

OIL CONSERVATION COMMISSION

P. O. BOX 2088

SANTA FE, NEW MEXICO 87501

September 15, 1969

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

Attention: Mr. S. M. Paine

Administrative Order PLC-34

Gentlemen:

Reference is made to your application dated September 9, 1969, for an exception to Rule 303 (a) and Rule 309-A of the Commission Rules and Regulations to permit the commingling of San Andres production from your Turner, Sanger, Grimes, and State "B" Leases and Drinkard and Blinebry production from your Grimes Lease, Hobbs Field, Lea County, New Mexico, after separately metering the production from each pool and each lease.

It is our understanding that although Hobbs San Andres production from each of the aforesaid leases is currently being commingled after metering pursuant to the provisions of Commission Order No. R-1934, you have not as yet notified all of the royalty owners of your proposal to include the two new zones in the installation, and therefore seek temporary authority to so commingle pending full notification.

Pursuant to the authority granted me under the provisions of Rule 303 (b) and Rule 309-B of the Commission Rules and Regulations, Shell Oil Company is hereby authorized to commingle the production from the aforesaid pools and leases in the above-described manner for a period of 30 days, until October 15, 1969. 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

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for samplers and non-reset counters on the meters. Please notify the Hobbs District Office of the Commission at such time as the installation is complete in order that an inspection can be made thereof.

It is the responsibility of the producer to notify the transporter of this commingling authority.

Very truly yours,

A. L. PORTER, Jr.
Secretary-Director

ALP/DSN/esr

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

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OFFICE OF THE ATTORNEY GENERAL

STATE OF NEW YORK

IN SENATE

January 1, 1900

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REPORT
OF THE
COMMISSIONER OF THE LAND OFFICE

FOR THE YEAR 1899

ALBANY: PUBLISHED BY THE
UNIVERSITY OF THE STATE OF NEW YORK,
1899.

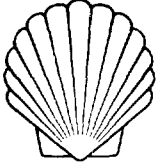
PRINTED BY THE UNIVERSITY OF THE STATE OF NEW YORK,
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SHELL OIL COMPANY

PETROLEUM BUILDING
P.O. BOX 1509
MIDLAND, TEXAS 79701

55 SEP 10 11 1 55

September 9, 1969

State of New Mexico
New Mexico Oil Conservation Commission
P. O. Box 2088
Santa Fe, New Mexico 87501

Gentlemen:

PLC-34
for 30 days from 9-15

Shell Oil Company was granted permission by the New Mexico Oil Conservation Commission Order No. R-1934, dated April 10, 1961, to commingle San Andres production off the Sanger, Turner, Grimes, and State "B" lease into one central battery located on the Grimes lease in the SW/4, Section 28, Township 18 South, Range 38 East, Hobbs Field, Lea County, New Mexico. With this letter we are seeking a temporary exception to rule 303 (a) and 309 (a) of the Commission's Rules and Regulations to commingle Drinkard and Blinebry production off the Grimes lease with the above lease commingled San Andres production. As was discussed by phone between Mr. Junkrowski of our staff and Mr. Nutter of your staff, we have drilled the Grimes No. 9 well and have not been successful in locating all of the royalty interest owners to obtain their permission to commingle. We are seeking temporary permission from the Commission to avoid undue expense in setting a temporary battery and trucking the oil. As soon as permission is obtained from all royalty interest owners we will forward it to the Commission seeking a permanent exception to rule 303 (a) and 309 (a).

As is indicated by the attached drawings, we propose to meter and sample the Blinebry and Drinkard production separately. We expect all zones to be sour priced with an API gravity of 33° to 35°, resulting in no change in revenue.

In compliance with rule 303 (b) and 309 (b) you will find the following attachments enclosed:

1. Plat of lease
2. Schematic of proposed installation
3. Copy of approval from royalty interest owners (to be forwarded at a later date)

