

**OIL CONSERVATION COMMISSION**

**P. O. BOX 871**

**SANTA FE, NEW MEXICO**

**June 7, 1963**

**Skelly Oil Company  
Box 1650  
Tulsa, Oklahoma**

**Attention: Mr. George W. Selinger**

**Administrative Order OLS-12**

**Gentlemen:**

Reference is made to your letter of May 24, 1963, wherein you request administrative authority for the off-lease storage of Gallup production from your Navajo "P" comprising the S/2 of Section 25 and the S/2 of Section 26 and all of Sections 35 and 36, Township 32 North, Range 17 West on your Navajo "M" Lease in a tank battery to be located in the NW/4 of Section 34.

Skelly Oil Company is hereby authorized the aforesaid off lease facilities for said lease provided that there shall be no intercommunication of the handling, separating, treating, or storage facilities of this and any other lease.

**Very truly yours,**

**A. L. PORTER, Jr.,  
Secretary-Director**

**ALP/DSN/og**

**cc: Oil Conservation Commission -Mtec**

SANTA FE NEW MEXICO

14-00000



100 NEW **SKELLY OIL COMPANY** 17

**TULSA 2, OKLAHOMA**

**PRODUCTION DEPARTMENT**

C. L. BLACKSHER, VICE PRESIDENT

W. P. WHITMORE, MGR. PRODUCTION

W. D. CARSON, MGR. TECHNICAL SERVICES

ROBERT G. HILTZ, MGR. JOINT OPERATIONS

GEORGE W. SELINGER, MGR. CONSERVATION

May 23, 1963

Re: Off Lease Storage  
Navajo "P" and "M" Leases  
San Juan County, New Mexico

VIA AIR MAIL

Mr. A. L. Porter, Jr.  
New Mexico Oil Conservation Commission  
Box 871  
Santa Fe, New Mexico

Dear Mr. Porter:

Request is respectfully made for permission to store off lease from which oil is produced on our Navajo "P" Lease Section 35, T32N-R17W and our Navajo "M" Lease Section 34, T32N-R17W.

Attached hereto is a copy of a letter from USGS approving such off lease storage. Also, a letter indicating the necessity for same and a plat.

Your approval is on a term basis pending a hearing before the Commission to make the approval permanent.

Very truly yours,

*George W Selinger*

GWS:as



UNITED STATES  
DEPARTMENT OF THE INTERIOR  
GEOLOGICAL SURVEY

P. O. Drawer 1857  
Roswell, New Mexico

May 17, 1963

Skelly Oil Company  
P. O. Drawer 510  
Farmington, New Mexico

Attention: Mr. J. W. George

Gentlemen:

Your letter of May 9 requests approval to place storage facilities for wells drilled on your Navajo "P" lease in sec. 35, T. 32 N., R. 17 W., N.M.P.M., San Juan County, New Mexico, Navajo lease 14-20-600-3540, on sec. 34, T. 32 N., R. 17 W., N.M.P.M., Navajo lease 14-20-603-5013.

Your letter states that such off lease storage would make a pipeline connection more economical and would facilitate operations due to terrain.

The method you propose for off lease storage facilities on the Navajo "P" lease is hereby approved subject to like approval by the appropriate officials of the State of New Mexico.

