

Case 1902

KENNETH MURCHISON & COMPANY
INSURANCE
TEXACO BUILDING
1512 COMMERCE STREET
DALLAS, TEXAS

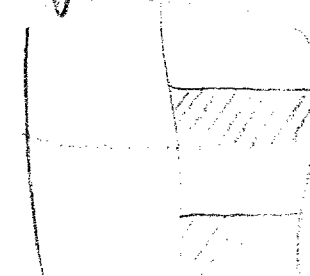
MAIL ADDRESS
P. O. BOX 176
DALLAS 21
TELEPHONE
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1, February, 1960

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

Re: Lease #NM-036255-A
S/2 SE/4, Sec. 3, T25N, R12W
Lease #NM-036255-B
S/2 NE/4, Sec. 3, T25N, R12W
San Juan County, New Mexico

not eligible
for admission
approval



not
contiguous

Dear Mr. Porter:

This is our application for permission to co-mingle oil production with respect to above described lease acreage. Applicant, as operator, makes this application for himself and the owners of interests in such property.

The owners of interests in such described leasehold properties are:

Operating Rights or Working Interest:

Kenneth Murchison	Undivided 1/4 of 80.4375%
E. W. Mudge, Jr.	Undivided 1/4 of 80.4375%
J. A. Humphrey	Undivided 1/4 of 80.4375%
Delhi-Taylor Oil Corp.	Undivided 1/4 of 80.4375%

Royalty Interest:

United States of America	12 1/2%
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Overriding Royalty (Non-convertible):

Marie Helene Weill	1/8 of 1/36 of 3 1/2%
Myron Lidell	1/8 of 1/36 of 3 1/2%
William Dubilier and Florence D. Dubilier, joint tenants with the right of survivorship	1/4 of 1/36 of 3 1/2% plus 1/4 of 1/72 of 3 1/2%
George Bigar	1/4 of 1/36 of 3 1/2% 1/8 of 1/36 of 3 1/2%

Doublet
Mailed
2-15-60
JW

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Robert D. Aaronson	$\frac{1}{4}$ of $\frac{1}{36}$ of $3\frac{1}{2}\%$ plus
	$\frac{1}{8}$ of $\frac{1}{36}$ of $3\frac{1}{2}\%$
Wallace S. Karutz	$\frac{1}{8}$ of $\frac{1}{36}$ of $3\frac{1}{2}\%$ plus
	$\frac{1}{16}$ of $\frac{1}{36}$ of $3\frac{1}{2}\%$ plus
Charles D. Karutz and Lucy S. Karutz, joint tenants with the right of sur- vivorship	$\frac{1}{4}$ of $\frac{1}{36}$ of $3\frac{1}{2}\%$
Mrs. Olive Miller	$\frac{1}{32}$ of $\frac{1}{36}$ of $3\frac{1}{2}\%$
Stanley F. Zackarek	$\frac{1}{16}$ of $\frac{1}{36}$ of $3\frac{1}{2}\%$
Lewis Otersen	$\frac{1}{16}$ of $\frac{1}{36}$ of $3\frac{1}{2}\%$ plus
	$\frac{1}{8}$ of $\frac{1}{36}$ of $3\frac{1}{2}\%$
Daniel Alagna	$\frac{1}{16}$ of $\frac{1}{36}$ of $3\frac{1}{2}\%$
Alexander S. LoRe	$\frac{1}{8}$ of $\frac{1}{36}$ of $3\frac{1}{2}\%$
Albert Wilkes	$\frac{1}{16}$ of $\frac{1}{36}$ of $3\frac{1}{2}\%$
Benjamin J. Pienkowski and Helen G. Pienkowski, joint tenants with the right to survivorship	$\frac{1}{8}$ of $\frac{1}{36}$ of $3\frac{1}{2}\%$
Thomas M. Grodin and Minna Grodin, joint tenants with the right of survivorship	$\frac{3}{32}$ of $\frac{1}{36}$ of $3\frac{1}{2}\%$
Lawrence L. Iavalle	$\frac{1}{4}$ of $\frac{1}{36}$ of $3\frac{1}{2}\%$
W. Benton Harrison and Mildred P. Harrison, joint tenants with the right of survivorship	$\frac{1}{8}$ of $\frac{1}{36}$ of $3\frac{1}{2}\%$
Frank Jensis and Margaret Jensis, joint tenants with the right of survivorship	$\frac{1}{4}$ of $\frac{1}{72}$ of $3\frac{1}{2}\%$
Murray Langfelder	$\frac{1}{8}$ of $\frac{1}{72}$ of $3\frac{1}{2}\%$
Sam Kirschenbaum and Sarah Ada Kirschenbaum, joint tenants with the right of survivorship	$\frac{1}{8}$ of $\frac{1}{72}$ of $3\frac{1}{2}\%$
William V. Licht	$\frac{1}{4}$ of $\frac{1}{72}$ of $3\frac{1}{2}\%$
Leonard Bluestone	$\frac{1}{2}$ of $\frac{1}{72}$ of $3\frac{1}{2}\%$
Guy A. Weill	$\frac{1}{4}$ of $\frac{1}{72}$ of $3\frac{1}{2}\%$
Guy A. Weill, Custodian	$\frac{1}{2}$ of $\frac{1}{72}$ of $3\frac{1}{2}\%$
Marianne Weill Lester	$\frac{1}{4}$ of $\frac{1}{72}$ of $3\frac{1}{2}\%$
Myron Lidell and Nelly Lidell, joint tenants with the right of survivorship	$\frac{1}{4}$ of $\frac{1}{72}$ of $3\frac{1}{2}\%$
Stanley F. Zackarek and Ann Zackarek, joint tenants with the right of survivorship	$\frac{1}{16}$ of $\frac{1}{36}$ of $3\frac{1}{2}\%$

