

GOVERNOR JOHN F. SIMMS
CHAIRMAN

New Mexico
OIL CONSERVATION COMMISSION

LAND COMMISSIONER E. S. WALKER
MEMBER



P.O. Box 2045
Hobbs, New Mexico

June 29, 1956

STATE GEOLOGIST A. L. PORTER, JR.
SECRETARY-DIRECTOR

File 7/24/56

New Mexico Oil Conservation Commission
Box 871
Santa Fe, New Mex.

Gentlemen:

I have examined the application of Skelly Oil Co.
dated June 22, 1956 for an exception to Rule 309 (a)
and my recommendations are as follows:

O.K.---C.R.

O.K.---J.W.R.

Yours very truly,

OIL CONSERVATION COMMISSION

A handwritten signature in cursive script that reads "C. M. Rieder".

C. M. Rieder
Engineer, District 1

Refer Reply to:
Oil & Gas Royalty Div.

June 25, 1956

C
O
P
Y

Skelly Oil Company
Box 38
Hobbs, New Mexico

Gentlemen:

Permission is hereby granted to commingle oil produced from wells located on State Lease B-9311, Mexico "J" lease at a location of 660' from the south line and 300' from the east line of Section 32, Township 24 South, Range 38 East, Lea County, New Mexico. This lease is a 320 acre tract confined by the S/2 of Section 32, Township 24 South, Range 38 East adjoining with State Lease B-9312, Mexico "L" lease which is also a 320 acre tract confined by the N/2 of Section 5, Township 25 South, Range 38 East.

This acreage in both leases will be credited to Common Schools. When reporting production on our Production and Royalty Statements Form SLO-111-A please combine production on the SLO showing both lease numbers.

Very sincerely yours,

E. S. WALKER
COMMISSIONER OF PUBLIC LANDS

LC:ESW:mb

cc: Oil Conservation Commission

MAIN OFFICE OCC

1956 JUN 22 AM 8:22

Box 38, Hobbs, New Mexico

June 22, 1956

Exec. Order Rule 309

June 7/24/56

*NAISIC APP
Commissioner*

New Mexico Oil Conservation Commission
P. O. Box 571
Santa Fe, New Mexico

Attention: Mr. A. L. Porter, Jr.

Gentlemen:

LSC # B-7211

Skelly Oil Company is now in the process of drilling a well in the Dollarhide Devonian Pool on its Mexico "J" lease at a location of 600' from the south line and 330' from the east line of Section 32, Township 24 South, Range 38 East, Lea County, New Mexico. This lease is a 320 acre tract confined by the S/2 Section 32, Township 24 South, Range 38 East. Upon completion of this well, it is our plan to connect this well into the present existing Devonian tank battery on our adjoining Mexico "W" lease which is also a 320 acre tract confined by the N/2 Section 5, Township 20 South, Range 38 East.

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

LSC # B-9312

1. That the above two tracts concern but a single royalty owner, namely, the State of New Mexico, and are both dedicated to a common beneficiary.
2. That the above two tracts are contiguous.
3. That a plat of this general area showing offset ownership, present Devonian 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.
4. That all offset operators have been notified by Registered Mail with a copy of this application.

Therefore, so that undue hardship will not be enforced, Skelly Oil Company requests that the Secretary of the Commission administratively grant an exception to Statewide Rule 309, by which oil from separate State leases may be produced into a common tank battery.

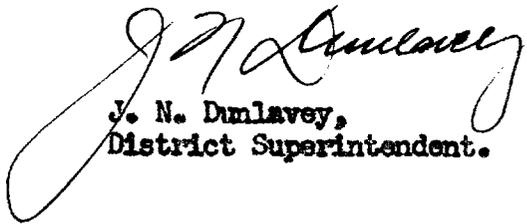
New Mexico Oil Conservation Commission
Santa Fe, New Mexico

-2-

June 22, 1956

Very truly yours,

SKELLY OIL COMPANY


J. N. Dunlavey,
District Superintendent.

JMD/JDR/e

cc: State Land Office
Santa Fe, New Mexico

New Mexico Oil Conservation Comm.
Box 2045
Hobbs, New Mexico

Mr. George W. Selinger
Skelly Oil Company
Tulsa, Oklahoma

L. E. Elliott
Box 703
Roswell, New Mexico

Culbertson & Irwin
Box 1071
Midland, Texas

Gulf Oil Corporation
Box 2167
Hobbs, New Mexico

The Texas Company
Box 1270
Midland, Texas

Sinclair Oil & Gas Company
Box 1470
Hobbs, New Mexico

Leonard Oil Corporation
Box 872
Roswell, New Mexico

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