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WESTERN UNION

W. P. MARSHALL CHAIRMAN OF THE BOARD

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TELEGRAM

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The filing time shown in the date line on domestic telegrams is LOCAL TIME at point of origin. Time of Section is LOCAL TIME at point of

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DAN S NUTTER, CHIEF ENGINEER, OIL CONSERVATION COMMISSION=
ROOM 206 STATE LAND OFFICE BLDG SANTA FE NMEX=

AS TRUSTEE FOR THE OVERRIDING ROYALTY INT UNDER STATE OF NEW MEXICO LEES NOS E-881, B-2516 AND K-5636 WE HAVE NO OBJECTION TO COMINGLING OF PROD FROM SMEMANDOANS STATE CITY WELL WITH THE AFORENAMED PROPERTIES AND THE ALLOCATION OF PROD TO SHEMANDOANS STATE CITY WELL ON THE BASIS OF A MONTHLY PROD TEST-RECRAMFORD TRUST BEPT THE FIRST NATIONAL BANK

WU1201 (R2-65)

THE COMPANY WILL APPRECIATE SUGGESTIONS FROM ITS PATRONS CONCERNING ITS SERVICE

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SHENANDOAH ()IL CORPORATION

1018 COMMERCE BUILDING
FORT WORTH, TEXAS 76102

69 MAY

TELEPHONE ED 2-7381

May 27, 1969

Mr. Guyton B. Hayes
Commissioner of Public Lands
State of New Mexico
P. O. Box 1148
Santa Fe, New Mexico 87501

Mr. A. L. Porter, Jr.
Secretary-Director, Oil Conservation Comm.
P. O. Box 2088
Santa Fe, New Mexico. 87501

Re: Shenandoah Flood No. 1
Request for Amendment of CTB 185
to Include S/2 NW/4 Sec. 9,
T17S-R33E, Lea County, New Mexico

Gentlemen:

B. J. KELLENBERGER

PRESIDENT

This CTB-185 designation is in accordance with designation made in your letter of May 20, 1968. Attached hereto is up to date plat that shows all properties connected to this commingled battery as of this date, and which you will note also includes the 80 acres, S/2 NW/4 Sec. 9, T17S-R33E, which is the subject of this amendment request.

In connection with our request for commingling permit CTB-185 to include the S/2 NW/4 of Section 9, we wish to advise you as follows:

- (1) Attached hereto as Exhibit "A" is a plat which shows the location of said leases, well, flow lines and common tankage.
- (2) Attached hereto as Exhibit "B" is a list of the lease area by State Lease number and legal description, representing that all royalties therefrom are paid to the State of New Mexico, and there is no difference in ownership between said leases as to royalty or working interest thereunder, with the exception of an overriding royalty in the SW/4 NE/4 Section 8, T17S-R33E; and relative to this overriding royalty you have heretofore been furnished a telegram from the Trust Department of the Fort Worth National Bank of Fort Worth, Texas, waiving any objection to the commingling of production from such 40-acre tract.
- (3) All wells currently being produced by Shenandoah on these leases produce from a single common reservoir, being the Grayburg-San Andres formation.

- (4) The purpose for this request for commingling is to achieve a reduction in the cost of operation.
- (5) The State "A" producing wells 1, 5, and 7, along with the Aztec-State 1,2,3 and 4 and the State "C" 1-Y and the State D-2 wells are being produced into the one common tank battery that is located approximately 660' North of the State "A" 6-W injection well (See plat).
- (6) Shenandoah, at this date, has set $5\frac{1}{2}$ " O.D. casing in its State A-8 producing well located 990' FWL and 2310' FNL of Section 9, T17S-R33E. Enclosed herewith is a copy of Form C-102, Well location and Acreage Dedication Plat, covering this operation.

The royalty payable to the State of New Mexico will not be changed in any manner as a result of your approval of this application.

It is therefore requested that Commingling Permit CTB-185 be amended so as to include the 80 acres described in paragraph (6) above, so that Commingling Permit CTB-185 will now include the following acreage: As to State of New Mexico Lease E-881, W/2 SW/4 and SE/2 SW/4 Section 8; as to State of New Mexico Lease B-2516, N/2 NW/4 and NW/4 NE/4 Section 7; and S/2 NW/4, SW/4 NE/4 and N/2 NW/4 Section 8; and S/2 NW/4 Section 9; and as to State of New Mexico Lease K-5636, NE/4 NE/4 Section 7.

