

OIL CONSERVATION COMMISSION

BOX 2045

HOBBS, NEW MEXICO

DATE Nov. 20, 1956

MR. W. B. MACEY
OIL CONSERVATION COMMISSION
P. O. BOX 871
SANTA FE, NEW MEXICO

RE: ~~PROPOSED ORDER NO. XXXX~~ Exception to Rule 309 (a)

Dear Mr. Macey:

I have examined the application for dual completion dated 11/13/56
for Leonard Nichols Phillips State & Lexco leases 2-17-32
Operator Lease Name Well No. Unit S-T-R

and my recommendations are as follows:

O.K.---J.W.R.

Cominling O.K., but he failed to mention status of #3 Phil-State carried on
schedule @ 36 BOPD

Yours very truly,

OIL CONSERVATION COMMISSION

E. J. Fischer
Engineer-District 1

cc-000-111111
11/10/56
11/10/56

LEONARD NICHOLS
OIL PRODUCER
901 MERCANTILE SECURITIES BUILDING
Dallas 1, Texas
November 13, 1956

FIG. 4 Rule 309
Law 12/10/56

Oil Conservation Commission
Box 871
Santa Fe, New Mexico

Gentlemen:

Please accept this letter as my request submitted in triplicate seeking permission to commingle production into common storage from the two oil leases as follows:

Two wells, one known as the Phillips-State No. 1 located in the SE/4 SW/4 and one well known as the Phillips-State No. 2 located in the NE/4 SW/4;

One well known as the Lexco No. 1 located in the SW/4 SE/4;

Both leases are located in Sec. 2-17S-32E, Roberts Pool, Lea County, New Mexico, and both are No. B-3610, state owned, with no overrides or oil payments payable out of either.

Plat showing acreage involved, exact location of all three wells and the ownership of the direct offsetting leases is enclosed.

My reason for seeking permission to commingle this production is that all three of these wells are making only about 18 barrels of oil per day, one makes about two, another about six and another about 10. I have three 210 tall storage tanks located on the lease in the SW/4 of Sec. 2, and I use one of these tanks for a settling tank. On the lease located in the SE/4 I have two 210 tanks for just the one well. Therefore, I would like to produce the oil from all three wells into the storage tanks located on the SW/4 of Sec. 2, thus eliminating as much cost as possible.

Direct offsetting owners of oil and gas leases are Phillips Petroleum Company, Bartlesville, Oklahoma and Barney Cochran, Artesia, New Mexico, and copies of letters notifying them of my request are enclosed.

