

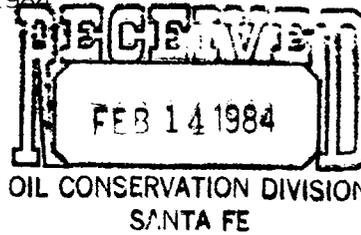
#3118

Gulf Oil Exploration and Production Company

L. A. Turner
GENERAL MANAGER - WESTERN DIVISION
OIL CONSERVATION OPERATIONS

P. O. Drawer 1150
Midland, TX 79702

February 9, 1984



Oil Conservation Division
Box 2088
Santa Fe, New Mexico 87501

Attention: Mr. Roy Johnson

Re: Termination of South Penrose
Skelly Unit
Lea County, New Mexico

Gentlemen:

Gulf is presently the operator of the South Penrose Skelly Unit ("the Unit") located in Lea County, New Mexico. Paragraph 21(c) of the Unit Agreement provides that the Unit may be terminated upon the vote of eighty percent (80%) of the working interest owners. Pursuant to this provision of the Unit Agreement, the working interest owners of the named Unit have recently voted 82.3507% in favor of termination (see attached ballot tabulation). Pursuant to Section 21 of the Unit Agreement, please acknowledge your approval of this termination in the space below. Approval has also been requested from the State Land Office and Bureau of Land Management.

Individual operators will be submitting revised lease information that will become effective on the date of termination. We will advise you of the termination date when all of the approvals have been obtained.

If you have any questions, please contact Mr. D. T. Berlin (915) 687-7339.

Very truly yours,

L. A. TURNER

Acknowledged and Approved this 20th day of Feb., 1984.

OIL CONSERVATION DIVISION



SOUTH PENROSE SKELLY UNIT
 TERMINATION OF UNIT BALLOT
 10-7-83

<u>Company</u>	<u>W. I.</u> <u>Percent</u>	<u>Approve Termination</u>	
		<u>Yes</u>	<u>No</u>
Hanson Oil Corp.	0.11520	X	
Marathon Oil Co.	2.15600	X	
Dallas McCasland Pro.	0.62060	X	
Douglas L. Cone	0.00260	X	
Gulf Oil Corp.	15.92130	X	
Bliss Petroleum, Inc.	23.72630	X	
Sun E&P Co.	0.58190	X	
Robert N. Haynes	1.59100		X
Shell Oil Co.	9.57750	X	
Conoco Inc.	1.76390	X	
Hanagan & Hanagan	0.25240	X	
The Wiser Oil Co.	3.25850	X	
Texaco Inc.	7.67230	X	
Kenneth G. Cone	0.00260	X	
ARCO Oil & Gas Co.	7.43020	X	
Brown Donaldson Trusts	0.52280	X	
Chevron USA Inc.	1.76380	X	
Thomas R. Cone	0.00260	X	
Amerada Hess Corp.	5.93190	X	
Sohio Petroleum Co.	1.04570	X	
Cathie Auvenshine	0.00260	X	
 TOTALS		82.3507	1.5910

Note: Ballots were not returned by 16.0583% Working Interest Ownership.

State of New Mexico



JIM BACA
COMMISSIONER



Commissioner of Public Lands

February 3, 1984

P.O. BOX 1148
SANTA FE, NEW MEXICO 87504-1148

Express Mail Delivery Use:
310 Old Santa Fe Trail
Santa Fe, New Mexico 87501

Gulf Oil Expl. and Prod. Co.
P. O. Drawer 1150
Midland, Texas 79702

Re: Termination of South Penrose
Skelly Unit Agreement
Lea County, New Mexico

ATTENTION: Mr. L. A. Turner

Gentlemen:

This office is in receipt of your letter dated January 17, 1984, wherein as operator of the South Penrose Skelly Unit' located in Lea County, New Mexico, you have requested our approval to the termination of this unit.

Please be advised that the Commissioner of Public Lands has this date approved your proposal to terminate the South Penrose Skelly Unit Agreement. Our approval is subject to like approval by the New Mexico Oil Conservation Division and the Bureau of Land Management.

Inasmuch as our approval is contingent upon like approval by the New Mexico Oil Conservation Division and the Bureau of Land Management please advise this office as to their approval so that we may be notified as to the effective date.

Very truly yours,

JIM BACA
COMMISSIONER OF PUBLIC LANDS

BY: *Ray D. Graham*
RAY D. GRAHAM, Director
Oil and Gas Division
AC 505/827-5744

JB/RDG/pm
encls.

cc: OCD-Santa Fe, New Mexico
BLM-Albuquerque, New Mexico
BLM-Roswell, New Mexico Attn: Mr. Armando Lopez

7/6/65

Unit Name SOUTH PENROSE SKELLY UNIT - SECONDARY RECOVERY
Operator GULF OIL CORPORATION
County LEA

617

DATE	OCC CASE NO.	EFFECTIVE DATE	TOTAL ACREAGE	STATE	FEDERAL	INDIAN-FEE	SEGREGATION CLAUSE	TERM
APPROVED	3118 R-2789							

COMMISSIONER: OCC: OCTOBER 21, 1964 JUNE 1, 1965 3640.18 40.00 840.00 2760.18 YES SO LONG AS
 MARCH 17, 1965
 UNITED STATES GEOLOGICAL SURVEY:
 MAY 14, 1965

UNIT AREA

TOWNSHIP 22 SOUTH, RANGE 37 EAST, NEW MEXICO PRINCIPAL MERIDIAN

- Section 4: Lots 1,2,3,4,S/2N/2,SW/4,W/2SE/4
- Section 5: All
- Section 6: Lot 1,S/2NE/4,SE/4
- Section 7: NE/4
- Section 8: All
- Section 9: All
- Section 10: N/2,SW/4,N/2SE/4
- Section 17: N/2NE/4

TERMINATED

APR 3-16-84

EFF 4-1-84

Voluntary Termination

7/6/65

Unit Name SOUTH PENROSE SKELLY UNIT - SECONDARY RECOVERY
Operator GULF OIL CORPORATION
County LEA

STATE TRACT NO.	LEASE NO.	INSTI-TUTION	SEC.	TWP.	RGE.	SUBSECTION	RATIFIED DATE	ACRES	ACREAGE NOT RATIFIED	LESSEE
9	B-934-27	C.S.	17	22S	37E	NW/4 NE/4	8-19-64 10-20-64	40.00		SOHIO PETROLEUM CO. WILLIAM FLEMING

TERMINATED
APP: 3-16-84
EVL: 4-1-84