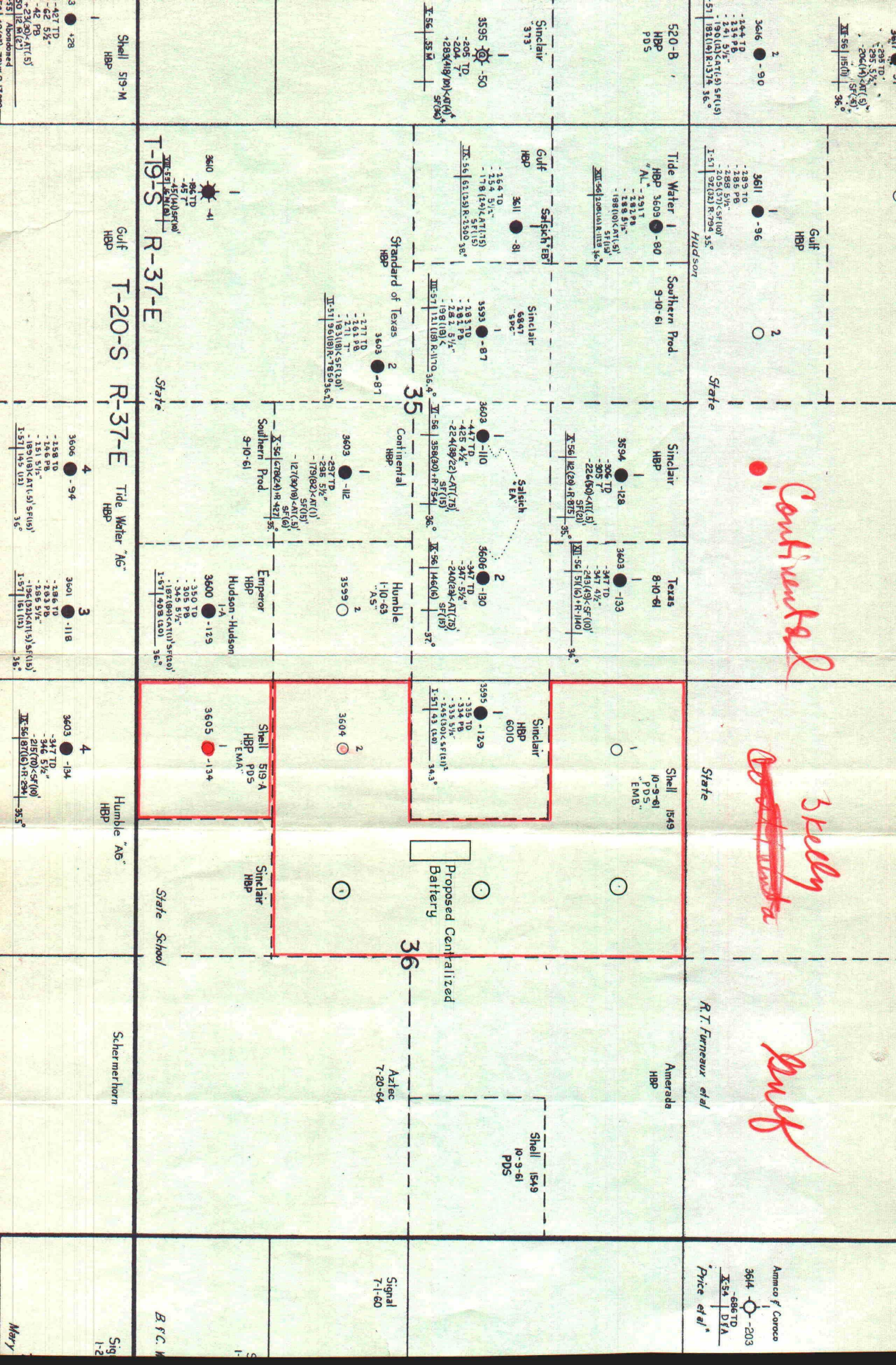
With the preliminary work for this application now completed, we are hereby making formal application for administrative approval for commingling in a common tank battery, the oil production from our State EMA and State EMB leases in the Eumont Field, Lea County, New Mexico.