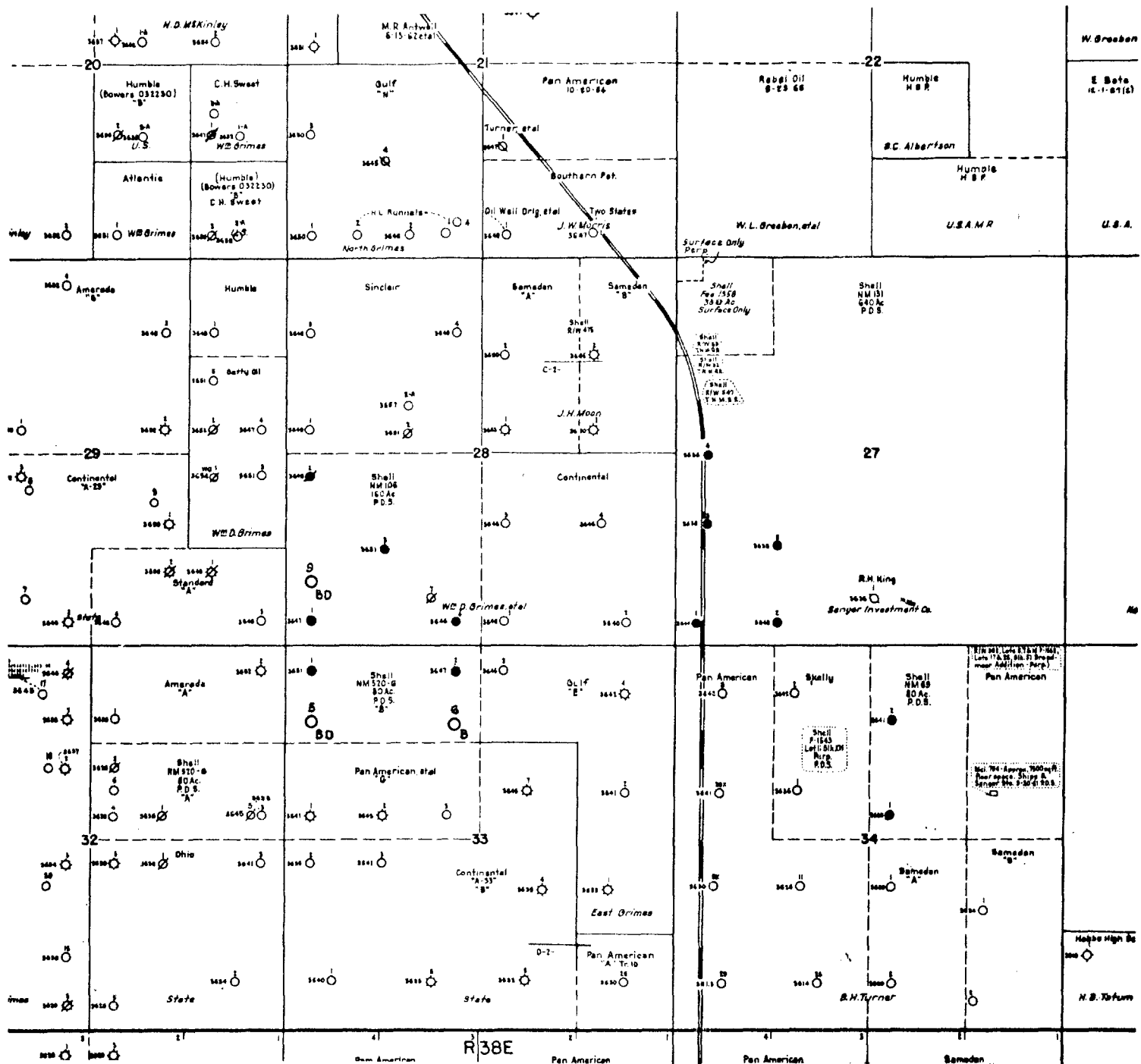
If you need any further information, please contact Mr. J. C. Vadala at our Midland office.

