



MAIN OFFICE OCC
1954 MAY 15 AM 10:00

SHELL OIL COMPANY

Cope 722

Box 1957
Hobbs, New Mexico

May 14, 1954

Subject: Application for Unorthodox
Gas Proration Unit, Shell
Livingston Lease, Blinebry
Gas Pool, Lea County, New
Mexico

Oil Conservation Commission
P. O. Box 871
Santa Fe, New Mexico

Gentlemen:

Shell Oil Company respectfully submits application for an unorthodox gas proration unit for its Livingston 8 well in the Blinebry Gas Pool. Further, it is requested that this matter be considered at the next regular statewide hearing on June 16, 1954.

The following data is offered in support of this application:

1. Shell Oil Company is the owner and operator of the 320-acre Livingston lease which includes the S/2 NW/4 of Section 3 and E/2 NE/4 of Section 4, T-21-S, R-37-E, Lea County, New Mexico, as shown on the attached plat.
2. Shell Oil Company proposes that the above described acreage be established as an unorthodox 160-acre gas proration unit in exception to Rule 7 (a) of Order R-372A.
3. Shell Livingston 8, located 2970 feet from the south line and 2308 feet from the west line of Section 3, T-21-S, R-37-E, Lea County, New Mexico, was completed as a Blinebry (gas) - Drinkard (oil) dual well April 20, 1953. Permission to dually complete this well in the Blinebry Gas Pool and the Drinkard Pool was granted by the Oil Conservation Commission in Order R-225 dated December 12, 1952.
4. No other Blinebry gas well is completed on the 160-acre proration unit proposed under this application.

Yours very truly,

W. E. Owen
W. E. Owen
Division Manager