Very truly yours,



W. E. Owen
Division Manager

Attachment (1)
Enclosures (2)



11-11-1957

OIL CONSERVATION COMMISSION

HOBBS, NEW MEXICO

March 22, 1957

C
Shell Oil Co.
Box 1957
Hobbs, New Mexico

Attn: Mr. W. E. Owens

O
Gentlemen:

Your letter of March 19, 1957 requested permission to transport oil from the State EMA Well No. 1-M, 36-19-37, Eumont Pool to a tank battery located on the State EMB lease in the same section, both leases being contiguous. This request would be an exception to Rule 309 (a).

P
This office has on file a letter of approval from the Commissioner of Public Lands. Further, the circumstances in this case comply with all of the requirements for administrative approval except the consent of all adjoining owners which, I am informed, is being obtained at the present time.

Y
In view of the above facts temporary permission to transport oil from the State EMA lease to the State EMB lease for storage is hereby granted pending final disposition by the Director, Mr. A. L. Porter. However, this writer has no authority to grant commingling of oil from different leases, therefore no production from the State EMB lease shall be commingled with the State EMA lease until approved by the Director.

Yours very truly,

OIL CONSERVATION COMMISSION

R. F. Montgomery
Proration Manager

RFM/mc
cc-A. L. Porter, Jr., Director
OCC, Santa Fe

Texas New Mexico Pipeline Co.
Midland, Tex.

February 5, 1957

C
O
P
Y

Shell Oil Company
Box 1957
Hobbs, New Mexico

Att: Mr. W. E. Owen
Division Manager

Dear Sir:

Permission is hereby granted to commingle production from State Leases, Shell Leases NM-519A (B-1167) and NM-1549 (E-6574) Eumont Field, Section 36, T-19-S, R-37-E, NMPM Lea County, New Mexico. This acreage is credited to one beneficiary institution, that being Common Schools.

Very truly yours,

MURRAY E. MORGAN
Commissioner of Public Lands
By:

Mrs. Linnie Crook, Supervisor
Royalty Division

LC:mb

cc: Oil Conservation Commission

State

Texas
8-10-61

Shell 1549
10-9-61
State
"EMB"
PDS

Amerada
HBP

RECEIVED
STATE LAND OFFICE
SANTA FE, N. M.

1957 FEB 4 AM 10 45

Shell 1549
10-9-61
PDS

Aztec
7-20-64

Shell 519-A
HBP
PDS
"EMA"

Sinclair
HBP

State School

R-37-E

Tide Water "AG"
HBP

Humble "A5"
HBP

Schermerhorn

4
3606 ① -105

3
3601 ● -123
-286 TD
-285 5½"
-196(43/32) <AT(.5)
 <SF(15)
I-57 | 161(12) | 36°

4
3603 -134
-34.7 TD
-34.6 5 1/2"
-2.5 (70) < SF (10)
IX-56 87(16) + R 294 35.5°

2
3604 ● -98
-296TD
-294 5½
-196(60) < AT
SH
X.56 | 13 | (12) + R.593

3604 -113
-300 TD
-299 5 1/2"
-184(67) AT(5)
SF(10)
IV 56 284(16) + R-717 26°

3600 -122
-300 TD
-300 5 1/2"
-195(95) < AT(1)
SF(10)
VI-56 | 215(16) + R-1924 |

3591 ● -144
-350 TD
+217 8 5/8"
-109(241)S
VIII-64165(15)

Mary B. Weir et al

0137° Gulf
2-11-62

Salsich
3593 -148
-457 TD
-457 5 1/2"
-327(78/58)
-243(66)<S
VII-561 36(A)

243(66)25(15)
VII-56|26(14)| 26° Southern Union Gas

4
3606 ● -85
-244 TD
-243 5 1/2"
-93(2G) < AT
SF
-148(71/42) <
III-56 580(48) +

2
3602 ● -106
-355 TO
-355 5 1/2"
-174(40) < AT(1)
SF(10)
-108(36) < AT(1)
SF(10)
V 56 762(48) < R-584

3

3599 -122

-32 TD

-32 5/2

-18X(72)<AT(1)

