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BEFORE THE OIL CONSERVATION COMMISSION OF THE STATE OF NEW MEXICO

In the Matter of the Application of SHELL OIL COMPANY for Exceptions to Rules 303 and 309 of the Commission, and to Amend Order No. R-1101-A of the Commission to Permit Commingling of Production from the Queen Zone. With Production from the San Andreas and Atoka Zones, to Commingle the same with Production from the Pearl Queen Field, and to Permit the Installation of an ACT Unit; The Leases and Property in Question Are in Section 3, Township 20 South, Range 35 East, N.M.P.M., Lea County, New Mexico.

CASE NO. 1993.

APPLICATION

Comes now SHELL OIL COMPANY and requests an exception to Rules 303 and Section (a) of Rule 309 of the Rules of the New Mexico Oil Conservation Commission:

1. The applicant requests authority to commingle oil produced from the Queen Zone with production from the San Andreas Formation and Atoka Formation, and to commingle same with production from the Pearl Queen Field on two Shell leases described as follows:

Shell's Linam Lease consisting of 80 acres in the NE 1/4 of the NE 1/4 and NW 1/4 of the NW 1/4, Section 3, T-20-S, R-35E,

Shell's Lowe Land Lease consisting of 80 acres in the NW 1/4 of the NE 1/4 and NE 1/4 of the NW 1/4, Section 3, T-20-S, R-35-E.

- 2. The production from each Lease will be separately metered prior to commingling.
- 3. Applicant further requests authority to install an automatic custody transfer unit to automatically transfer crude oil to the pipe line.

Docket Mailed 1-9-60

Respectfully submitted,

SETH, MONTGOMERY, FEDERICI & ANDREWS

Ву: _

Attorneys for Applicant, SHELL OIL COMPANY Santa Fe, New Mexico.

June 22 fearing) SETH, MONTGOMERY, FEDERICI & ANDREWS J. O. SETH THE COUNSELORS AT LAW A. K. MONTGOMERY OLIVER SETH 301 DON GASPAR AVENUE GEORGE A. GRAHAM, JR. 1930 CON 193 CON POST OFFICE BOX 828 TELEPHONE YU 3-7315 June 20, 1960 Oil Conservation Commission State Capitol Santa Fe, New Mexico OCC Case No. 1993 - Appli-Re: cation of Shell Oil Company for an amendment to Order No. R-1101-A Gentlemen: I have received a letter from Shell Oil Company requesting that I dismiss Shell's application in the above case. Please accept this letter as a request by Shell Oil Company to dismiss its application for exception to Rules 303 and 309 in Case No. 1993 on the Commission's docket. Very truly yours, Wu Jodenia WRF:1b