

login, assign No. 5 type order
CTB-48

Re: IN THE MATTER OF SKELLY OIL COMPANY SEEKING ADMINISTRATIVE APPROVAL FOR AN EXCEPTION TO STATEWIDE RULE NO. 309 AS PERTAINING TO A CENTRAL TANK BATTERY FOR PRODUCTION FROM WELLS IN THE LANGLIE-MATTIX OIL POOL, LEA COUNTY, NEW MEXICO.

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

Gentlemen:

James now SKELLY 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 central tank battery for production from wells on our Hobbs "K" and "L" leases in the Langlie-Mattix 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:

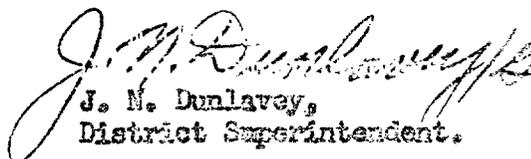
1. That the petitioner's Hobbs "K" lease is the 80 acre tract confined by the S/2 SW/4 Section 2, Township 23 South, Range 36 East, which has one well now being completed.
2. That the petitioner's Hobbs "L" lease is the 80 acres confined by the S/2 SE/4 Section 2, Township 23 South, Range 36 East, which has one well being drilled at the present time and is expected to be completed in the near future.
3. That the above tracts are contiguous.
4. That all the production will be from the same common source of supply, namely the Langlie Mattix Green Formation.
5. That no more than sixteen units will be produced into 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 concern but a single royalty owner, namely, the State of New Mexico, and are both dedicated to a common beneficiary.
7. That a plat of this general area showing offset ownership, present and proposed Langlie-Mattix wells, proposed tank battery and flow lines, has been prepared and is accurate and complete to the best of our knowledge.
8. That all offset operators have consented in writing to the commingling of production from the separate leases and the statements are attached hereto.
9. That Skelly Oil Company is the only lease owner of the separate leases.

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 central tank battery.

Yours very truly,

SKELLY OIL COMPANY


J. M. Dunlavey,
District Superintendent.

JND/ARB/e

cc: State Land Office
Santa Fe, New Mexico

New Mexico Oil Conservation Commission
P. O. Box 2045
Hobbs, New Mexico

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

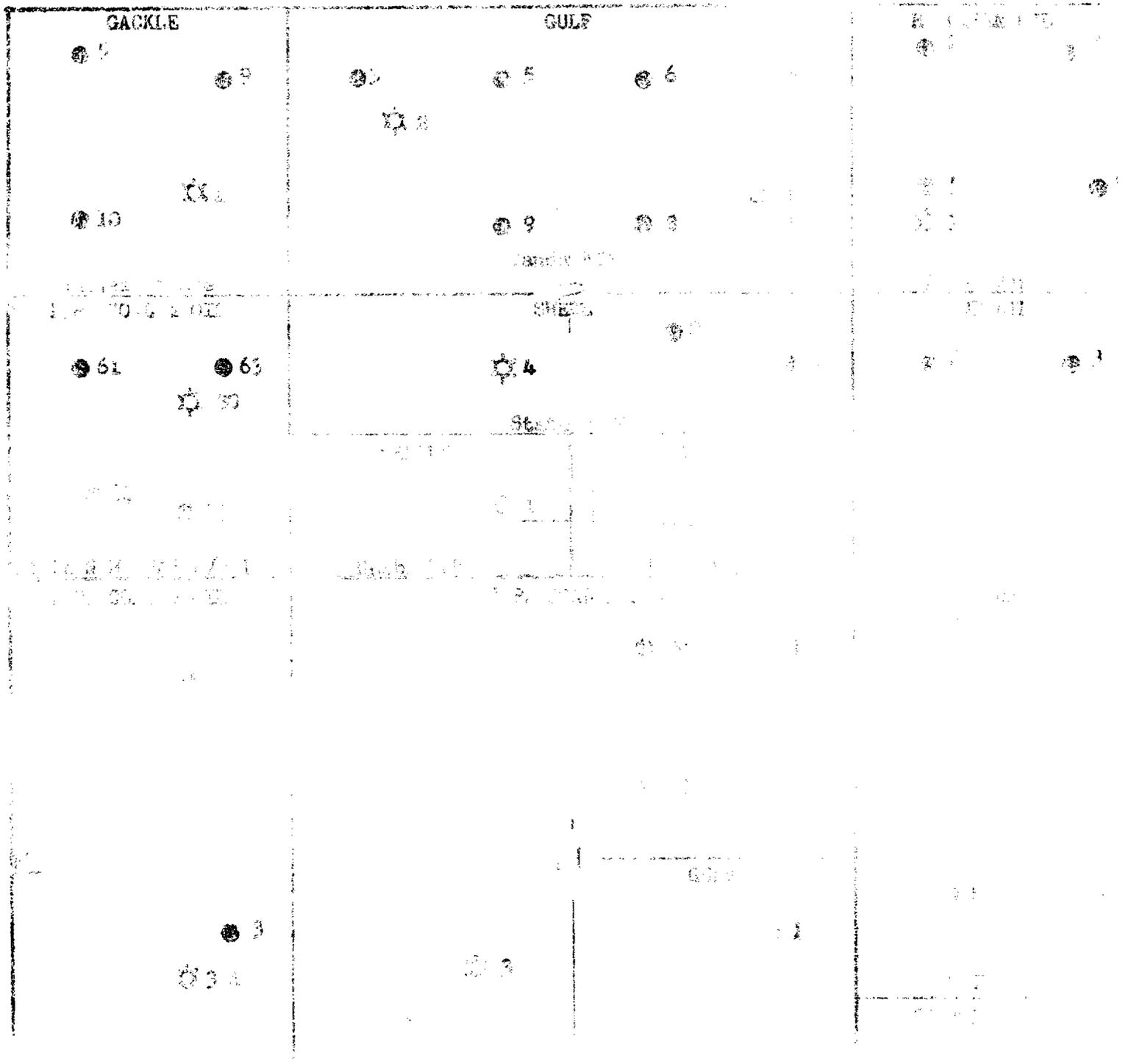
Texas Pacific Coal & Oil Co.
P. O. Box 1683
Hobbs, New Mexico