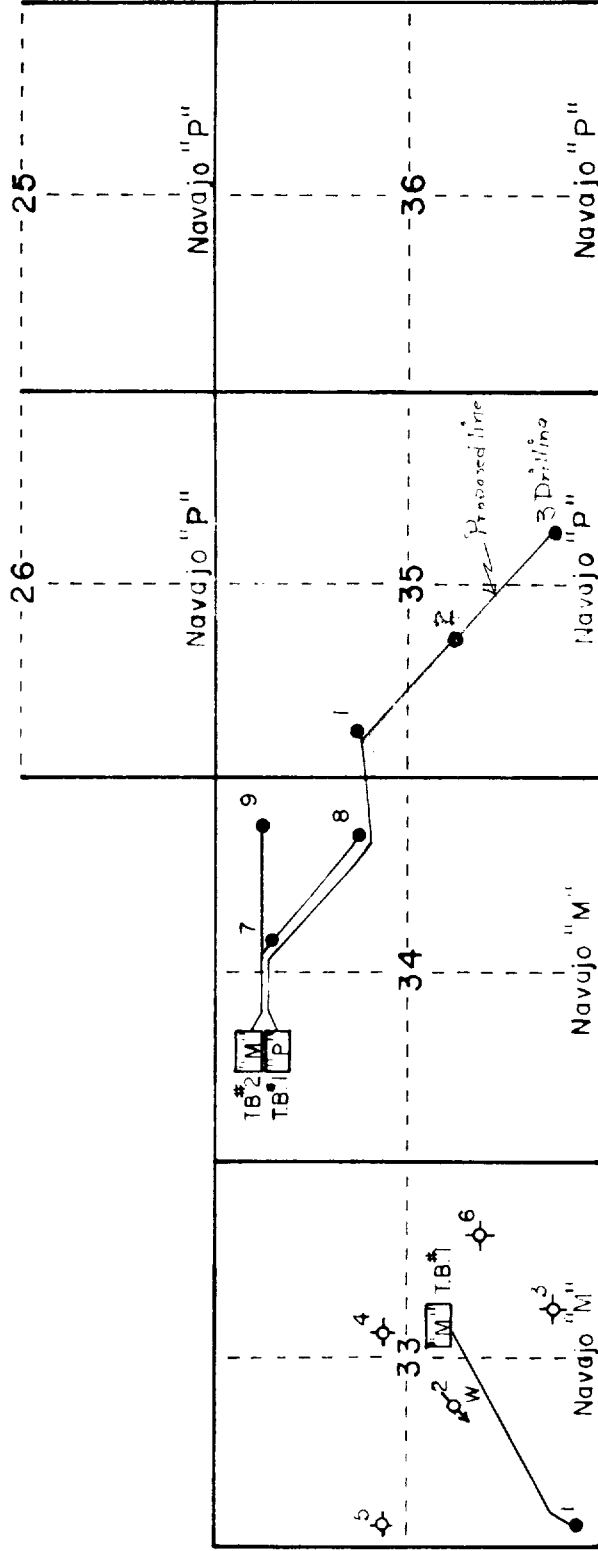
Very truly yours,

JOHN A. ANDERSON  
Regional Oil and Gas Supervisor

JSA \_\_\_\_\_  
 MIA \_\_\_\_\_  
 FBI \_\_\_\_\_  
 EIR \_\_\_\_\_  
 DATE 3-19-63  
 HOW \_\_\_\_\_  
 CRN \_\_\_\_\_

WA/mje  
 Attach:  
 cc: Mr. H. E. Ash

# SKELLY OIL COMPANY



Scale 2" = 1 mile

T-32-N, R-17-W

San Juan County, New Mexico

5/9/63

Revised 5-21-63  
S-21-63 NEA



**CITIES SERVICE OIL COMPANY**

BARTLESVILLE, OKLAHOMA

May 31, 1963

Mr. A. L. Porter, Jr.  
New Mexico Oil Conservation Commission  
P. O. Box 871  
Santa Fe, New Mexico

RE: Application of Skelly Oil Company  
for off-lease storage, Navajo "M"  
Lease, Navajo "P" Lease, San Juan  
County, New Mexico

Dear Mr. Porter:

This is to advise that Cities Service Oil Company has no objection to the request of the Skelly Oil Company for permission to store off-lease oil, which is produced from the Navajo "P" lease, storing such oil on the Navajo "M" Lease, and recommends that the request be granted. This company has a 50 per cent working interest in these properties.

It is our opinion, also, that this request qualifies under Rule 309-C for administrative approval. However, if a hearing should be required in the matter, it is urged that temporary approval be granted pending final decision by the Commission.

Very truly yours,

R. E. Adams  
Chief Proration Engineer

sjl

cc Mr. George W. Selinger - Tulsa  
Mr. H. E. Aab - Hobbs  
Mr. J. E. Embry - 206



# SKELLY OIL COMPANY

P. O. Box 1650  
TULSA 2, OKLAHOMA

## PRODUCTION DEPARTMENT

C. L. BLACKSHER, VICE PRESIDENT

W. P. WHITMORE, MGR. PRODUCTION

W. D. CARSON, MGR. TECHNICAL SERVICES

ROBERT G. HILTZ, MGR. JOINT OPERATIONS

GEORGE W. SELINGER, MGR. CONSERVATION

May 24, 1963

VIA AIR MAIL

Re: Off Lease Storage  
Navajo "M" Lease, All Sections 33  
and 34-32N-17W  
Navajo "P" Lease, S/2 Section 25,  
S/2 Section 26, All Sections  
35 and 36-32N-17W  
San Juan County, New Mexico

Mr. A. L. Porter, Jr. (3)  
New Mexico Oil Conservation Commission  
P. O. Box 871  
Santa Fe, New Mexico

Dear Mr. Porter:

This is to supplement my letter of May 23, 1963, requesting temporary approval pending a hearing for permission to permit production from one lease to be transported prior to measurement to another lease for storage thereon.

Upon further examining this matter, it is felt that this qualifies under Rule 309-C for administrative approval. We, therefore, respectfully request administrative approval, under Rule 309-C for an exception to Rule 309-A, for permission to store off lease oil which is produced from our Navajo "P" lease, on our Navajo "M" lease. In furtherance of this request, the following information is submitted:

1. All production from each lease is from the Gallup formation.
2. Commingling of production from the two leases will not result.
3. There will be no inter-communication of the handling, separating, treating, or storage facilities designated to each lease.
4. The interest on each of the leases is identical, with Skelly Oil Company and Cities Service each owning 50% working interest under the same operating agreement. Both leases are Departmental Indian leases and attached are copies of a letter from the Department of Interior indicating their approval.

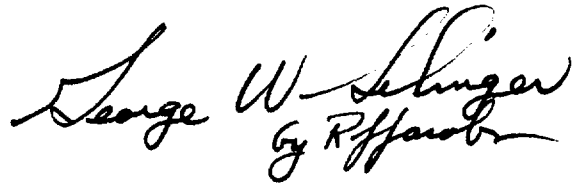


Mr. A. L. Porter, Jr.  
May 24, 1963  
Page 2

By carbon copy of this letter, being sent by certified mail return receipt requested, we are notifying Cities Service Petroleum Company of our request in this matter.

If for some reason it is felt that this does not qualify for administrative approval under Rule 309-C, please set this matter down for hearing. If a hearing is necessary, please set it for an Examiner Hearing the second week of July, as we plan to have other matters before the Commission at that time.

Yours very truly,



George W. Schinger  
By R. F. Fawcett

RJJ:br

cc - Certified Mail Return Receipt Requested  
Cities Service Petroleum Company  
Box 97  
Hobbs, New Mexico