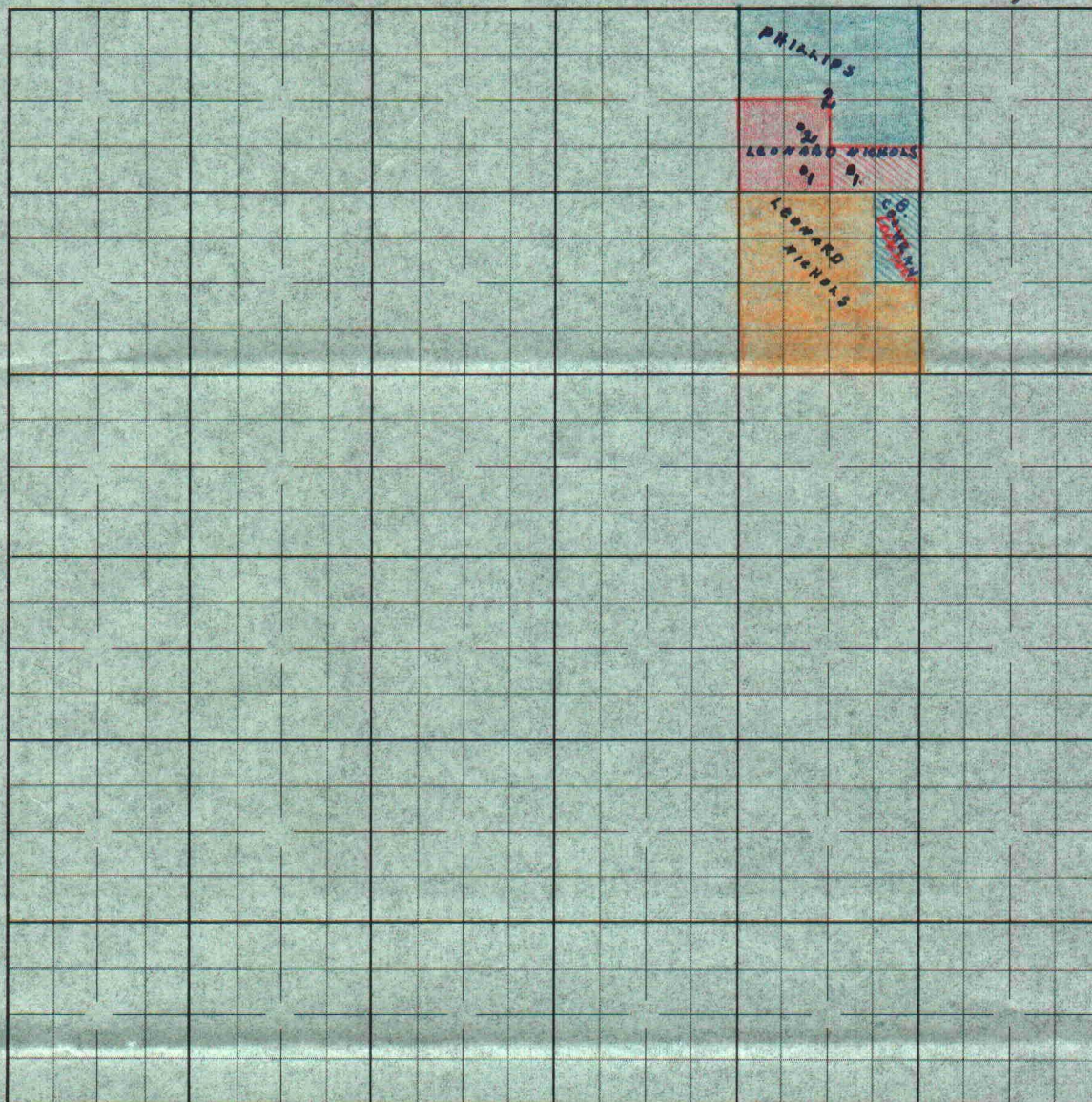
If the above does not answer your requirements sufficiently, please advise.






Yours very truly,


Leonard Nichols

LN/esg
Encls:
CC: State Land Office
Santa Fe, New Mexico

TOWNSHIP	17S	RANGE	32E	COUNTY	Lea	STATE	New Mexico
REMARKS:	Roberts Pool					COMPANY	Leonard Nichols
	Phillips-State Lease Wells # 1-2						901 Mercantile Securities Bldg.,
	Lexco Lease Well # 1						Dallas 1, Texas



-  Lexco Lease No. B-3610 Well # 1
-  Phillips-State Lease No. B-3610 Wells # 1-2
-  Phillips Petroleum Co. Leases
-  Barney Cochran *Cochran*
-  Leonard Nichols Leases

Insert

Color Page/Photo

Here

November 16, 1956

Mr. Leonard Nichols
901 Mercantile Securities Bldg
Dallas 1, Texas

Dear Mr. Nichols:

With reference to your letter of November 13, 1956 setting forth your request of the Oil Conservation Commission for permission to commingle oil produced from two of your wells located in the SW $\frac{1}{4}$ SW $\frac{1}{4}$ and the NW $\frac{1}{4}$ SW $\frac{1}{4}$ and the SW $\frac{1}{4}$ SE $\frac{1}{4}$ all of Section 2-17N-32E, Roberts Pool, Lea County, New Mexico, and I being the owner and operator (J. C. Watson Drilling Company) of E $\frac{1}{2}$ NW $\frac{1}{4}$ Section 11-17N-32E in the same pool, wish to advise you, that ~~we~~^{you} ~~will~~^{able} heartily support and permission in obtaining permission from the Oil Conservation Commission to commingle oil produced from the two wells in question.

