



SHELL OIL COMPANY

P. O. Box 1858
Roswell, New Mexico

February 18, 1964

Subject: Application for Amendment
to Administrative Order No. PC-180
Shell Turner Lease

New Mexico Oil Conservation Commission (3)
P. O. Box 2088
Santa Fe, New Mexico

Gentlemen:

Application is hereby made for an amendment to Administrative Order PC-180 to permit the commingling of Paddock oil into the existing Drinkard-Blinebry Commingled Battery on the Shell Turner Lease, located in Section 22, T-21-S, R-37-E, Lea County, New Mexico.

The Shell Turner No. 16 was recently converted from a shut-in Blinebry well to a marginal Paddock producer. We propose to commingle Paddock oil production from Turner No. 16 with Drinkard and Blinebry oil in the existing central battery as per the attached schematic diagram. The production from the Blinebry and Paddock pools will be separately and continuously metered and sampled prior to commingling. The unmetered Drinkard production will be determined by means of the subtraction method. The Blinebry and Paddock production meters will be proved for accuracy monthly into a proving tank.

Expected production is 18 barrels per day of Paddock oil, 60 barrels per day of Blinebry oil, and 62 barrels per day of Drinkard oil. The Paddock gravity is 37.1° API and the Drinkard-Blinebry commingled gravity is 41.2° API. The commingled gravity of the three crudes will be about 40.7° API. The commercial value of the commingled production will exceed by about \$50 per month the sum of the values of the production if the Paddock crude was sold separately. We do not anticipate any additional Paddock wells on the Turner Lease.

The proposed commingling installation will be installed and operated in accordance with the Commission's "Manual for the Installation and Operation of Commingling Facilities". Attached for your consideration

are schematic diagrams of the proposed Turner commingling system and plats of the Turner Lease. If additional information is desired, please contact this office.

Very truly yours,

A handwritten signature in black ink, appearing to read 'T. H. Dwyer', with a long horizontal flourish extending to the right.

T. H. Dwyer
Division Production Manager

Attachments

SHELL OIL CO.
 Diagram of Proposed Installation
 Commingle Drinkard, Blinebry & Paddock Oil
 Shell Turner Lease
 2-18-64