Very truly yours,

T. P. Bates

Vice President - Secondary Recovery

TPB:anc

Encl.

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WELL LOCATION AND ACREAGE DEDICATION PLAT

All distances must be from the outer boundaries of the Section Well No. Lease State FAW 8 Shenandoah Oil Corporation Unit Letter Section Township County 33 East Lea 17 South Actual Footage Location of Well: 990 West 2310 feet from the line and feet from the line Ground Level Elev. Producing Formation Dedicated Acreage: 40 4199 Acres 1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below. 2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty). 3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling. etc? If answer is "yes," type of consolidation. Yes If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.). No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission. CERTIFICATION R 33 E I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief. Position 17 I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief. May, 5, 1969 Registered Professional Engineer N.M.L.S.No. 542

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SHENANDOAH OIL CORPORATION PRODUCING WELLS MONTH April, 1969

	Well	Well	May 22 02 23	Phill. Eter	% Water
Lease	No.	Location	Produced	Produced	Produced
					
Aztec	1	L 8-17-33	1,815	2,610	59
	2 3	M 8-17-33	1,850	. 0	0
	3	N 8-17-33	800	1,380	63
	4	N 8-17-33	1,150	0	0
State "A"	1	B 7-17-33	30	90	75
	5	F 8-17-33	1,300	570	3 0
State "A"	7	A 7-17-33	1,700	420	20
State "C"	1 Y	G 8-17-33	1,467	1,260	46
State "D"	2	D 8-17-33	60	60	50
State "E"	1	A 8-17-33	105	25	19
Phillips					
State	1	E 16-17-33	, O	0	0
	3	F 16-17-33	1,374	210	13
	4	C 16-17-33	6 00	120	17
	5 6	L 16-17-33	597	1,230	67
	6	K 16-17-33	324	0	0
	7	N 16-17-33	177	0	0
TOTALS			13,349	7,975	37

LARGE FORMAT EXHIBIT HAS BEEN REMOVED AND IS LOCATED IN THE NEXT FILE

EXHIBIT "B"

New Mexico K-5636 Inso	Sec.	Sec.	Sec.	Sec.	New Mexico B-2516 Insofar T-17-S, Sec. 7:	New Mexico E-881 Insofar T-17-S, Sec. 8:	Desc
Insofar as said lease covers: T-17-S, R-33-E	9: S/2 NW/4, down to depth of 5000'	8: N/2 NW/4, down to depth of 4600'	8: S/2 NW/4, down to depth of 5000'	Sec. 8: SW/4 NE/4, down to depth of 4600'	Insofar as said lease covers: T-17-S, R-33-E Sec. 7: NW/4 NW/4, NW/4 NE/4 & NE/4 NW/4 Down to depth of 5000'	Insofar as said lease covers: T-17-S, R-33-E Sec. 8: W/2 SW/4 & SE/4 SW/4 Down to depth of 4600'	Description
Full	Full	Ful1	Full	Full	Ful1	Ful1	Interest Covered by Lease
40.00	80.00	80.00	80.00	80.00	121.33	120.00	Acres Gross N
40.00	80.00	80.00	80.00	80.00	121.33	120.00	Net
*	None)	None)	*	None)	*	*	Burdens
St. of New Mexico				St. of New Mexico		St. of New Mexico	Entire Royalty Payable to

r.,



June 5, 1969

Shenandoah Oil Corporation 1018 Commerce Building Fort Worth, Texas 76102

Re: Shenandoah Flood No. 1
Request for Amendment of
CTB 185 to Include
\$/2 NW/4, Sec. 9, T-175, R-33E,
Lea County, New Mexico

Gentlemen:

The State Land Office has no objection to your request for commingling permit CTB-185 to include the \$/2NW/4 of Section 9, Township 17 South, Range 33 East, Lea County, New Mexico, as per your request of May 27, 1969.

The Commissioner of Public Lands reserves the right to withdraw approval of this request if at any time, in his discretion, he deems this operation to be adverse to the best interests of the State of New Mexico.

Very truly yours,

TED BILBERRY, Director Oil and Gas Department

TB:ML:v

cc: Oil Conservation Commission Santa Fe, New Mexico

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