

due May 21

cc to Hobbs
mailed 5-5-60
(extra application
received May 5, 1960)

... COMPANY SEEKING ADMINISTRATIVE
APPROVAL FOR AN EXCEPTION TO
STATEWIDE RULE NO. 309 AS PERTAINING TO A CONTROL TANK BATTERY
... PRODUCTION FROM
... ILLINOIS
... ILLINOIS COUNTY,
NEW MEXICO.

CTB-54
(Water's period)

Oil Conservation Commission
State of New Mexico
Santa Fe, New Mexico

Gentlemen:

Come now SHELLY OIL COMPANY, a Delaware Corporation, with offices in Tulsa, Oklahoma, and Hobbs, New Mexico, hereby petitioning the Secretary of the New Mexico Oil Conservation Commission for administrative approval for an exception to Statewide Rule No. 309 as pertaining to a control tank battery for production from wells on our Mexico "A" and "B" leases in the Dollahide Fossiliferous Pool, Lea County, New Mexico.

In support of this application for administrative approval for an exception to Rule No. 309, we wish to make the following statements:

1. That the petitioner's Mexico "A" lease is the 360 acre tract contained by the S/2 of Section 32, Township 24 North, Range 18 East, which has 4 Dollahide Fossiliferous wells: Nos. 1, 2, 47, and 25.
2. That the petitioner's Mexico "B" lease is the 360 acre tract contained by the N/2 of Section 3, Township 25 North, Range 18 East, which has 4 Dollahide Fossiliferous wells: Nos. 3, 4, 23, and 24.
3. That the above tracts are contiguous.
4. That all the production is from the same common source of supply, namely, the Dollahide Fossiliferous Formation.
5. That no more than sixteen units will be produced with a common tank battery and adequate facilities will be provided for accurately determining production from each well at reasonable intervals.
6. That the above two tracts contain but a single locality owner, namely, the State of New Mexico, and are both dedicated to a common beneficiary.

Oil and Gas Conservation Committee,
Santa Fe, New Mexico

(2)

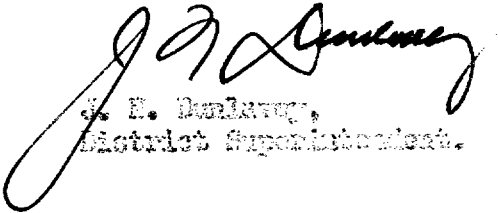
April 11, 1940

7. That a plat of this general area showing offset or leasehold, present Hollarkide Fossilman wells, present tank battery and flow lines and proposed flow lines, has been prepared and is accurate and complete to the best of our knowledge.
8. That all offset operators have been notified by this letter and with a copy of this application.
9. That all lease interest owners have consented in writing to the commingling of production from the separate leases.

Therefore, so that unit leaseholdship will not be endangered, Shell Oil Company requests that the Secretary of the Commission administratively grant an exception to Statute Rule 309, by which oil from separate lease leases may be produced into a central tank battery.

