



MAIN OFFICE

SHELL OIL COMPANY

1957 AUG 15 AM 8:41

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8/19/57

P. O. Box 1957
Hobbs, New Mexico

August 15, 1957

Subject: Request for Authority to
Centralize Tankage, State WC
and State WD Leases,
Kemnitz Wolfcamp Field
Lea County, New Mexico

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

Dear Mr. Porter:

We have recently completed development on the 160-acre State WC lease in the Kemnitz Wolfcamp Field, Lea County, New Mexico, and are now initiating development on our adjoining 640-acre lease with the drilling of State WD No. 1. As is shown on the attached plat, the State WC lease (State of New Mexico E-2509) and State WD lease (State of New Mexico E-1769) are located in Sections 28 and 29, T-16S, R-34E, NMPM Survey.

We propose to centralize oil treating and storage facilities for all wells drilled on the above leases, with the unitized battery to be located as shown, at the approximate center of the NW/4 of Section 29. The substantial savings to be realized in initial tankage costs, plus additional savings in lease operating costs resulting from reduced battery maintenance, would permit us to produce these wells economically for a longer period of time, thereby increasing the amount of oil recovered from the reservoir.

We have obtained permission to this centralized tank battery proposal from the office of the Commissioner of Public Lands, and from the offset operators. The approvals from the offset operators and a copy of the Land Office approval are included with this letter.

With the preliminary work now completed, we are hereby making formal application for administrative approval to commingle the oil produced on our State WC and State WD leases into a common tank battery located on the State WC lease.

Very truly yours,

W. E. Owen
Division Manager

Attachments (6)
Plat (1)

STATE LAND OFFICE

Santa Fe, New Mexico



MURRAY E. MORGAN
COMMISSIONER OF PUBLIC LANDS

August 2, 1957

RECEIVED	
AUG 7 1957	
HOBBS, N. MEX.	
<i>[Signature]</i>	<i>[Signature]</i>
<i>[Signature]</i>	<i>[Signature]</i>
<i>[Signature]</i>	<i>[Signature]</i>
Reply	Discuss File

Shell Oil Company
P. O. Box 1957
Hobbs, New Mexico

Gentlemen:

Permission is hereby granted to commingle oil produced from State Leases, E-2509, Shell-State WC and E-1769, Shell-State WD located in Sections 28 and 29, T-16-S, R-34-E, Kernitz Wolfcamp Field, Lea County, New Mexico. Both of these leases having a common beneficiary, Common Schools.

When reporting Production on the Production and Royalty Statements Form SLO-111-A please use both of the lease numbers so that they may be properly credited.

Very truly yours,

MURRAY E. MORGAN
Commissioner of Public Lands
By:

Mrs. Linnie Crook
Mrs. Linnie Crook, Supervisor
Royalty Division

LC:mb

SINCLAIR OIL & GAS COMPANY

PETROLEUM LIFE BUILDING

MIDLAND, TEXAS

FLOYD BRETT
VICE-PRESIDENT & DIVISION MANAGER

LOREN WARE
ASSISTANT DIVISION MANAGER

July 23, 1957

H. DEFENBAUGH
DIVISION PRODUCTION SUPT

E. C. ROGERS
DIVISION GAS & GAS PRODUCTS SUPT

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

Gentlemen:

We have been advised by the Shell Oil Company that they are making application for administrative approval under Statewide Rule 309 (b), as revised by Order E-645, to commingle the production from their State WC and State WD leases into a common tank battery in the Kennits Wolfcamp Field, Lea County, New Mexico. We understand that the State WC lease occupies the NW/4 of Section 29-16S-34E and that the State WD lease occupies the S/2's of Sections 28 and 29-16S-34E.

Sinclair Oil & Gas Company has no objections to the establishment of a common tank battery for these two leases and hereby waives their right to notice of hearing on same.

Yours very truly,


H. F. Defenbaugh

HFD:BMA:mk

Orig. & 1 cc: Shell Oil Company ✓
P. O. Box 1957
Robbs, New Mexico
Attn: Mr. W. E. Owen

Date **August 8, 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 to use a common tank battery to handle the oil production from their State WC and State WD leases in the Kemnitz Wolfcamp 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 **THE PURE OIL COMPANY**

Name *[Signature]*

Position **Chief Div. Prod. Engr.**

Date

7-24-57

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 to use a common tank battery to handle the oil production from their State and State FD leases in the Kennitz Wolfcamp Field, Lea County, New Mexico.

You are respectfully advised that we have signed and filed 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 field.

Very truly yours,

Company Samedan Oil Corp.

Name

G. W. Putnam

REL

Position

District Supt.

Date July 23, 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 to use a common tank battery to handle the oil production from their State WC and State ND leases in the Kennitz Wolfcamp 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 Tenn. Gas Trans. Co.

Name



Position Div. Prod. Mgr.

Houston, Texas

Date **August 2, 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 to use a common tank battery to handle the oil production from their State WC and State UD leases in the Kemnitz Wolfcamp 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 COMPANY**

JWS Name *J. Holmesly*

Position **Assistant Proration Engineer**