



SKELLY OIL COMPANY

Box 38, Hobbs, New Mexico

April 3, 1961

Re: Las Cruces "C" Well No. 1
SW/4, NE/4, Section 23-25S-37E
Lea County, New Mexico

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

Attention: Mr. A. I. Porter, Jr.

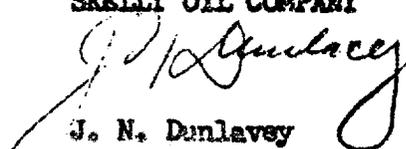
Gentlemen:

Attached please find three copies of an application to dually complete and commingle the production after separately metering the production on above captioned well. Also attached is a plat, a diagrammatic sketch of the well and tank battery.

The well will be dually completed in the Justis Blinbry and Justis Tubb-Drinkard pool.

Yours very truly,

SKELLY OIL COMPANY


J. N. Dunlavey

JND/ARB/e

Attachments:

cc: N. M. O. C. C., Hobbs, New Mexico
Texas Pacific Coal & Oil, Box 1688, Hobbs, New Mexico
Atlantic Refining Company, Box 871, Midland, Texas
Western National Gas, 823 Midland Tower Building, Midland, Texas
Anderson-Prichard Oil Corporation, Box 196, Midland, Texas

NEW MEXICO OIL CONSERVATION COMMISSION

SANTA FE, NEW MEXICO

7-3-58

APPLICATION FOR DUAL COMPLETION

Field Name Justis Whitney and Justis 9th District		County Lin	Date April 3, 1958
Operator Shelly Oil Company		Lease Las Cruces 49	Well No. 1
Location of Well	Unit 6	Section 23	Township 23-S
			Range 37-S

1. Has the New Mexico Oil Conservation Commission heretofore authorized the dual completion of a well in these same pools or in the same zones within one mile of the subject well? YES NO

2. If answer is yes, identify one such instance: Order No. **15-777**; Operator, Lease, and Well No.:

**Trans Pacific Coal & Oil
Whitney No. 3, Unit 6, Sec. 23, T-23-S, R-37-S.**

3. The following facts are submitted:	Upper Zone	Lower Zone
a. Name of reservoir	Justis Whitney	Justis 9th-District
b. Top and Bottom of Pay Section (Perforations)	3100' 3900' (estimated)	3700' 3970' (estimated)
c. Type of production (Oil or Gas)	OIL	OIL
d. Method of Production (Flowing or Artificial Lift)	Flow	Flow

4. The following are attached. (Please mark YES or NO)

- a. Diagrammatic Sketch of the Dual Completion, showing all casing strings, including size and setting, top of cement, perforated intervals, tubing strings, including diameters and setting depth, location and type of packers and side door chokes, and such other information as may be pertinent.
- b. Plat showing the location of all wells on applicant's lease, all offset wells on offset leases, and the names and addresses of operators of all leases offsetting applicant's lease.
- c. Waivers consenting to such dual completion from each offset operator, or in lieu thereof, evidence that said offset operators have been furnished copies of the application.*
- d. Electrical log of the well or other acceptable log with tops and bottoms of producing zones and intervals of perforation indicated thereon. (If such log is not available at the time application is filed, it shall be submitted as provided by Rule 112-A.)

5. List all offset operators to the lease on which this well is located together with their correct mailing address.

Trans Pacific Coal & Oil, Box 1400, Lubbock, Texas

Atlantic Refining Company, Box 671, Midland, Texas

Western National Gas, 209 Midland Tower Building, Midland, Texas

Andrew-Prichard Oil Corporation, Box 194, Midland, Texas

6. Were all operators listed in Item 5 notified and furnished a copy of this application? YES NO . If answer is yes, give date of such notification **April 3, 1958**.

CERTIFICATE: I, the undersigned, state that I am the **Dist. Mgr.** of the **Shelly Oil Company** (company), and that I am authorized by said company to make this report; and that this report was prepared under my supervision and direction and that the facts stated therein are true, correct and complete to the best of my knowledge.

J. J. [Signature]
Signature

* Should waivers from all offset operators not accompany an application for administrative approval, the New Mexico Oil Conservation Commission will hold the application for a period of twenty (20) days from date of receipt by the Commission's Santa Fe office. If, after said twenty-day period, no protest nor request for hearing is received by the Santa Fe office, the application will then be processed.

NOTE: If the proposed dual completion will result in an unorthodox well location and/or a non-standard perforation unit in either or both of the producing zones, then separate application for approval of the same should be filed simultaneously with this application.

