



MAIN OFFICE 008

Due July 3

SKELLY OIL COMPANY

Box 38, Hobbs, New Mexico

June 15, 1960

*CTB-56
waiting period*

Re: Mexico "C", State "Q", "R", "N",
and "Y" Leases

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

Gentlemen:

Please find attached two corrected copies of application for an exception to Statewide Rule No. 309, as pertaining to a central tank battery for production from wells in the Lovington Paddock Pool, Lea County, New Mexico.

An error was made in item 5 of the original application as to the location of the Mexico "C" lease. The location of the lease is in SE/4 SE/4 Section 25, T-16-S, R-36-E and not in T-17-S, R-31-E.

Your prompt attention to the above matter will be appreciated.

Yours very truly,

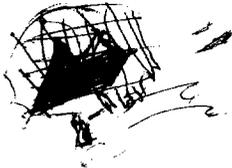
SKELLY OIL COMPANY

J. N. Dunlavy
J. N. Dunlavy

JND/ARB/e

Attachments:

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



Refer Reply to
Oil & Gas Royalty Division

June 20, 1960

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

Re: Centralized Tank Battery
Lovington Paddock Pool
Mexico "C", State "N", "Q",
"R" & "Y" Leases
Lea County, New Mexico

Attention: J. N. Dunlavey

Gentlemen:

Permission is hereby granted to you to commingle the
production from the Lovington Paddock Pool of wells lo-
cated in the S $\frac{1}{2}$ S $\frac{1}{2}$ of Section 25, Township 16 South, Range
36 East; NW $\frac{1}{4}$, N $\frac{1}{2}$ NE $\frac{1}{4}$, S $\frac{1}{2}$ SE $\frac{1}{4}$ and E $\frac{1}{2}$ SW $\frac{1}{4}$ of Section 36, Township
16 South, Range 36 East.

All of this acreage is committed to one beneficiary, that
being Common Schools.

Yours very truly,

MURRAY E. MORGAN
Commissioner of Public Lands

By:
Ted Bilberry (*Malcolm Long*)
Supervisor Oil & Gas Division

MEM:TB:ML

cc: OCC Conservation
Santa Fe, New Mexico

C
O
P
Y

MAIN OFFICE OCC

1980 JUN 20 AM 8:24

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 LOVINGTON PADDOCK POOL, LEA COUNTY, NEW MEXICO.

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

Gentlemen:

Comes 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 State "Q", "R", "W", "Y", and Mexico "C" leases in the Lovington Paddock 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:

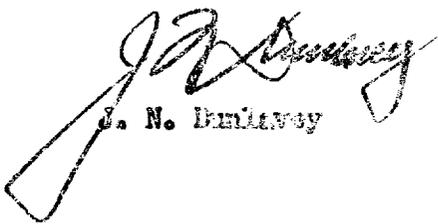
1. That the petitioner's State "Q" lease is the 80 acre tract confined by the S/2 SE/4 Section 36, Township 16 South, Range 36 East, which has two (2) Lovington Paddock wells: No. 5 & 6.
2. That the petitioner's State "R" lease is the 240 acre tract confined by the NW/4 & E/2 SW/4 Section 36, Township 16 South, Range 36 East, which has 6 Lovington Paddock wells: No. 7, 8, 9, 10, 11, & 12.
3. That the petitioner's State "W" lease is the 80 acre tract confined by the N/2 NE/4 Section 36, Township 16 South, Range 36 East, which has 2 Lovington Paddock wells: No. 3 & 4.
4. That the petitioner's State "Y" lease is the 120 acre tract confined by the S/2 SW/4 and the SW/4 SE/4 Section 25, Township 16 South, Range 36 East, which has 3 Lovington Paddock wells: No. 2, 3, & 4.
5. That the petitioner's Mexico "C" lease is the 40 acre tract confined by the SE/4 SE/4 Section 25, Township 16 South, Range 36 East, which has one Lovington Paddock well: No. 2.
6. That the above tracts are contiguous.
7. That all production is from the same common source of supply, namely, the Lovington Paddock Formation.

- 8. 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 interval.
- 9. 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.
- 10. That a plat of this general area showing offset ownership, present Lovington Faddock 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.
- 11. That all offset operators have been notified by registered mail with a copy of this application.
- 12. That Skelly Oil Company is the sole lease interest owner on 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 No. 309, by which oil from separate state leases may be produced into a central tank battery.