SF(19)

VII-56	97(16)	R-840	34°
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3605 ● -81
-244 TD
-243 5 1/2"
-95(14) < AT
-136(75) < AT
- VII-56(16) < AT

3605 -97
-425 TD
-424 5 1/2"
-355(42/36) <AT(5)'> plg
SF(10)
-345 BB
-271(64/45) <AT(5)'> plg
-233 BB SF(10)

3597 -97
-3328 TD
-3927 5/2
-3279(24) < AT(11)²x >
SF(10)¹
-2740(53) < AT(1.5)²x >
-2611(50)x AT(5)¹
SF(10)¹

State

✓✓

✓



ILLEGIBLE

ILLEGIBLE

SHELL OIL COMPANY

Box 1957
Hobbs, New Mexico

March 19, 1957

Continental Oil Company
Mr. Frank Elliot
District Superintendent
P. O. Box 427
Hobbs, New Mexico

Subject: Centralization of Tankage
State EMA, State EMB Leases
Section 36, T-19-S, R-37-E
Eumont Field, Lea County,
New Mexico

Skelly Oil Company
Mr. J. H. Dunlavey
District Superintendent
P. O. Box 38
Hobbs, New Mexico

Gulf Oil Corporation
Mr. C. F. Taylor
Area Superintendent of Production
P. O. Box 2167
Hobbs, New Mexico

Sinclair Oil and Gas Company
Mr. C. C. Salter
District Production Superintendent
520 E. Broadway
Hobbs, New Mexico

Amerada Petroleum Corporation
Mr. D. C. Camps
District Superintendent
P. O. Drawer D
Monument, New Mexico

Tidewater Oil Company
Mr. H. P. Shackelford
Area Superintendent
P. O. Box 547
Hobbs, New Mexico

Humble Oil and Refining Company
Mr. M. M. Rogers
District Superintendent
P. O. Box 2347
Hobbs, New Mexico

Hudson and Hudson, Inc.
Mr. Bill Ellinger
Superintendent
1007 W. Dallas
Artesia, New Mexico

Signal Oil and Gas Company
Mr. L. G. Rice
District Production Engineer
314 Central Building
Midland, Texas

Mr. Neil E. Salsich
302 Petroleum Life Building
Midland, Texas

Aztec Oil and Gas Company
Mr. P. R. Watts Jr.
District Superintendent
P. O. Box 847
Hobbs, New Mexico

The Texas Company
Mr. T. P. Drew
District Superintendent
1001 Petroleum Life Building
Midland, Texas

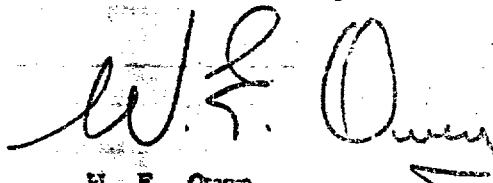
Gentlemen:

Shell Oil Company is making application to the New Mexico Oil Conservation Commission, as provided in Order No. R-645, for an exception to Rule 309 (a), Section E, Oil Production Practices. This application is for permission to commingle into one common tank battery, the oil production from

one pay zone on the State EMA and State EMB leases in the Eumont Field. These leases, State EMA (New Mexico State B-1167) and State EMB (New Mexico State E-5674), together with the proposed centralized tank battery are shown on the attached plat, and are all located in Section 36, T-19-S, R-37-E, N44E, Eumont Field, Lea County, New Mexico.

If you have no objection to the granting of the aforementioned application, we would appreciate your signing the attached waivers and returning two copies to this office as soon as possible.

Yours very truly,


W. E. Owen
Division Manager

Attachments

Date March 29, 1957

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

Gentlemen:

We have been informed by Shell Oil Company that they are making an application, as provided in Order E-645, for administrative approval for commingling in a common tank battery the oil production from their State EMA and State EMB leases in the Eumont Field, Lea County, New Mexico.