Yours very truly,

S. M. Paine, Manager
Production Department-West
Midland Division

JCV:CW

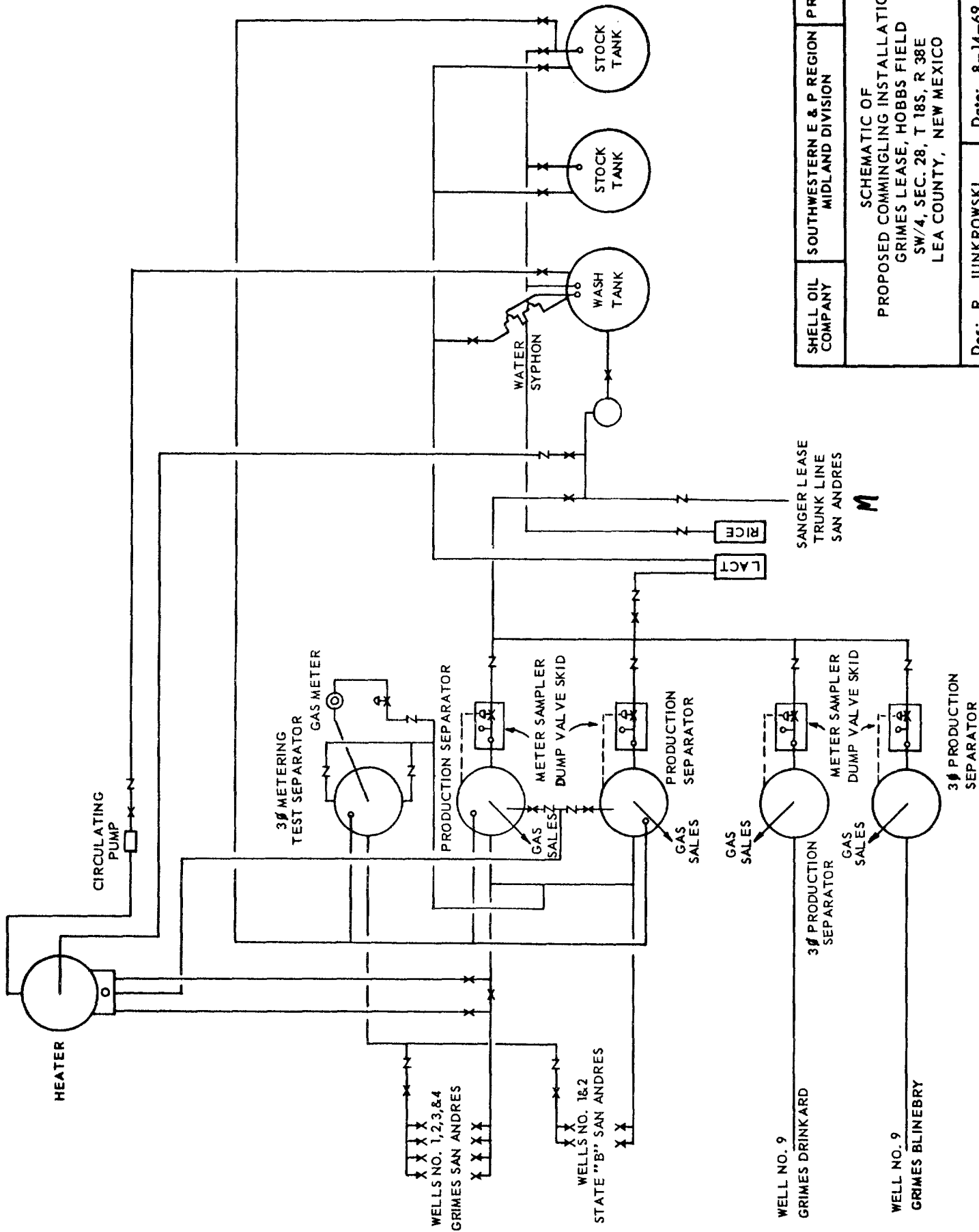
Attachments



LEGEND
FOR
SECTIONS 27, 28, 33. & 34

- SAN ANDRES PRODUCER
- _B BLINEBRY PRODUCER
- _{BD} BLINEBRY-DRINKARD PRODUCER
- ★_{By} BYERS GAS WELL
- ⊗ P & A WELL

SHELL OIL COMPANY	SOUTHWESTERN E & P REGION MIDLAND DIVISION	PRODUCTION WEST
LEASE PLAT - GRIMES LEASE HOBBS FIELD SW/4 OF SEC 28 T-18-S, R-38-E LEA CO., NEW MEXICO		
Des: R. S. JUNKROWSKI	Date: 8-13-69	
Scale: 1" = 2000'	Dwg. No. 3147	



SHELL OIL COMPANY	SOUTHWESTERN E & P REGION MIDLAND DIVISION	PRODUCTION WEST
SCHEMATIC OF PROPOSED COMMINGLING INSTALLATION GRIMES LEASE, HOBBS FIELD SW/4, SEC. 28, T 18S, R 38E LEA COUNTY, NEW MEXICO		
Des: R. JUNKROWSKI	Date: 8-14-69	
Scale: NONE	Dwg. No. 3148	