

BEFORE THE OIL CONSERVATION COMMISSION OF THE STATE
OF NEW MEXICO

IN THE MATTER OF THE APPLICATION
OF SKELLY OIL COMPANY FOR AN EXCEPTION
TO RULE 303 TO PERMIT COMMINGLING OF
CRUDES FROM THE DRINKARD OIL POOL AND
THE TUBB GAS POOL ON APPLICANT'S STATE "K"
LEASE.

No. *1885*
[Signature]

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 State "K" lease, which
consists of the N/2 NW/4 Section 32, Township 21 South, Range 37 East, Lea
County, New Mexico.

2. That there is no diversity of royalty ownership underlying the
above described lease.

3. That the applicant has recently dual completed its State "K"
Well No. 3 as a Tubb Gas Well, which is also producing around 4 barrels of
distillate per day.

4. That applicant proposes to commingle oil from the Tubb gas pay
from well No. 3 into common tankage with Drinkard oil production from wells
No. 3 and 4, which are capable of making 33 BOPD from the Drinkard Oil Pool.

5. That adequate testing facilities will be installed to enable
accurate well testing, thereby, enabling accurate production records by
pools to be maintained.

6. Attached hereto marked EXHIBIT "A" and made a part hereof by
reference is a plat which shows the location of applicant's State "K" lease,
well locations, flow lines and tank battery location, and offset operators.

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


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

Robert M. White
1-18-60
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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 pro-
duction from the Drinkard Oil Pool and the Tubb Gas Pool underlying its
State "K" lease, Lea County, New Mexico, as more fully set out in this
application.

GILBERT, WHITE AND GILBERT

By 
L. C. White