

OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

ILLEGIBLE

April 2, 1964

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P
Y
Shell Oil Company
P.O. Box 1858
Roswell, New Mexico

Attention: Mr. T. H. Dwyer

Administrative Order IIC-9

Gentlemen:

Reference is made to your letter dated February 24, 1964, wherein you request authority to commingle Vacuum-San Andres and Vacuum-Glorieta production from your State "E" Lease and your State "D" Lease comprising the SE/4 SW/4 and SW/4 SE/4, respectively, Section 31, Township 17 South, Range 35 East, Lea County, New Mexico, after separately metering the production from each pool. It is our understanding that the ownership of each lease is identical throughout and that production will be allocated to the leases on the basis of periodic tests.

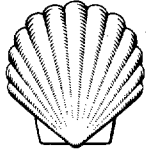
Pursuant to the authority granted me under the provisions of Rule 303 (b) and 309 (b) of the Commission Rules and Regulations, you are hereby authorized to commingle the production from the aforesaid pools and leases in the above-described manner. Provided however, that the installation shall be operated in accordance with the Commission "Manual for the Installation and Operation of Commingling Facilities," including the requirement for non-reset counters on the meters. You are also requested to notify the Hobbs District Office of the Commission at such time as the installation is complete in order that a field inspection may be made of the installation prior to putting it in use.

Very truly yours,

A. L. Porter, Jr.
Secretary-Director

ALP:DSN:eg

cc: Oil Conservation Commission (with enclosure) - Hobbs
Oil & Gas Engineering Committee - Hobbs
State Land Office - Santa Fe
Oil & Gas Accounting - Santa Fe



SHELL OIL COMPANY

P. O. Box 1858
Roswell, New Mexico

February 24, 1964

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

Gentlemen:

We are, by this letter and enclosed documents, making application for an exception to Rules 303(A) and 309(A) of the New Mexico Oil Conservation Commission's Rules & Regulations. We propose to commingle whatsoever wells we may successfully complete in the Glorieta on the State D and State E Leases, Vacuum Field, with the already commingled San Andres from these two leases. Commingling of the San Andres on the State D Lease (B-1415) and State E Lease (B-1404) without separate measurement was authorized by the State Land Office in a like captioned letter dated 12-23-59 and by the New Mexico Oil Conservation Commission as per Administrative Order CTB No. 51. The two San Andres wells are top allowable and produce sour crude with a gravity range of 35° to 37° API. The two Glorieta wells are expected to be top allowable and produce a sour crude with a similar gravity range. No change in revenue is expected as a result of commingling. The San Andres wells have a life of 15+ years while the Glorieta is expected to produce for approximately 5 years.

Since top allowable wells are involved, we plan to continuously meter and sample the San Andres production and to determine the Glorieta production by the subtraction method.

The following attachments accompany the application (1) Plat of the leases involved (2) Schematic of the proposed installation.

In view of the above presented information we respectfully request your approval of this project.

Yours very truly,


T. H. Dwyer
Division Production Manager

Attachments

Tidewater
"GO"

Mobil
"H"

Skelly
"J"

SHELL OIL CO.
OWNERSHIP PLAT
1"= 1000'

LEGEND

- San Andres
- ⊖ Paddock
- ⊙ Blinbry
- ⊙ Abo
- ⊙ Wolfcamp
- ⊙ Pn Pennsylvanian

Texaco
"O"

Phillips

Marathon
Acct. #1

Mobil
"K"

"Santa Fe"

"Warn"

Shell
"D"

Shell
"E"

Phillips

State "Santa Fe"

Texaco
"L"

Marathon
Acct. #2

Texaco
"R"

Texaco
"R-3"

Texaco
"AB"

R-34-E

R-35-E

State

"Warn"

State

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SHELL OIL CO
 BATTERY SCHEMATIC
 PROPOSED GLORIETA ~ SAN ANDRES COMMINGLING
 STATE "D" & "E" LEASES
 VACUUM FIELD
 LEA CO, N.MEX.

