

# OLSEN OILS, INC.

R. OLSEN, PRESIDENT  
HOWARD OLSEN, EXEC. VICE-PRES.  
L. F. RENEGAR, VICE-PRES. & OFFICE MGR.  
F. J. SANDNES, TREAS. JRER  
E. D. HARDWICK, SECRETARY

*Oil Producer*  
2808-14 LIBERTY BANK BUILDING  
OKLAHOMA CITY 2, OKLAHOMA

4 55

BRANCH OFFICE  
JOHNNIE FRENCH, PRODUCTION SUPT.  
JAL, NEW MEXICO

August 4, 1964

New Mexico Oil Conservation Commission  
P. O. Box 871  
Santa Fe, New Mexico

Attention: Mr. A. L. Porter, Jr.  
Secretary-Director

In Re: Commingling Application  
Olsen-Stuart #1, Justis Pool  
NE SW Section 11-25S-37E  
Lea County, New Mexico

Gentlemen:

Olsen Oils, Inc. respectfully requests administrative approval for an exemption to Rule 303(a) to permit the commingling of production from the Justis Blinebry pool and the Justis Tubb-Drinkard pool on its Olsen-Stuart lease which consists of forty (40) acres described as the NE SW Section 11-25S-37E, Lea County, New Mexico.

The following information is submitted for your consideration on this application:

1. Ownership for the Blinebry and Tubb-Drinkard zones are identical,
2. The commingling facilities will utilize the subtraction method and will be in accordance with the applicable provisions of the Commission "Manual for the Installation and Operation of Commingling Facilities",

3. The Justis Blinebry zone will be metered,
4. The commercial value of the commingled production will be the same as the sum of the values of the production from each of the separate zones,
5. There are no present producing wells on this lease and the producing facilities will only serve the Olsen-Stuart #1 Justis-Blinebry and Justis-Drinkard zones,
6. By granting this commingling application, the operator will greatly reduce production facility costs connected therewith,
7. Similar metering production facilities have been approved by the Commission on Texas Pacific Oil Company, Langlie "B" well in the SW/4 NE/4 Section 11, Township 25 South, Range 37 East, Lea County, New Mexico.

Attached to this application is a plat of the subject lease. A schematic drawing of the proposed commingling installation and comparative costs of the separate and commingled production.

In view of these facts, Olsen Oils, Inc. respectfully requests that this application be approved in order to provide for the most efficient and economical operation of this lease.

Yours very truly,

OLSEN OILS, INC.

BY: 

L. F. Renegar

LFR:kz

DOMESTIC SERVICE	
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TELEGRAM	
DAY LETTER	
NIGHT LETTER	

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# WESTERN UNION TELEGRAM

1206 (4-55)

W. P. MARSHALL, PRESIDENT

INTERNATIONAL SERVICE	
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FULL RATE	
LETTER TELEGRAM	
SHORE-SHIP	

NO. WDS.-CL. OF SVC.	PD. OR COLL.	CASH NO.	CHARGE TO THE ACCOUNT OF	TIME FILED
	COLLECT			11:50

Send the following message, subject to the terms on back hereof, which are hereby agreed to

AUGUST 19, 1964

OLSEN OILS INC.  
2811 LIBERTY BANK BUILDING  
OKLAHOMA CITY, OKLAHOMA

ADMINISTRATIVE ORDER PC-224 SIGNED AUGUST 19, APPROVES COMMINGLING BLINEBRY AND TUBB DRINKARD PRODUCTION, OLSEN-STUART LEASE AFTER SEPARATELY METERING BLINEBRY PRODUCTION.

A. L. PORTER, Jr.,  
SECRETARY-DIRECTOR  
OIL CONSERVATION COMMISSION

CLASS OF SERVICE
This is a fast message unless its deferred character is indicated by the proper symbol.