Re: IN THE MATTER OF SKELLY OIL
COMPANY SEEKING ADMINISTRATIVE
APPROVAL FOR AN EXCEPTION TO
STATEWIDE RULE 303(a) AS PER-
TAINING TO COMMINGLING OF OIL
FROM POOLS AFTER SEPARATELY
METERING THE OIL PRODUCTION ON
APPLICANT'S LAS CRUCES "C" LEASE

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 Las Cruces "C" Lease, which consists of the SW/4 NE/4 Section 23, T-25-S, R-37-E, Lea County, New Mexico.
2. That there is no diversity of royalty ownership underlying the above described lease.
3. That the applicant is drilling one well which is to be dually completed in the Justis Blinbry oil pool and Justis Tubb-Drinkard oil pool.
4. That the applicant proposes to commingle production from the two pool after separate metering of the oil production from both pools.
5. That adequate testing facilities will be installed to accurate testing of the well and meters.
6. Attached hereto is a plat of the area showing the location of applicant's well and offset operators who has been notified with a copy of this request by registered mail.
7. Attached hereto is a diagrammatic sketch of the tank battery.
8. The Justis Blinbry pool is expected to produce 44 BOPD of 38.6° Gravity Crude which will sell for \$2.97 per barrel.
9. The Justice Tubb-Drinkard pool is expected to produced 44 BOPD of 41° Gravity Crude which will sell for 3.01 per barrel.
10. The commingled production is expected to be 88 BOPD of 39.8° Gravity Crude which will sell for 2.99 per barrel.
11. The price of the commingled crude will be the same as the total price of the separate crudes and will have a shorter weathering time.

Therefore, so that undue hardship will not be enforced, Skelly Oil Company requests that the Secretary of the Commission administratively grant an exception to Statewide Rule 303 (a), so as to permit commingling in common storage after separately metering the oil production from both pools.

