

*Entered July 23, 1973  
A.S.P.*

BEFORE THE OIL CONSERVATION COMMISSION  
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING  
CALLED BY THE OIL CONSERVATION  
COMMISSION OF NEW MEXICO FOR  
THE PURPOSE OF CONSIDERING:

CASE NO. 5022  
Order No. R-4602

APPLICATION OF SKELLY OIL COMPANY  
FOR AN EXCEPTION TO RULE 104,  
LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on July 11, 1973, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 23rd day of July, 1973, the Commission, a quorum being present, having considered the testimony, the record, and the recommendations of the Examiner, and being fully advised in the premises,

FINDS:

(1) That due public notice having been given as required by law, the Commission has jurisdiction of this cause and the subject matter thereof.

(2) That the applicant, Skelly Oil Company, is the operator of three proration units in the West Dollarhide-Fusselman Pool, being the SE/4 SW/4 and the SW/4 SE/4 of Section 32, Township 24 South, Range 38 East, and the NE/4 NE/4 of Section 5, Township 25 South, Range 38 East, NMPM, Lea County, New Mexico.

(3) That each of the aforesaid proration units has completed thereon a well capable of producing from the West Dollarhide-Fusselman Pool, being applicant's Mexico "J" Wells Nos. 17 and 23, and Mexico "L" No. 23, respectively.

(4) That each of the aforesaid proration units also has thereon a well completed in the West Dollarhide-Ellenburger Pool, being applicant's Mexico "J" Wells Nos. 4 and 2, and Mexico "L" No. 1, respectively.

(5) That the Ellenburger zone in each of the wells described in Finding No. (4) above has been depleted, and the applicant proposes to recomplete said wells in the Fusselman zone, thus having two Fusselman wells on each of the aforesaid proration units, each being closer than 330 feet to the other.

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(6) That the SE/4 SW/4 and the SW/4 SE/4 of Section 32, Township 24 South, Range 38 East, and the NE/4 NE/4 of Section 5, Township 25 South, Range 38 East, NMPM, can each be efficiently and economically drained by two wells completed in the West Dollarhide-Fusselman Pool.

(7) That production from two wells in the West Dollarhide-Fusselman Pool on each of the aforesaid proration units will neither cause waste nor violate correlative rights provided said production is limited to one top unit allowable for the pool on each of said proration units.

(8) That the application of Skelly Oil Company in the instant case should be approved.

IT IS THEREFORE ORDERED:

(1) That the applicant, Skelly Oil Company, is hereby authorized, as an exception to Rule 104 of the Commission Rules and Regulations, to complete its Mexico "J" Wells Nos. 4 and 17, located 660 feet from the South line and 1980 feet from the West line, and 660 feet from the South line and 2130 feet from the West line, respectively, and its Mexico "J" Wells Nos. 2 and 23, located 660 feet from the South line and 1980 feet from the East line, and 660 feet from the South line and 1830 feet from the East line, respectively, all in Section 32, Township 24 South, Range 38 East, NMPM, and its Mexico "L" Wells Nos. 1 and 23, located 667 feet from the North line and 660 feet from the East line, and 670 feet from the North line and 500 feet from the East line, respectively, of Section 5, Township 25 South, Range 38 East, NMPM, to produce from the West Dollarhide-Fusselman Pool, Lea County, New Mexico.

(2) That the SE/4 SW/4 of said Section 32, having located thereon said Wells Nos. 4 and 17, and the SW/4 SE/4 of said Section 32, having located thereon said wells Nos. 2 and 23, and the NE/4 NE/4 of said Section 5, having located thereon said Wells Nos. 1 and 23, shall each be limited to one top unit allowable for the West Dollarhide-Fusselman Pool.

(3) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

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DONE at Santa Fe, New Mexico, on the day and year herein-  
above designated.

STATE OF NEW MEXICO  
OIL CONSERVATION COMMISSION



I. R. TRUJILLO, Chairman



ALEX J. ARMIÑO, Member



A. L. PORTER, Jr., Member & Secretary

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