# WESTERN UNION TELEGRAM

W. P. MARSHALL, PRESIDENT

SYMBOLS
DL=Day Letter
NL=Night Letter
(31) • onal-telegram

1201 (4-60)

The filing time shown in the date line on domestic telegrams is LOCAL TIME at point of origin. Time of receipt is LOCAL TIME at point of destination

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A L PORTER JR=

NEW MEXICO OIL CONSERVATION COMMISSION SANTAFE NMEX=

PLEASE ADVISE COLLECT WIRE WHEN WE MAY EXPECT  
APPROVAL COMMINGLE OUR OLSEN-SUTART WELL. APPLICATION  
YOUR OFFICE. THANKS=

OLSEN OILS INC 2811 LIBERTY BANK BLDG=

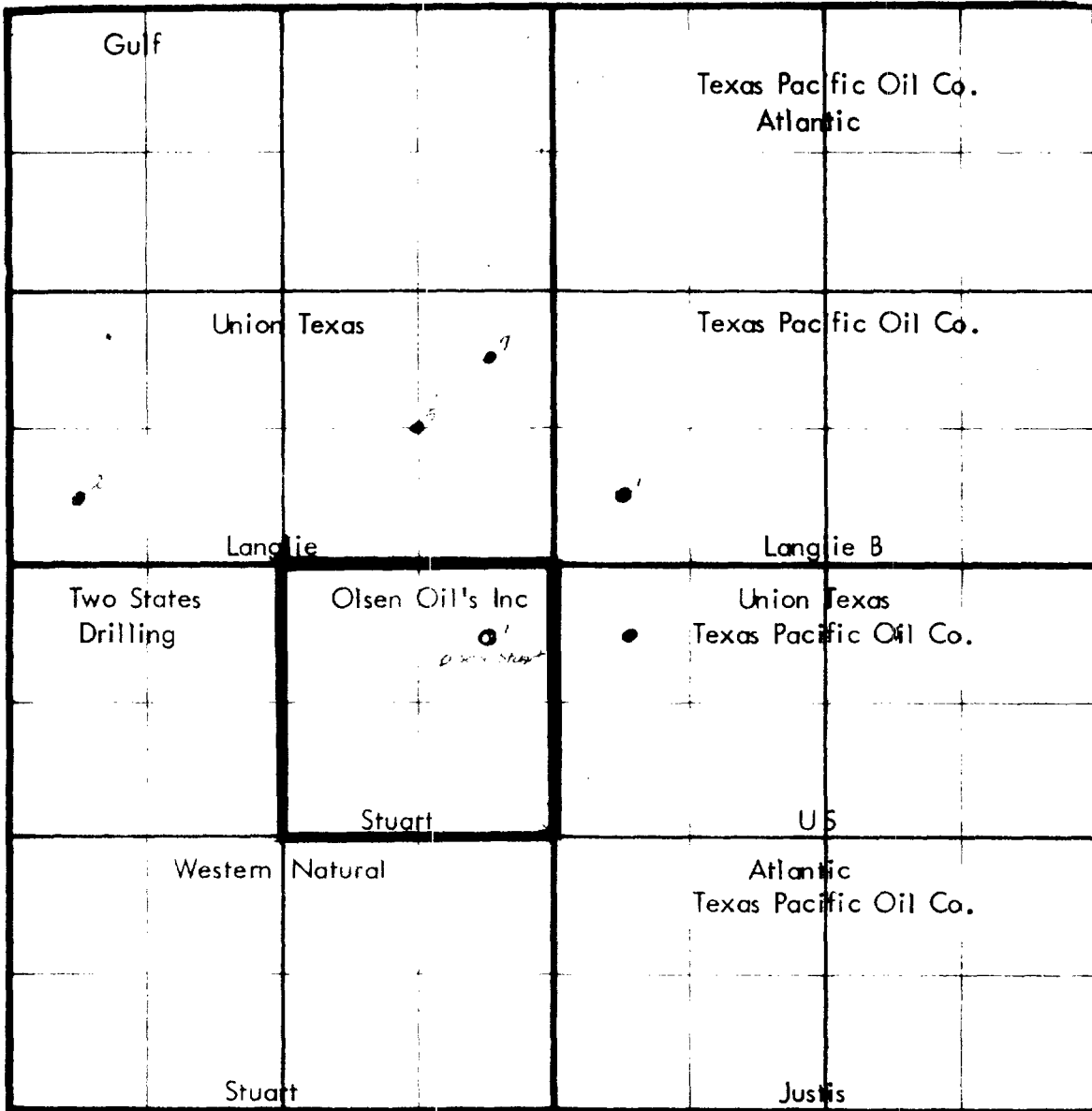
2811 LIBERTY BANK BLDG  
1964 AUG 19 AM 11:50