Yours very truly,

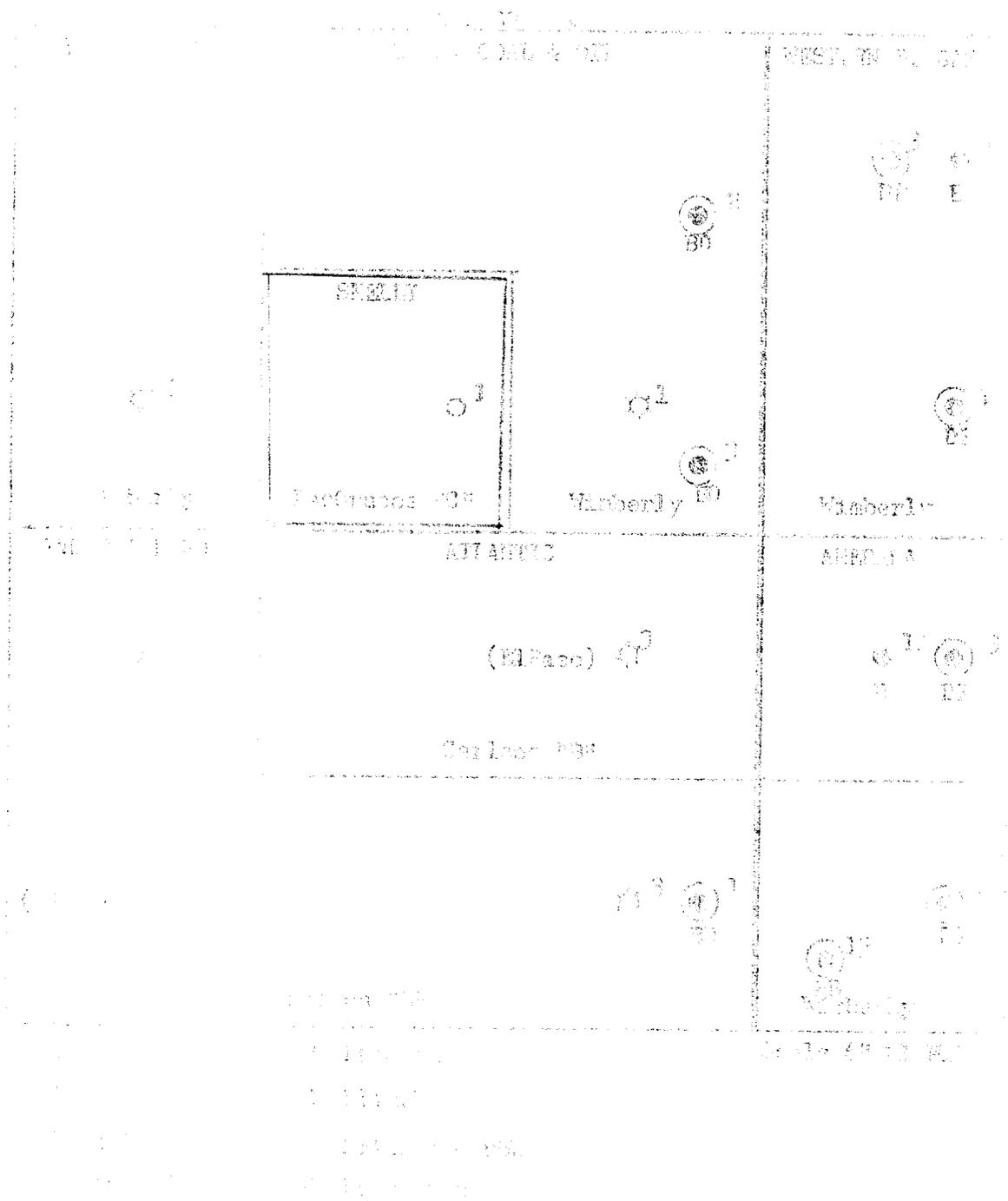
SKELLY OIL COMPANY

J. N. Dunlavy

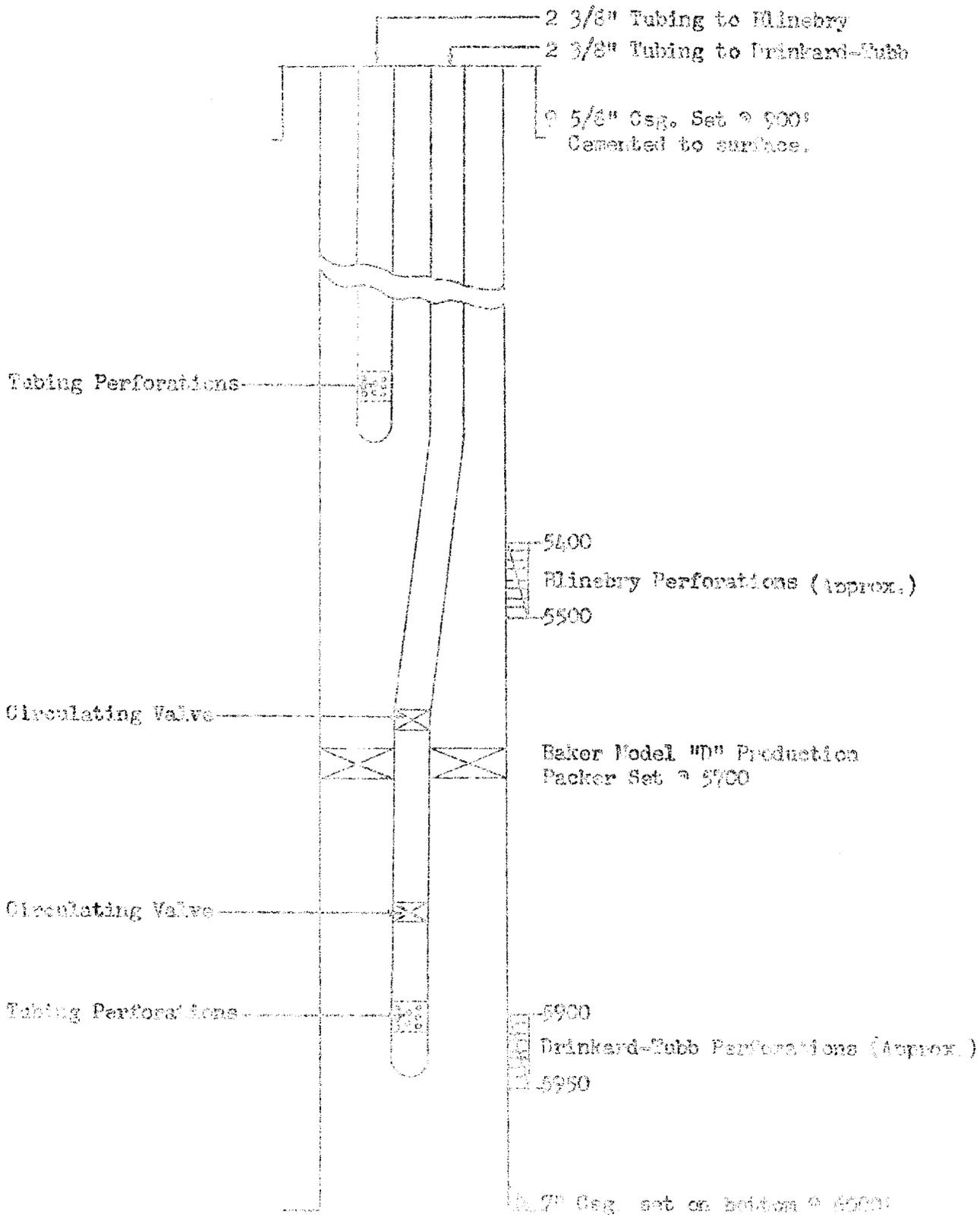
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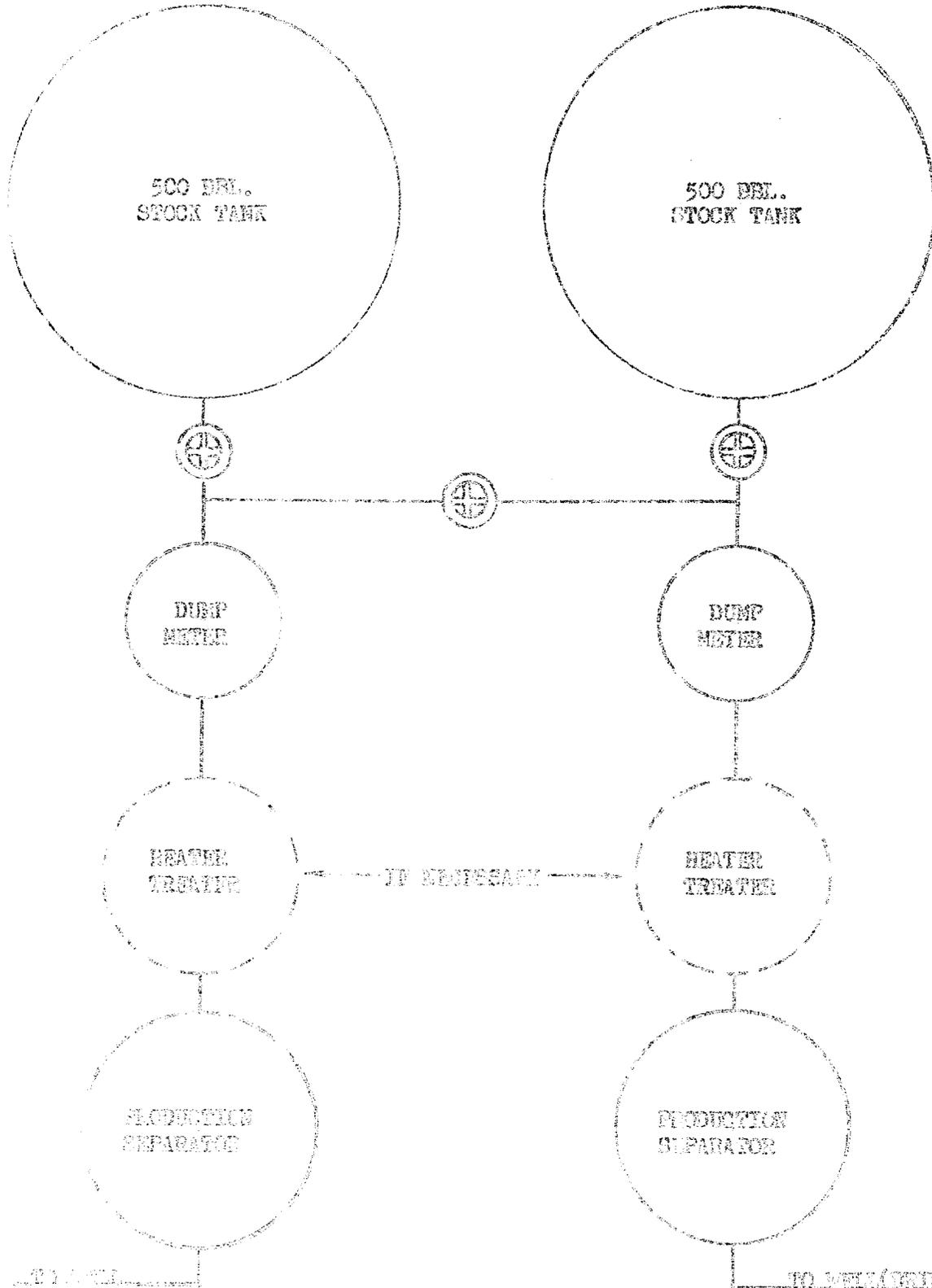
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Oil Crude Oil - Lease
 Section 23-1354-R378
 Lea County New Mexico
 Proposed Dual



DESIGN FOR THE
SECTION 23-1052-R37A
Lea County New Mexico
Proposed Tank Battery



(TO WELL (STOCK TANK)) (CUBIC)

(TO WELL (STOCK TANK)) (CUBIC)