

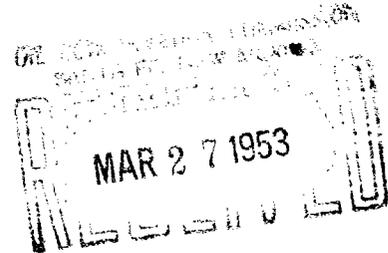


CITIES SERVICE OIL COMPANY

PRODUCERS-REFINERS-MARKETERS OF PETROLEUM PRODUCTS

BARTLESVILLE
OKLAHOMA

March 24, 1953



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

Re: Case No. 495

Attention: Mr. R. R. Spurrier, Secretary

Gentlemen:

At the hearing on our application for permission to commingle the oil produced from our State "AC" and State "AG" leases in Section 9-15S-33E a question was raised with respect to which school fund received the royalties from these leases.

We have checked this matter with the State Land Office and are advised that royalties under both these leases are dedicated to the common schools and there is, therefore, a common ownership of royalties under said leases.

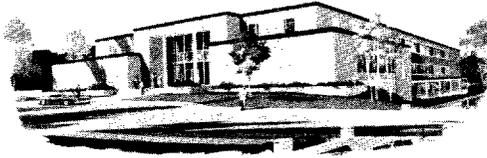
Yours very truly,

R E Adams
en

R. E. Adams,
Proration Engineer

REA:pg

State of New Mexico



Commissioner of Public Lands

GUYTON B. HAYS
COMMISSIONER



P. O. BOX 1148
SANTA FE, NEW MEXICO

February 19, 1965

*File Case
1965*

Oil Conservation Commission
Post Office Box 2088
Santa Fe, New Mexico

Att: Ralph Trujillo

In RE: R-Order 315
Dated April 10, 1953

Gentlemen:

Please revoke the commingling authority granted under the captioned order. State oil and gas lease No. B-9957 has expired by its own terms, as production ceased in September of 1964.

Very truly yours,

GUYTON B. HAYS,
Commissioner of Public Lands

By *Ray D. Graham*

RAY D. GRAHAM, Assistant Director,
Oil and Gas Department

GBH/RDG/kc1

1495

Also hearing

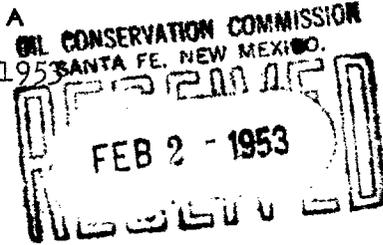


CITIES SERVICE OIL COMPANY

PRODUCERS - REFINERS - MARKETERS OF PETROLEUM PRODUCTS

BARTLESVILLE
OKLAHOMA

January 30, 1953



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

Attention: Mr. R. R. Spurrier, Secretary

In re: Application of Cities Service Oil Company
for Authorization to Commingle in the same
Tank Battery Oil Produced from Its State "AC"
and "AG" Leases, Saunders Field, Lea County,
New Mexico.

Gentlemen:

Cities Service Oil Company herewith makes application for an exception to Rule 309 of the Rules and Regulations of the New Mexico Oil Conservation Commission granting it permission to commingle in the same tank battery oil produced from its State "AC" and State "AG" leases, Saunders Field, Lea County, New Mexico, and in support thereof states:

1. That Cities Service Oil Company owns two contiguous portions of oil and gas leases obtained from the State of New Mexico, both tracts being common School Lands, described as follows, to-wit:

State "AC" Lease - That portion of State Lease B-9858 comprising the E/2 NE/4 and the N/2 SE/4 of Section 9, T-15-S, R-33-E, a tract of 160 acres.

State "AG" Lease - That portion of State Lease B-9957 comprising the S/2 SE/4 of Section 9, T-15-S, R-33-E, a tract of 80 acres.

That there is a common ownership of both working and mineral interests in said leases.

2. That State "AC" Well No. 1 has been completed in Unit "A" NE/4 NE/4 Section 9, T-15-S, R-33-E, and that State "AG" Well No. 1 is now in the process of completion in Unit "P", SE/4 SE/4 Section 9, T-15-S, R-33-E.

3. That attached hereto marked as Exhibit "A" is an ownership plat of the area showing the location of said leases and wells, and properties of offsetting operators.

4. That it is proposed to receive and measure the oil produced from said two leases in common tankage located on the State "

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January 30, 1953

lease. That adequate tankage and other equipment will be maintained in connection with said central tank battery in order that specific production of each well, and of future wells, can be accurately determined at reasonable intervals, or upon request of the Commission.

5. That the granting of this application will result in substantial savings in steel, reduce the costs of operation and maintenance, prevent waste and protect correlative rights.

Therefore, Cities Service Oil Company respectfully requests that the New Mexico Oil Conservation Commission set a certain day upon which this matter may be heard, and after said hearing grant permission for applicant to receive and measure in common tankage oil produced from its State "AC" and State "AG" Leases.

Respectfully submitted,

CITIES SERVICE OIL COMPANY

By 

R. E. Adams - Proration Engineer

REA:lk

Attach.