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Albert Wilkes and Tekla Wilkes, joint tenants with the right of survivorship	1/8 of 1/36 of $3\frac{1}{2}\%$
Sid Weiss	1/5 of 1/36 of $3\frac{1}{2}\%$
Morris Levine	1/5 of 1/36 of $3\frac{1}{2}\%$
William Levine	1/5 of 1/36 of $3\frac{1}{2}\%$
Harry Lipshy	1/5 of 1/36 of $3\frac{1}{2}\%$
Lewis Freed	1/5 of 1/36 of $3\frac{1}{2}\%$
Ralph Lowe	1/18 of $3\frac{1}{2}\%$
Hal C. Peck	1/18 of $3\frac{1}{2}\%$
J. F. Postelle	1/18 of $3\frac{1}{2}\%$
J. R. Martin	1/18 of $3\frac{1}{2}\%$
J. Ralph Stewart	1/18 of $3\frac{1}{2}\%$
C. B. Yarbrough	1/2 of 1/18 of $3\frac{1}{2}\%$
Katherine Yarbrough, former wife of C. B. Yarbrough	1/2 of 1/18 of $3\frac{1}{2}\%$
Leo A. Achtschin	1/36 of $3\frac{1}{2}\%$
Myrtle Connor, wife of F.T. Connor, deceased	1/72 of $3\frac{1}{2}\%$
Lee Etta Hedberg	1/72 of $3\frac{1}{2}\%$
W. H. Sloan	1/18 of $3\frac{1}{2}\%$
Jan H. Westerman	1/36 of $3\frac{1}{2}\%$
Robert Murray Fasken, Indep- endent Executor, Ancil- liary Executor and Trustee under the will of A. Fasken, deceased	1/36 of $3\frac{1}{2}\%$
Leah B. Downey, wife of F.J. Downey, deceased	3/72 of $3\frac{1}{2}\%$
P. O. Sill	1/72 of $3\frac{1}{2}\%$
Gerald Fitz-Gerald	1/36 of $3\frac{1}{2}\%$
Kathryn D. Ashby	1/36 of $3\frac{1}{2}\%$
Robert D. Duden	1/18 of $3\frac{1}{2}\%$
Reese Cleveland	1/18 of $3\frac{1}{2}\%$
Frank A. Schultz	1/18 of $3\frac{1}{2}\%$
R. M. Barron	1/18 of $3\frac{1}{2}\%$
Lewis C. Merrill	1/72 of $3\frac{1}{2}\%$
Robert Mims	2.0625%

Production Payment (Non-convertible)

Robert Mims

\$100.00 per acre, payable out of 1/4 of $1\frac{1}{2}\%$ of
production from the above captioned leases and
land and other leases

E. W. Mudge, Jr.

\$100.00 per acre, payable out of 1/8 of $1\frac{1}{2}\%$ of
production from the captioned leases and land
and other leases

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Betty Jean Mudge Stahl, whose husband is Ottis Stahl
\$100.00 per acre, payable out of 8/80 of $1\frac{1}{2}\%$ of
production from the captioned leases and land
and other leases

Wroe Owen
Perry Brooks Bldg., Austin, Texas
\$100.00 per acre, payable out of 1/80 of $1\frac{1}{2}\%$ of
production from the captioned leases and lands and
other leases

John A. Pace
Republic National Bank Building, Dallas, Texas
\$100.00 per acre, payable out of 1/80 of $1\frac{1}{2}\%$ of
production from the captioned leases and lands
and other leases

Gas Producers Corporation
\$100.00 per acre, payable out of 1/2 of $1\frac{1}{2}\%$ of
production from the captioned leases and lands
and other leases

This property was obtained from Shell Oil Company on a "checker-board" farm-out assignment and the property is not contiguous which caused the assignment of different lease numbers, otherwise, there would have been no question as to separate leases because the ownership, as shown above, is identical.

Applicant has installed a 24" x 10' Model IMS-124-10-125 1b. WP-1 Dump Barrel National Metering Separator to meter production from the NM-036255-B lease prior to co-mingling in common tankage as shown by the attached sketch. Both wells are producing from the Gallup Zone in the Bisti Extension Pool.

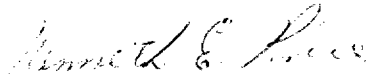
Applicant is enclosing the following additional information:

1. Waivers from adjoining lease owners.
2. Township map showing location of such properties.

If you require further information in order to grant approval, please advise.

Very truly yours,

KENNETH MURCHISON


By: Kenneth E. Price

KEP/lr

encl.