Very truly yours,

SHELL OIL COMPANY


J. E. Donkewy,
District Superintendent.

JD/BA/fo

cc: State Land Office
Santa Fe, New Mexico

New Mexico Oil Conservation Com.
Box 3345
Albuquerque, New Mexico

Mr. George H. Selinger
Shell Oil Company
Albuquerque, New Mexico

Mr. E. Elliott
Box 702
Fossilman, New Mexico

Callahan & Kline
Box 1071
Midland, Texas

Gulf Oil Corporation
Box 1167
Midland, Texas

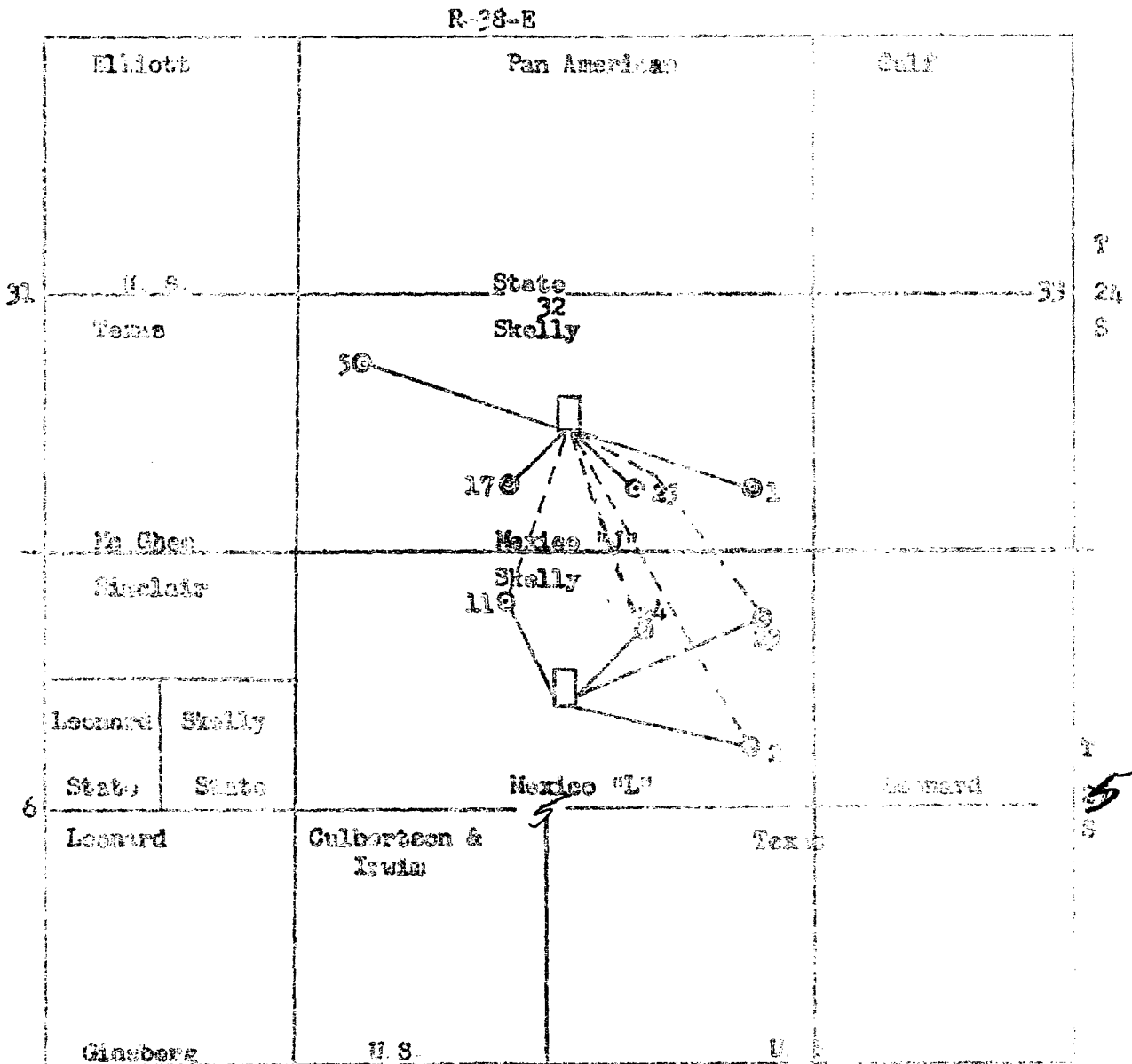
The Texas Company
Box 250
Midland, Texas

Standard Oil & Gas Company
Box 1150
Albuquerque, New Mexico

Leonard Oil Corporation
Box 672
Fossilman, New Mexico

J. G. Maxwell
Continental National Tank Drilling
Fort Worth, Texas

Diagrammatic Sketch
 Present Tank Battery Locations
 and Proposed Flow Lines
 Dollarhide Fusselman Pool



J. C. MAXWELL
PETROLEUM PRODUCER
CONTINENTAL NATIONAL BANK BUILDING
FORT WORTH, TEXAS

April 6, 1959

Skelly Oil Company
Box 38
Hobbs, New Mexico

Attention: Mr. J. N. Dunlavey

Dear Mr. Dunlavey:

As requested in your letter of April 1, the signers of this letter hereby give their consent to centralize the tank batteries on the Mexico "J" and "L" leases, Dollarhide Pools, Lea County, New Mexico.

Yours sincerely,


J. C. Maxwell

Joe D. Kennedy, Y. Q. McCammon and
George Thompson Jr., Trustees of the
Marilyn Maxwell Trust

By: 
Joe D. Kennedy

By: 
Y. Q. McCammon

By: 
George Thompson, Jr.


Joseph D. Kennedy

JDK: mm

THE TEXAS COMPANY

TEXACO PETROLEUM PRODUCTS



DOMESTIC PRODUCING DEPARTMENT
WEST TEXAS DIVISION

P. O. BOX 1720
FORT WORTH 1, TEXAS

April 15, 1959

CENTRALIZED TANK BATTERIES
Dollarhide Pools
Lea County, New Mexico

Mr. J. N. Dunlavey
Skelly Oil Company
Box 38
Hobbs, New Mexico

Dear Sir:

Please be advised that The Texas Company approves Skelly's request to centralize the tank batteries on the Mexico "J" and "L" Leases, Dollarhide Pools, Lea County, New Mexico. This approval is given with the understanding that no additional equipment is necessary for the Mexico "L" tank battery to handle the additional wells.

Yours very truly,

W. C. Lenz
Superintendent of
Drilling and Production

ERFjr-JW