



SKELLY OIL COMPANY

1860 Lincoln Street
Denver, Colorado 80203
August 16, 1967

MAIL OFFICE 6000
AUG 21 AM 7 33

*NSL-407
due 9/10/67*

Re: Recompletion Application
Jicarilla "B" Well No. 3
660' FNL and 660' FWL
Section 5-24N-5W
Rio Arriba County, New Mexico

Mr. A. L. Porter
Secretary - Director
New Mexico Oil Conservation Commission
Box 2088
Santa Fe, New Mexico 87501

Dear Sir:

Skelly Oil Company is hereby applying for approval to recomplete their Jicarilla "B" Well No. 3 in the Dakota formation between the depths of 6900' and 6938'.

The well designated was drilled to a total depth of 7139' with 5-1/2" casing set at 7123' in September, 1957. The Dakota formation was perforated from 6900' to 6938' and treated down tubing and annulus with 20,000# sand and 20,000 gallons of lease oil. The well was opened and flowed back 425 barrels of load oil in 33 hours through a 3/4" choke with a flowing tubing pressure of 90# and a flowing casing pressure of 400#. The gas measured 730 MCF per day.

Since the Gallup formation was considered more profitable at that time, a Baker cast iron bridge plug was set at 6780' and 2 sacks of cement spotted on top of the plug. The Gallup was then perforated from 5858' to 5952' and treated with 35,000# sand and 35,000 gallons of lease crude. The well produced from the Gallup until it was shut down February 1, 1965 and after reaching its economic limit.

Consideration is now being given to the recompletion of the well back to the Dakota formation. To do so will require the cement squeezing of the Gallup perforation, and the drilling out of the bridge plug at 6780'.

The Jicarilla "B" Well No. 3 is on a standard Gallup oil well location of 660 feet from the north line and 660 feet from the west line of Section 5. Normal Dakota locations are 790' from the respective boundaries of the proration unit.

Commission Order No. R-1670-C states that the Secretary - Director shall have the authority to grant administrative approval for an exception to Rule No. 104 without notice and hearing if the Secretary - Director determines that good cause exists for granting such exception and if the offset operators do not object.

A registered letter has been sent to Gulf Oil Corporation, P. O. Box 1938, Roswell, New Mexico, to the attention of the District Production Manager. Gulf is the only other operator offsetting the 320-acre proration unit. A copy of the registration receipt is attached.

Please review Skelly's application for permission to produce the Dakota formation from the Jicarilla "B" Well No. 3. If no objection is received within the specified period from the offset operator, and if the Commission has no objection, it is understood that permission will be granted.

Very truly yours,


Leland Franz
District Superintendent

AWL/jls
Attachments (2)

POST OFFICE DEPARTMENT
OFFICIAL BUSINESS

PENALTY FOR PRIVATE USE TO AVOID
PAYMENT OF POSTAGE, \$300

655-10-71548-7
Jan. 1965
POP Form 3022

	POSTMARK OF DELIVERING OFFICE 
INSTRUCTIONS: Show name and address below and complete instructions on other side, where applicable. Neisten gummed ends, attach and hold firmly to back of article. Print on front of article RETURN RECEIPT REQUESTED.	
NAME OF SENDER Sholly Oil Company Production Department	
STREET AND NO. OR P.O. BOX 1860 Lincoln Street	
CITY, STATE, AND ZIP CODE Denver, Colorado 80203	

