OIL CONSERVATION COMM SION

P. O. BOX 2088

SANTA FE, NEW MEXICO 87501

March 13, 1969

Shell Oil Company P. O. Box 1509 Midland, Texas 79701

Attention: Mr. S. M. Paine

AMENDMENT

Administrative Order CTB-188

Gentlemen:

Reference is made to your application dated February 12, 1969, wherein you request an amendment to Administrative Order CTB-188 which currently authorizes the commingling of Cato-San Andres production from your Crosby and Crosby "C" Leases in Sections 5 and 6, Township 9 South, Range 30 East, Chaves County, New Mexico, after separately metering and sampling the production from each lease. It is our understanding that you now wish to add Cato-San Andres production from your McGrail Lease which comprises the SW/4 of Section 5, Township 9 South, Range 30 East and that you will also meter the oil production from this lease.

Pursuant to the authority granted me by Rule 309-B, Shell Oil Company is hereby authorised to commingle the above-described production as proposed, subject to the provisions of the Commission "Manual for the Installation and Operation of Commingling Facilities," including the requirement for non-reset counters on the meters and temperature-compensated meters.

As to the commingling of the casinghead gas production without separate measurement, we feel that under the present circumstances this is justifiable and will be permitted. The Commission does reserve the right however to withdraw this approval in the event casinghead gas production should increase from any of the three leases to any substantial degree.

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Please notify the Hobbs District Office of the Commission at such time as this installation is complete in order that an inspection may be made thereof.

Very truly yours,

A. L. PORTER, Jr. Secretary-Director

ALP/DSN/esr

cc: Oil Conservation Commission (with enclosure) - Hobbs Oil & Gas Engineering Committee - Hobbs

NEW MEXICO OIL CONSERVATION COMMISSION POST OFFICE BOX 2088 SANTA FE, NEW MEXICO 87501

AMENDMENT
COMMINGLING ORDER CTB-188

Company Shell Oil Co. Address P. O. Box 576

City, State, Zip Houston, Texas 77001

Attention: Mr. M. J. Adams

The above-named company is hereby authorized to commingle Cato-San Andres

pool production from the following leases:

Lease Name: Thelma Crosby

elma Crosby McGrail

Description: SE/4 Section 5 SW/4 Section 5

Lease Name: Thelma Crosby B

Description: NW/4 Section 5 and NE/4 Section 6

Lease Name: Thelma Crosby C Description: NE/4 Section 8

All in Township 8 South, Range 30 East, Chaves County

Production shall be allocated to each lease by

X separately metering the production from each lease prior to commingling

___separately metering the production from the

and determining the

production by the subtraction method

well tests (if this method or the subtraction method above is to be authorized, all commingled production must be of identical ownership: working interest, royalty interest, and overriding royalty interest)

Note: This installation shall be installed and operated in accordance with the applicable provisions of Rule 309-B of the Commission Rules and Regulations and the Commission "Manual for the Installation and Operation of Commingling Facilities." It is the responsibility of the producer to notify the transporter of this commingling authority.

Prior to this amendment, commingling was authorized from the Crosby, Crosby B and McGrail Leases only.

DONE at Santa Fe, New Mexico, on this 2nd day of August 1977

JOE D RAMEY Secretary-Director