You are respectfully advised that we hereby waive notice and hearing under Rule 309 (b), as revised by Order E-645, as to said application for approval of the common tankage for the above leases.

Very truly yours,

Company Amerada Petroleum Corporation

Name

W. G. Abbott

W. G. Abbott

Position District Engineer

Date April 5, 1957

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

Gentlemen:

We have been informed by Shell Oil Company that they are making an application, as provided in Order R-645, for administrative approval for commingling in a common tank battery the oil production from their State EWA and State EMB leases in the Eumont Field, Lea County, New Mexico.

You are respectfully advised that we hereby waive notice and hearing under Rule 309 (b), as revised by Order R-645, as to said application for approval of the common tankage for the above leases.

Very truly yours,

Company Tidewater Oil Company

Name

W. E. LaRoche
W. E. LaRoche

Position

Area Engineer

Date April 2, 1957

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

Gentlemen:

We have been informed by Shell Oil Company that they are making an application, as provided in Order E-645, for administrative approval for commingling in a common tank battery the oil production from their State E2B and State E2B leases in the Ramona Field, Lea County, New Mexico.

You are respectfully advised that we hereby notice and hearing under Rule 309 (a), as revised by Order E-645, as to said application for approval of the common tankage for the above leases.

Very truly yours,

THE TEXAS COMPANY

Company The Texas Company

Name 
O. F. Sebesta

Position Assistant Division Mgr.

Date April 2, 1957

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

Gentlemen:

We have been informed by Shell Oil Company that they are making an application, as provided in Order R-645, for administrative approval for commingling in a common tank battery the oil production from their State EMA and State EMB leases in the Eumont Field, Lea County, New Mexico.

You are respectfully advised that we hereby waive notice and hearing under Rule 309 (b), as revised by Order R-645, as to said application for approval of the common tankage for the above leases.

Very truly yours,

Company HUMBLE OIL & REFINING CO.

OK
JWB
HWP
Name C. E. Ehrhardt, Jr.
Position Petroleum Engineer

SINCLAIR OIL & GAS COMPANY

PETROLEUM LIFE BUILDING

MIDLAND, TEXAS

FLOYD BRETT
VICE PRESIDENT & DIVISION MANAGER

LOREN WARE
ASSISTANT DIVISION MANAGER

April 4, 1957

DEFENBAUGH
DIVISION PRODUCTION Supt.
C. ROGERS
DIVISION GAS & GAS PRODUCTS Supt.

RECEIVED		
APR 5 1957		
HOBBS, N. MEX.		
<i>[Handwritten signature]</i>		
Reply	Discuss	File

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

Attention: Mr. A. L. Porter, Jr.

Gentlemen:

We have been advised by Shell Oil Company that they are making application for administrative approval to commingle in a common tank battery the oil produced from their noncontiguous State EMA and State EMB leases in the Eumont Field, Lea County, New Mexico.

Sinclair Oil & Gas Company, as an offset operator, has no objection to this application and hereby waives their right to notice of hearing on same.

Yours very truly,

[Handwritten signature of H. F. Defenbaugh]
H. F. Defenbaugh

HFD:EMA:mk

Orig. & 1 cc: Shell Oil Company
P. O. Box 1957
Hobbs, New Mexico

Date 3-28-57

New Mexico Oil Conservation Commission
P. O. Box 271
Santa Fe, New Mexico

Gentlemen:

We have been informed by Shell Oil Company that they are making an application, as provided in Order R-643, for administrative approval for commingling in a common tank battery the oil production from their State E&H and State H&E leases in the Kumont Field, Lea County, New Mexico.

You are respectfully advised that we hereby waive notice and hearing under Rule 309 (b), as revised by Order R-643, as to said application for approval of the common tankage for the above leases.

Very truly yours,

Company

Neil E. Salsich

Name

Position

owner

Date March 27, 1957

New Mexico Oil Conservation Commission
P. O. Box 371
Santa Fe, New Mexico

Gentlemen:

We have been informed by Shell Oil Company that they are making an application, as provided in Order R-645, for administrative approval for commingling in a common tank battery the oil production from their State EMA and State EMS leases in the Rumont Field, Lea County, New Mexico.

