

BEFORE THE OIL CONSERVATION COMMISSION  
OF THE STATE OF NEW MEXICO

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

CASE NO. 220  
ORDER NO. R-20

IN THE MATTER OF THE APPLICATION OF THE  
SKELLY OIL COMPANY FOR AN EXCEPTION TO  
RULE 104 FOR THE FORMATION OF AN UNORTHODOX UNIT IN SECTION 2, TOWNSHIP 23S, RANGE 36E, N.M.P.M., LANGLIE-MATTIX POOL, LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

This matter came on for hearing at 10:00 o'clock a.m., on May 23, 1950, pursuant to legal notice, at Santa Fe, New Mexico, before the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission".

The Commission having heard the evidence 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 the subject matter and of the interested parties.
2. Skelly Oil Company is the owner of the full 7/8 working interest in two separate State of New Mexico oil and gas leases, one of said leases covering the S/2 SE/4 and the other, the S/2 SW/4 Sec. 2, T. 23S, R. 36E. Said leases lay within the exterior boundaries of the Langlie-Mattix oil pool but no wells have been drilled on said leases.
3. Six gas wells have been drilled and are now producing in the immediately adjacent area and it is probable that a well drilled on any part of the two above described leases will produce gas in commercial quantities.
4. Applicant desires to drill a well approximately 660 ft. from the south line and 1320 ft. from the east line of section 2 and to unitize said two 80-acre leases.
5. The unitization of said two 80-acre leases will be in the interest of conservation and the prevention of waste.

IT IS THEREFORE ORDERED:

1. The application of Skelly Oil Company is hereby granted and it is given permission to commence the drilling of a well 660 ft. from the south line and 1320 ft. from the east line of section 2, T. 23S, R. 36E.
2. Subject to the approval of the Commissioner of Public Lands, the two State of New Mexico oil and gas leases described above may be unitized.

DONE this 24th day of May 1950, at Santa Fe, New Mexico.

STATE OF NEW MEXICO  
OIL CONSERVATION COMMISSION

THOMAS J. MABRY, CHAIRMAN

GUY SHEPARD, MEMBER

R. R. SPURRIER, SECRETARY