If I can be of further assistance to you, please write me.

Yours very truly,

HARVEY COOKBURN



CC: Oil Conservation Commission,
Santa Fe and Hobbs, New Mexico

Refer reply to:
Oil & Gas Royalty Div.

November 15, 1956

C
O
P
Y

Leonard Nichols
901 Mercantile Securities Bldg.
Dallas 1, Texas

Gentlemen:

Permission is hereby granted to commingle production into common storage from three oil wells having a common lease No. B-3610. Descriptions as follows:

Phillips State #1 --- NE/4 SW/4 --- Sec. 2-17S-32E

Phillips State #2 ---NE/4 SW/4 ----Sec. 2-17S-32E

Lexco State #1 --- SW/4 SE/4 --- Sec. 2-17S-32E

All three wells have a common beneficiary Institution, that being the Common Schools.

Very sincerely yours,

E. S. WALKER
COMMISSIONER OF PUBLIC LANDS

LC:ESW:bt

November 13, 1956

State Land Commissioner
State Land Office
Santa Fe, New Mexico

Dear Sir:

Enclosed you will find copy of my letter to New Mexico Oil Conservation Commission requesting permission to commingle production from separate state leases into common storage.

I believe it is necessary that I furnish the Oil Conservation Commission a letter of approval from you before they can grant me this request.

It will be greatly appreciated if you will approve of my request and advise me of same.

Yours very truly,

Leonard Nichols

LN/esg

Encls: 1

CC: Oil Conservation Commission ✓
Santa Fe, New Mexico

LEONARD NICHOLS

OIL PRODUCER

901 MERCANTILE SECURITIES BUILDING

Dallas 1, Texas

November 13, 1956

Cochran
Mr. Barney Cochran
Artesia, New Mexico

Dear Mr. Cochran:

I am requesting permission from the State and the Oil Conservation Commission to commingle oil produced from two of my wells located in the SE/4 SW/4 and the NE/4 SW/4 and from one well located in the SW/4 SE/4 all in Sec. 2-17S-32E, Roberts Pool, Lea County, New Mexico.

As you know, it is the rule that I notify all off set operators to these properties of my request, and from my records it appears that you are the owner of all of the E/2 NE/4 Sec. 11-17S-32E, Roberts Pool, Lea County, New Mexico.

I will appreciate it greatly if you will let me have your opinion as to whether you approve or disapprove of my request to commingle this oil.

Thank you very much for your cooperation in this matter.

Yours very truly,

Leonard Nichols
Leonard Nichols

LN/esg

✓ CC: Oil Conservation Commission
Santa Fe, New Mexico

LEONARD NICHOLS

OIL PRODUCER

901 MERCANTILE SECURITIES BUILDING

Dallas 1, Texas

November 9, 1956

Phillips Petroleum Company
Oil and Gas Lease Department
Bartlesville, Oklahoma

Gentlemen:

I am requesting permission from the State and the Oil Conservation Commission to commingle oil produced from two of my wells located in the SE/4 SW/4 and the NE/4 SW/4 and from one well located in the SW/4 SE/4 all in Sec. 2-17S-32E, Roberts Pool, Lea County, New Mexico.

As you know, it is the rule that I notify all offset operators to these properties of my request, and from my records, it appears that you are the owner of all of the N/2 and the N/2 of the SE/4 of Sec. 2-17S-32E, Roberts Pool, Lea County, New Mexico.

I will appreciate it greatly if you will let me have your opinion as to whether you approve or disapprove of my request to commingle this oil.

Thank you very much for your cooperation in this matter.

Yours very truly,


Leonard Nichols

LN/esg

CC: Oil Conservation Commission ✓
Santa Fe, New Mexico