

OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

June 4, 1956

Mr. John P. McNaughton  
Neville G. Penrose, Inc.  
Fair Building  
Fort Worth 2, Texas

Dear Sir:

We enclose a copy of Order R-807 issued May 28, 1956, by the Oil Conservation Commission in Case 1061, which was heard on April 25th at Hobbs.

Very truly yours,

A. L. Porter, Jr.  
Acting Secretary - Director

brp  
Encl.

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MAIN OFFICE OCC

NEVILLE G. PENROSE, INC.

FAIR BUILDING  
FORT WORTH 2, TEXAS

March 26, 1956

1000 AM 11:29

Oil Conservation Commission  
Box 871  
Santa Fe, New Mexico

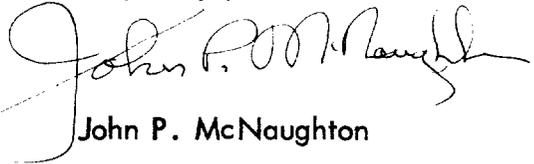
Attn: Mr. Warren Mankin

Re: Scharbauer #1, NE/4 NW/4, Section 25, T-17-S, R-35-E,  
Lea County, New Mexico

Dear Mr. Mankin:

Enclosed herewith, please find two additional copies of a recent application, concerning this lease. These are submitted as requested by you on March 23rd.

Very truly yours,



John P. McNaughton

JPM:gc  
Enclosures

NEVILLE G. PENROSE, INC.  
FAIR BUILDING  
FORT WORTH 2, TEXAS

March 12, 1956

*Case # 1067*

*Examiner Hg  
@ Hobbs*

*@ 10 AM  
on 4/25/56*

*Just  
copy  
of  
order  
on 4/10/56*

*Museum Pool*

MAIN OFFICE 030  
RECORDED 34 71 1131

Oil Conservation Commission  
Box 871  
Santa Fe, New Mexico

Attn: Mr. W. B. Macey, Secretary & Director

Re: Neville G. Penrose, Inc. Scharbauer #1 NE/4 NW/4 Section 25,  
17S, 35E, Lea County, New Mexico

Gentlemen:

On completion of the above described well, it became necessary to set storage tanks on a lease separate from the well location in order to obtain a pipeline connection. Therefore, we respectfully request an exception to Rule 309, in order that oil may be transported from the lease without first being measured. In support of this request, the following is offered:

1. The Scharbauer lease contains forty acres, being the NE/4 NW/4 Section 25, 17S, 35E Lea County, New Mexico.
2. Storage tanks receiving production from Scharbauer #1, are located in SW/4 SW/4 Section 24, 17S 35E Lea County, New Mexico. The Scharbauer storage tanks are not connected in any manner to other storage tanks located in Section 24.
3. There is no intent to commingle production.
4. The only reason for setting tanks on a lease, other than that on which the well is located, is to facilitate the taking of oil by Texas-New Mexico Pipe Line Company.

Inasmuch as, a pipe line connection and sale of production is dependent upon the Oil Conservation Commission granting an exception to Rule 309 in this case; we respectfully request an examiner hearing at the Hobbs, New Mexico office at an early date.

Very truly yours,

*John P. McNaughton*  
John P. McNaughton

cc's: Registered Return Receipt Requested :

Great Western Drilling Company  
Box 191  
Lubbock, Texas

Phillips Petroleum Company  
Box 2105  
Hobbs, New Mexico

Standard Oil Company of Texas  
McClintock Building  
Midland, Texas

cc's: Henry Bright  
Box 988  
Eunice, New Mexico

Oil Conservation Commission  
Box 2045  
Hobbs, New Mexico  
Attn: Mr. A. L. Porter, Jr.

OIL CONSERVATION COMMISSION  
HOBBS, NEW MEXICO  
MAIN OFFICE OCC

1956 MAR 12 AM 8:37

*W. M. Macey*

March 9, 1956

Mr. John P. McNaughton  
Neville G. Penrose, Inc.  
1813 Fair Bldg.  
Ft. Worth, Texas

Re: Exception to Rule 309

Dear John:

I have discussed your letter of March 8th relative to your Scharbauer #1 with Mr. Macey, Director of the Commission, and he advises that it will not be possible for the Commission to waive the necessity for your compliance with Commission Rule 309. It will therefore be necessary for you to apply to the Commission for a hearing immediately. It might be possible to expedite matters if you request an examiner hearing at the Hobbs office.

Yours very truly,

OIL CONSERVATION COMMISSION

*A. L. Porter, Jr.*  
A. L. Porter, Jr.  
Proration Manager

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ALP/hs  
cc: Mr. W. B. Macey  
P. O. Box 871  
Santa Fe, New Mexico