Shell Oil Company
P. O. Box 845
Roswell, New Mexico

Tidewater Oil Company
P. O. Box 547
Hobbs, New Mexico

Continental Oil Company
P. O. Box 427
Hobbs, New Mexico

County, etc. (faint text)



Date November 16, 1959

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

Gentlemen:

We have been informed by Shelly Oil Company that they are making an application, as provided in Rule 209(b), for approval to use a common tank battery to handle the Queen sand oil production from their Hobbs "K" and Hobbs "L" leases. These leases are located in Section 2, Township 23 South, Range 36 East, in the Langlie-Mattix Pool, San County, New Mexico.

This is to advise that we have no objection to this application for the use of common storage.

Yours very truly,

SHELL OIL COMPANY

Company


P. A. Dennie
Name

Division Production Manager

Position

Date November 16, 1959

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

Gentlemen:

We have been informed by Skelly Oil Company that they are making an application, as provided in Rule 309(b), for approval to use a common tank battery to handle the Queen sand oil production from their Hobbs "K" and Hobbs "LP" leases. These leases are located in Section 2, Township 23 South, Range 36 East, in the Langlie-Mattix Pool, Lea County, New Mexico.

This is to advise that we have no objection to this application for the use of common storage.

Yours very truly,

Texas Pacific Coal and Oil Company
Company


Name

District Engineer
Position



TIDEWATER OIL COMPANY

P. O. BOX 1231
MIDLAND, TEXAS

November 18, 1959

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

Gentlemen:

We have been informed by Skelly Oil Company that they are making an application, as provided in Rule 309(b), for approval to use a common tank battery to handle the Queen sand oil production from their Hobbs "K" and Hobbs "L" leases. These leases are located in Section 2, Township 23 South, Range 36 East, in the Langlie-Lattix Pool, Lea County, New Mexico.

This is to advise that we have no objection to this application for the use of common storage.

Yours very truly,

TIDEWATER OIL COMPANY

R. H. Coe
District Superintendent

RHC:gc



CONTINENTAL OIL COMPANY

FAIR BUILDING
FORT WORTH 2, TEXAS

H. L. JOHNSTON
REGIONAL MANAGER OF PRODUCTION
SOUTHWESTERN REGION

November 30, 1959

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

Gentlemen:

Continental Oil Company, being an offset operator, has been notified that Skelly Oil Company is making application, as provided in Rule 309 (b), for approval to use common storage for Queen Sand oil production from their Hobbs "K" and Hobbs "L" leases.

It is understood that these leases are contiguous and are located in the S/2 of S/2 of Section 2, Township 23 South, Range 36 East, in the Langlie - Mattix Pool, Lea County, New Mexico.

You are respectfully advised that Continental Oil Company hereby waives notice and hearing on the application described above.

Yours very truly,

HLJ-SL

A handwritten signature in dark ink, appearing to be "H. L. Johnston", written over a faint, circular stamp or watermark.

Refer Reply to
Oil & Gas Royalty Division

December 7, 1959

Skelly Oil Company
P. O. Box 38
Hobbs, New Mexico

Re: Commingling of oil from
Leases B-7776 & B-1327

Attention: Mr. J. N. Dunleavy

Gentlemen:

Permission is hereby granted to you to centralize production from your Hobbs "K" Well, State Lease B-1327, S $\frac{1}{2}$ SW $\frac{1}{4}$ of Section 2, Township 23 South, Range 36 East, and your Hobbs "L" Well, State Lease B-7776, S $\frac{1}{2}$ SE $\frac{1}{4}$ of Section 2, Township 23 South, Range 36 East, N.M.P.M., Lea County, New Mexico.

All of this acreage has a common beneficiary, that being Common Schools.

Yours very truly,

MURRAY E. MORGAN
COMMISSIONER OF PUBLIC LANDS
By:

Ted Bilberry
Oil & Gas Division Supervisor

MEM:TB:ML

cc: Oil Conservation Commission

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