

MAIN OFFICE 600
AUG 13 3 PM 2:52

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

IN RE THE MATTER OF THE APPLICATION)
OF SKELLY OIL COMPANY FOR AN EX-)
CEPTION TO RULE 303 TO PERMIT COMM-)
INGLING OF CRUDES FROM THE LANGLE-)
MATTIX OIL POOL AND FROM AN UNDE-)
SIGNATED BLINEBRY OIL POOL ON APP-)
LICANT'S R. R. SIMS LEASE.)

Case No. 1754

APPLICATION

TO: THE HONORABLE OIL CONSERVATION COMMISSION OF THE STATE OF NEW MEXICO

Comes now the applicant, Skelly Oil Company, and respectfully alleges and states as follows:

1. That it is the owner and operator of its R. R. Sims Lease, which consists of the W/2 SW/4 and NE/4 SW/4 Section 3, Township 23 South, Range 37 East, Lea County, New Mexico.
2. That there is no diversity of royalty ownership underlying the above described lease.
3. Applicant has recently recompleted its R. R. Sims Well No. 7, located 2200' from the south and west lines of said Section 3, as an oil well in an undesignated Blinebry Oil Pool and said well is capable of producing around 10 BOPD.
4. That applicant proposes to commingle production from Well No. 7 into common tankage with Wells Nos. 2, 5 and 6, which are capable of producing around 9 BOPD from the Langlie-Mattix Oil Pool.
5. That in view of the smallness of production from each pool far below the top per well allowable and the cost of installing a separate tank battery for each pool or a separate metering, it would be so greatly disproportionate to the revenue produced by said well as to work an undue financial hardship.
6. That adequate periodic testing will be undertaken enabling accurate

GILBERT, WHITE AND GILBERT
ATTORNEYS AT LAW
SANTA FE, NEW MEXICO

Worshet
Mailed
8-14-59
JW

GILBERT, WHITE AND GILBERT
ATTORNEYS AT LAW
SANTA FE, NEW MEXICO

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29

production records by pools to be maintained.

7. Attached hereto marked Exhibit "A" and made a part hereof by reference is a plat which shows the location of applicant's R. R. Sims Lease, well locations, flow lines and tank battery location, and offset operators.

8. That attached hereto marked Exhibit "B" and made a part hereof by reference is a diagramatic sketch, which shows the proposed method of testing and storage of the production produced.

9. That the Commission should permit hereafter such commingling in the two above mentioned pools by operators without the necessity of a hearing but by administrative approval from the Director upon the filing of certain necessary and required information and the giving of notice to all operators or owners of leases offsetting the tract upon which the wells are located.

WHEREFORE, applicant prays that this application be set for hearing, that notice be given as required by law, and that upon the evidence adduced the Commission issue an Order permitting applicant to commingle its production from the Langlie-Mattix and undesignated Blinebry Oil Pool underlying its R. R. Sims Lease, Lea County, New Mexico, as more fully set out in this application, and to provide for administrative approval upon certain requirements of wells hereafter completed in these two pools.

not necessary

SKELLY OIL COMPANY

BY GEORGE W. SELINGER

BY 
L. C. White