OFFICE REC

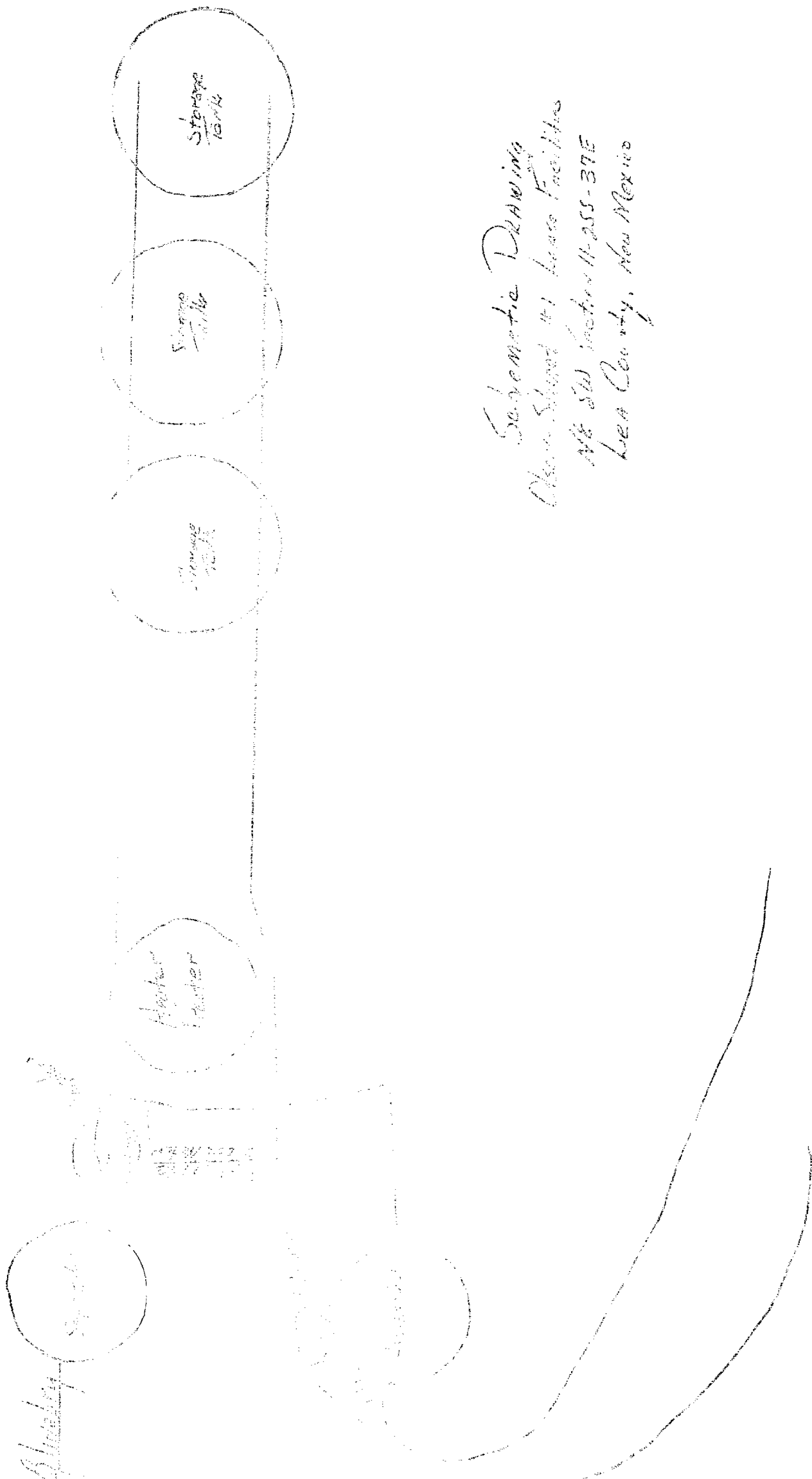
# SECTION PLAT

Lea County, State of New Mexico

Section 11 Township 25-S Range 37-E  
NORTH



North  
↑



Schematic Drawing  
Chem. Storage & Lease Facilities  
NE SW Section 14-25-37E  
Lea County, New Mexico

COMPARATIVE COSTS OF LEASE FACILITIES AT OLSEN-STUART  
 #1 WELL IN NE SW SECTION 11-25S-37E, LEA COUNTY,  
 NEW MEXICO

	SEPARATE Est.	COMMINGLED
Tanks	\$ 4 800.00	\$ 3 600.00
Heater Treater	4 936.00	2 468.00
Separators	721.00	721.00
Setting tank battery, hook up, build fence around battery and pit, paint battery, etc.	2 187.74	1 537.74
Line Pipe and Connections	2 230.45	1 530.45
	<u>\$14 154.19</u>	<u>\$ 9 857.19</u>