



In reply refer to:
Oil and Gas Division

May 4, 1960

Skelly Oil Company
Box 38
Hobbs, New Mexico

Attention: Mr. J.N. Dunlavy

Dear Sir:

We have your letter of April 28 requesting permission to commingle production from state leases B-9311, (Your Number Mexico "J") and Lease B-9312, (Your Number Mexico "L").

Since these leases cover acreage belonging to a common beneficiary, that is, Common Schools and since you already have permission to commingle the Dollarhide Ellenburger production from these two leases, you may have permission to commingle the Fusselman production from the two. However, if you are seeking approval to commingle the Dollarhide Ellenburger production from the two leases with the Fusselman production from the two leases, it will be necessary that you apply for approval from the New Mexico Oil Conservation Commission. Also, determine that commingling from the two pools will not result in a lower gravity or less money for the states royalty.

We are not familiar with the gravity of the production of the Fusselman Formation and although the same insitution would be receiving all of the states one-eighth royalty, the difference in volume and gravities in some cases could make a difference in the amount of royalty.

Very truly yours,

MURRAY E. MORGAN
Commissioner of Public Lands

By:

Ted Hilberry
Supervisor Oil and Gas Division

TE/yds

cc: Oil Conservation Commission

in reply please refer to
the above mentioned file

Very truly yours,

Commissioner of Public Lands
Department of the Interior
Washington, D.C.

Enclosed for Mr. [Name]

Very truly yours,

The enclosed report of the [Name] dated [Date] is being
forwarded to you for your information and is being
filed in your file.

Kindly advise me if you have any questions or
need further information. I will be glad to
assist you in any way possible. Your cooperation
in this matter is appreciated. Sincerely,
[Name]

The enclosed report of the [Name] dated [Date] is being
forwarded to you for your information and is being
filed in your file.

Very truly yours,

HAROLD A. [Name]
Commissioner of Public Lands

cc:

The enclosed report of the [Name] dated [Date] is being
forwarded to you for your information and is being
filed in your file.

Commissioner of Public Lands
Department of the Interior
Washington, D.C.