Yours very truly,

SKELLY OIL COMPANY



J. N. Dunaway

JND/MIS/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

Tidewater Oil Company
P. O. Box 347
Hobbs, New Mexico

Amerada Petroleum Corporation
P. O. Drawer "D"
Monument, New Mexico

Cities Service Oil Company
P. O. Box 97
Hobbs, New Mexico

Mobil Oil Company
P. O. Box 2406
Hobbs, New Mexico

Sunray Mid-Continent Oil Company
P. O. Box 126
Hobbs, New Mexico

Velma Petroleum Corp.
P. O. Box 1945
Hobbs, New Mexico

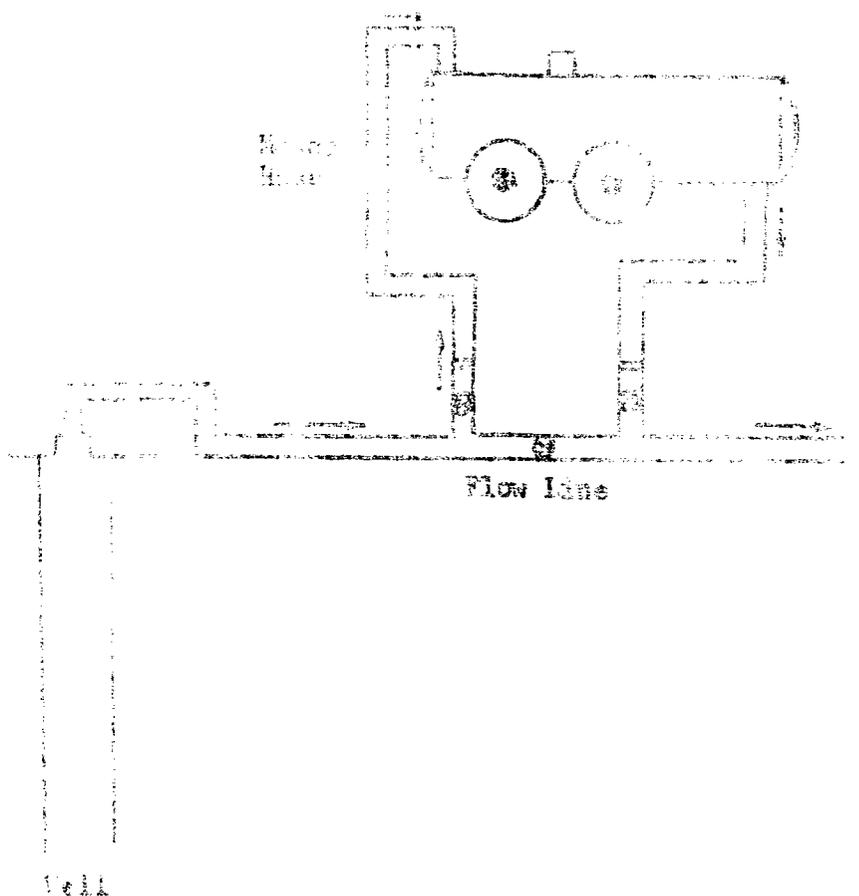
Pan American Petroleum Corp.
P. O. Box 68
Hobbs, New Mexico

Texaco, Inc.
P. O. Box 3109
Midland, Texas

Leonard Oil Company
P. O. Box 708
Roswell, New Mexico

Design and Test Facilities

Variable Motoring Generator



OIL CONSERVATION COMMISSION

BOX 2045

HOBBS, NEW MEXICO

DATE June 23, 1960

OIL CONSERVATION COMMISSION
BOX 871
SANTA FE, NEW MEXICO

Re: Proposed NSP _____

Proposed NSL _____

Proposed NFO _____

Proposed DC _____

STB 56

Gentlemen:

I have examined the application dated _____

for the Skelly Oil Co.-----Lovington Paddock
Operator Lease and Well No. S-T-R

and my recommendations are as follows:

C.K.---E.F.E.

C.K.---J.W.R.

Yours very truly,

OIL CONSERVATION COMMISSION

1960 JUL 1 AM 8:13

MAIN OFFICE OCC