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## BEFORE THE OIL CONSERVATION COMMISSION OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE APPLICATION OF SKELLY OIL COMPANY FOR AN EXCEPTION TO RULE 303 TO PERMIT COMMINGLING OF CRUDE FROM THE LANGLIE-MATTIX OIL POOL AND FROM THE DRINKARD OIL POOL ON APPLICANT'S BAKER "A" LEASE

## APPLICATION

TO: THE HONORABLE OIL CONSERVATION COMMISSION OF THE STATE OF NEW MEXICO.

Comes now the applicant, Skelly Oil Company, and respectfully alleges and states as follows:

- 1. That it is the owner and operator of its Baker "A" lease, which consists of the NW/4 Section 26, Township 22 South, Range 37 East, Lea County, New Mexico.
- 2. That there is no diversity of royalty ownership underlying the above described lease.
- 3. Applicant has Baker "A" Well No. 2 producing around 10 BOPD from the Langlie-Mattix Oil Pool.
- 4. Applicant has Baker "A" Wells Nos. 1, 4, 5 and 6 producing a total of around 73 BOPD from the Drinkard Oil Pool, which has a top allowable of 62 BOPD per well.
- 5. That applicant proposes to commingle production from well No. 1 into common tankage with wells Nos. 1, 4, 5, and 6.
- 6. That adequate testing facilities will enable accurate well testing, thereby enabling accurate production records by pools to be maintained.
- 7. Attached hereto marked EXHIBIT "A" and made a part hereof by reference is a plat which shows the location of applicant's Baker "A" lease, well locations, flow lines and tank battery location, and offset operators.
- 8. That attached hereto marked EXHIBIT "B" and made a part hereof by reference is a diagrammatic sketch, which shows the proposed method of testing and storage of the production produced.

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GILBERT, WHITE AND GILBERT Attorneys at law Santa Fe, New Mexico WHEREFORE, applicant prays that this application be set for hearing, that notice be given as required by law, and that upon the evidence adduced the Commission issue an order permitting applicant to commingle its production from the Langlie-Mattix and undesignated Blinebry Oil Pools underlying its Baker "A" lease, Lea County, New Mexico as more fully set out in this application.

GILBERT, WHITE AND GILBERT

- Maria