You are respectfully advised that we hereby waive notice and hearing under Rule 309 (b), as revised by Order R-645, as to said application for approval of the common tankage for the above leases.

Very truly yours,

Company

Shell Oil Co

Name

J. J. Rumont

Position

Asst

April 11, 1957

Date

New Mexico Oil Conservation Commission
P. O. Box 571
Santa Fe, New Mexico

Continued:

We have been informed by Shell Oil Company that they are making an application, as provided in Order R-645, for administrative approval for commingling in a common tank battery the oil production from their State EMA and State EMB leases in the Zumont Field, Lea County, New Mexico.

You are respectfully advised that we hereby waive notice and hearing under Rule 309 (b), as revised by Order R-645, as to said application for approval of the common tankage for the above leases.

Very truly yours,

AZTEC OIL & GAS COMPANY

Company

Name

Law Thompson

Position

Vice President

April 12, 1957

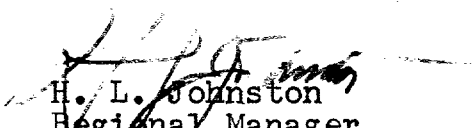
New Mexico Oil Conservation
P. O. Box 871
Santa Fe, New Mexico

Gentlemen:

Continental Oil Company has been notified of Shell Oil Company's application for exception to Rule 309-A (which incorporates order No. R-645) of the statewide rules and regulations for permission to commingle Eumont oil production from that portion of their State "EMA" lease lying in the SW/4 SW/4, Section 36-T19S-R37E with that from the State "EMB" lease consisting of the N/2 NW/4, SE/4 NW/4, and N/2 SW/4 of said Section 36.

You are respectfully advised that Continental Oil Company hereby waives notice and hearing on the said application of Shell Oil Company insofar as it pertains to the acreage described above.

Yours very truly,


H. L. Johnston
Regional Manager
of Production
Southwestern Region

RECEIVED

Date 2-22-57

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

WOBBS, N. H. E.		
WFO		
AE		
FAE		
Reply	Discuss	File

Gentlemen:

We have been informed by Shell Oil Company that they are making an application, as provided in Order R-645, for administrative approval for commingling in a common tank battery the oil production from their State EMA and State EMB leases in the Euxant Field, Lea County, New Mexico.

You are respectfully advised that we hereby advise notice and hearing under Rule 309 (b), as revised by Order R-645, as to said application for approval of the common tankage for the above leases.

Very truly yours,

Company Hudson & Hudson, Inc.

Name Edward Hudson

Position Sac. - Texas.

WARREN



PETROLEUM AND ITS PRODUCTS

GULF OIL CORPORATION

P. O. DRAWER 1290 · FORT WORTH 1, TEXAS

FORT WORTH
PRODUCTION DIVISION

May 14, 1957

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

Gentlemen:

This is to advise that Gulf Oil Corporation has been given due notice that Shell Oil Company has made application for permission to commingle in a common tank battery the oil produced from the Eumont Pool, underlying their leases comprising the SW/4 of the SW/4, the N/2 of the SW/4, the E/2 of the NW/4, and the NW/4 of the NW/4, all in Section 36, T-19-S, R-37-E, Lea County, New Mexico. We hereby waive notice of hearing and advise that we have no objection to the approval of this commingling of the oil produced from the above-mentioned leases into a common tank battery.

Executed this 14th day of May, 1957.

Yours very truly,

GULF OIL CORPORATION

By: *B. E. Thompson*
Attorney-in-fact *ew*

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EMPLOYEE

- ☐ Deliver **ONLY** to addressee.
☐ Show address where delivered.

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the number of which appears on the face of this return receipt.

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(Signature or name of addressee)
2. J. J. Van Horn
(Signature of addressee's agent—Agent should enter addressee's
name on line ONE above)

Date of Delivery _____

☆ U. S. GOVERNMENT PRINTING OFFICE : 1955 16-71548-1

MAR 27 1957

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CITY AND STATE		
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POD Form 3800
Apr. 1955

No 659623