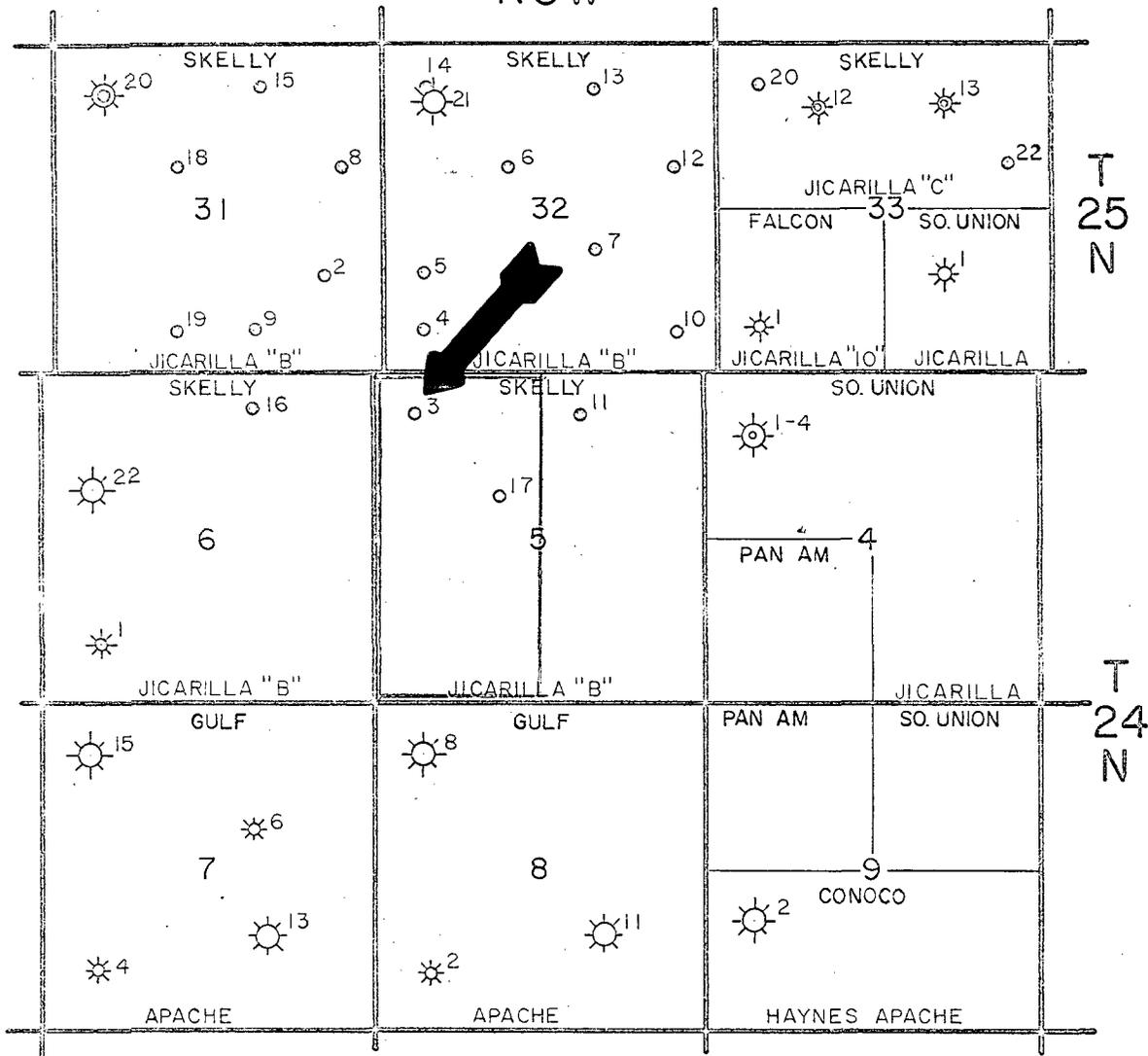
INSTRUCTIONS TO DELIVERING EMPLOYEE		
<input type="checkbox"/> Show to whom and when delivered	<input type="checkbox"/> Show to whom, when, and address where delivered	<input type="checkbox"/> Deliver ONLY to addressee
<i>(Additional charges required for these services)</i>		

RECEIPT

Received the numbered article described below.

REGISTERED NO. <i>No Number</i>	SIGNATURE OR NAME OF ADDRESSEE <i>(Must always be filled in)</i> <i>Walter A. ...</i>
CERTIFIED NO.	SIGNATURE OF ADDRESSEE'S AGENT, IF ANY <i>...</i>
INSURED NO.	
DATE DELIVERED <i>JAN 14 1965</i>	SHOW WHERE DELIVERED <i>(only if requested)</i>

R5W



LEGEND:

- Gallup Oil Well
- ☀ Pictured Cliff Gas Well
- ☀ Pictured Cliff-Chacra Dual
- ☀ Dakota Gas Well
- ☀ Dakota-Chacra Dual
- ☀ Dakota-Gallup Dual

SKELLY OIL COMPANY
 JICARILLA AREA
 Rio Arriba County
 NEW MEXICO