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August 10, 1961

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

Attention: Mr. A. L. Porter, Jr.
Secretary-Director

Re: Application by Shell Oil Company For
Exception to OCC Rules 303 and 309(a) --

Shell State (Section 2) Lease, consisting
of a portion of the $W\frac{1}{2}$ of Section 2,
T. 21 S., R. 37 E., Lea County

Gentlemen:

Applicant requests an exception to Rule 303 and Rule 309(a) of the Commission to permit the commingling of production from separate fields and permit the transfer of production from the lease before it has been received and measured in tankage on such lease.

The applicant proposes to commingle production from its State (Section 2) Wells consisting of a portion of the $W\frac{1}{2}$ of Section 2, T. 21 S., R. 37 E. from the Brunson and Hare Fields on the basis of monthly well tests and to transfer this commingled production through automatic custody transfer facilities to the pipeline.

Applicant further proposes to commingle production from the Terry Blinebry, the Drinkard, the Tubb and the Wantz Abo Fields from its State (Section 2) Lease described above on the basis of monthly well tests and to transfer this commingled production through automatic custody transfer facilities to the pipeline.

It would be appreciated if this matter could be set down for hearing.

Very truly yours,

SHELL OIL COMPANY

By Chas. J. Smith

OS:wcl

cc: Mr. R. L. Rankin
Division Production Manager
Shell Oil Company
P. O. Box 1858
Roswell, New Mexico

W. C. Smith
8-17-61