

NSP-303

Out 8/12/56

cc - occ - ~~MEMBER~~ OCC  
1955 JUL 13 PM 1:27  
7/17/56

Box 38, Hobbs, New Mexico

July 10, 1956

No Copy for NMO@66c

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

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

Re: IN THE MATTER OF APPLICATION OF SKELLY OIL COMPANY FOR AN ADMINISTRATIVE ORDER GRANTING PERMISSION TO EFFECTIVELY DUAL COMPLETE ITS BAKER "D" WELL NO. 2 IN THE EUMONT GAS POOL AND THE PENROSE-SKELLY OIL POOL AND FOR AN ORDER FOR A 240 ACRE NON-STANDARD GAS PRODUCTION UNIT.

Gentlemen:

With this letter, SKELLY OIL COMPANY is hereby petitioning the Secretary of the New Mexico Oil Conservation Commission for administrative approval for an order granting permission to effectively dual complete its Baker "D" Well No. 2 as a gas well in the Eumont Gas Pool and an oil well in the Penrose-Skelly Oil Pool, and also for an order for a 240 acre non-standard gas production unit in the Eumont Gas Pool, Lea County, New Mexico, and in support thereof does state:

1. That the petitioner is the operator of an oil and gas lease confined by the W/2 SE/4 and SW/4 of Section 10, T-22-S, R-37-E, N.M., Lea County, New Mexico, and concerns but a single royalty owner.
2. That the petitioner's Baker "D" No. 2 is located 1980' from the south line and 1980' from the west line of Section 10 and was completed in March 1940, as a Penrose-Skelly oil well.
3. That the petitioner's Baker "D" No. 2 was dually completed in March 1950, in a manner described below and was used until February 1953, as a supply well for gas lift purposes:
  - a. Perforated in the Queen <sup>Gas from Eumont</sup> from 3430'-3490'.
  - b. Ran 2" tubing with a Baker Model "D" Retainer Production Packer set at 3520' which effectively segregated the two producing intervals.
  - c. Produced the Penrose-Skelly oil from the Grayburg Formation from open hole 3570'-3715' through the 2" tubing and the Eumont gas through the tubing-casing annulus.

July 10, 1956

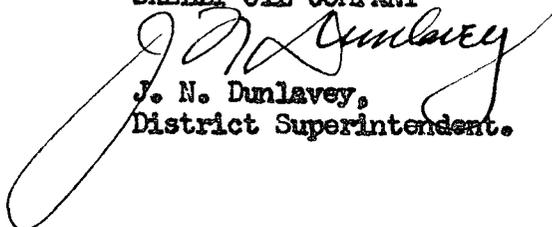
4. That the manner in which the petitioner has dually completed the well is both mechanically feasible and practical and conforms to the Commission's policies and specifications as pertaining to the dual completion of dual gas and oil wells in the State of New Mexico.
5. That effective segregation of the two producing intervals is apparent and no packer leakage has been indicated.
6. That a diagrammatic sketch showing the producing intervals and the physical equipment used in dualling the well is hereto attached.
7. That the granting of this application for permission to produce this well as a dual completion is in the interest of conservation and the protection of correlative rights.
8. That the above described acreage is outside the horizontal limits of the presently defined Eumont Gas Pool, and it is, therefore, requested that this pool be extended to include the above acreage.
9. That by virtue of this well's production, the above described acreage can be assumed to be productive of gas.
10. That all lands described above and contained within the limits of the proposed proration unit are contiguous and lie within the limits of a single legal subdivision (section) of the U. S. Public Land Survey.
11. That a plat showing the above described lands and all offset properties, indicating gas well location and lease ownership to the best of our knowledge, is hereto attached.
12. That all offset operators are hereby notified by a copy of this application .

Wherefore, the petitioner requests that, in the interest of conservation and protection of correlative rights, the Secretary of the Commission grant an order pursuant to Rule 112-A, Order No. R-316, and Rule 5(a), Order No. R-520 by which the petitioner may produce its Baker "B" No. 2 as a dual and may establish a non-standard 240 acre gas proration unit.

I hereby certify that the information given above is true and complete to the best of my knowledge.

Respectfully submitted,

SKELLY OIL COMPANY

  
J. N. Dunlavey,  
District Superintendent.

JND/JDR/e

July 10, 1956

SWORN AND SUBSCRIBED to before me this the \_\_\_\_\_ day of July 1956.

---

Notary Public

cc: George W. Selinger  
Skelly Oil Company  
Tulsa, Oklahoma

Amerada Petroleum Corporation  
Box 2040  
Tulsa, Oklahoma

Rowan Oil Company  
Box 1873  
Midland, Texas

Magnolia Petroleum Company  
Box 727  
Kermit, Texas

New Mexico Oil Conservation Commission  
Box 2045  
Hobbs, New Mexico

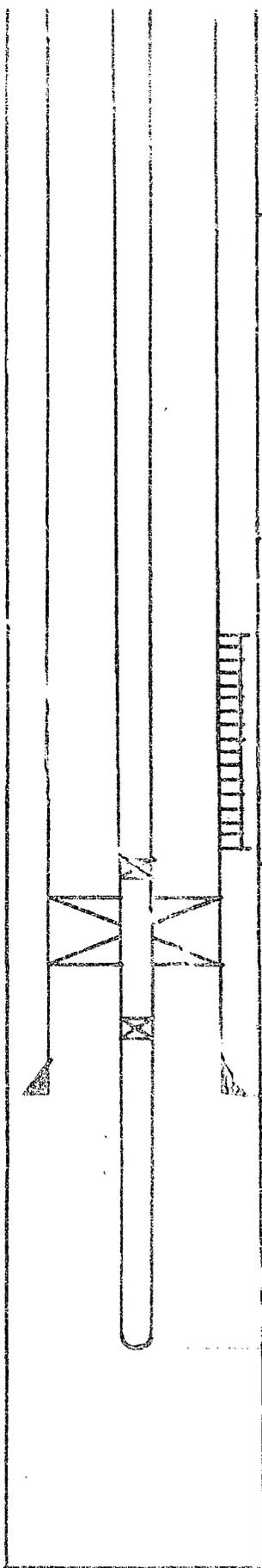
Argo Oil Corporation  
Route 2, Box A-125  
Midland, Texas

Gulf Oil Corporation  
Box 2167  
Hobbs, New Mexico

N. G. Penrose, Inc.  
1815 Fair Building  
Fort Worth, Texas

Humble Oil & Refining Company  
Box 1600  
Midland, Texas

SMELLY OIL COMPANY  
Baker "B" No. 2



Top Queen: 3300 ft.

Perforations: 3430 ft - 3490 ft

Side Door Choke: 3500 ft

Baker Model "D" Production Packer: 3520 ft

Side Door Choke: 3550 ft

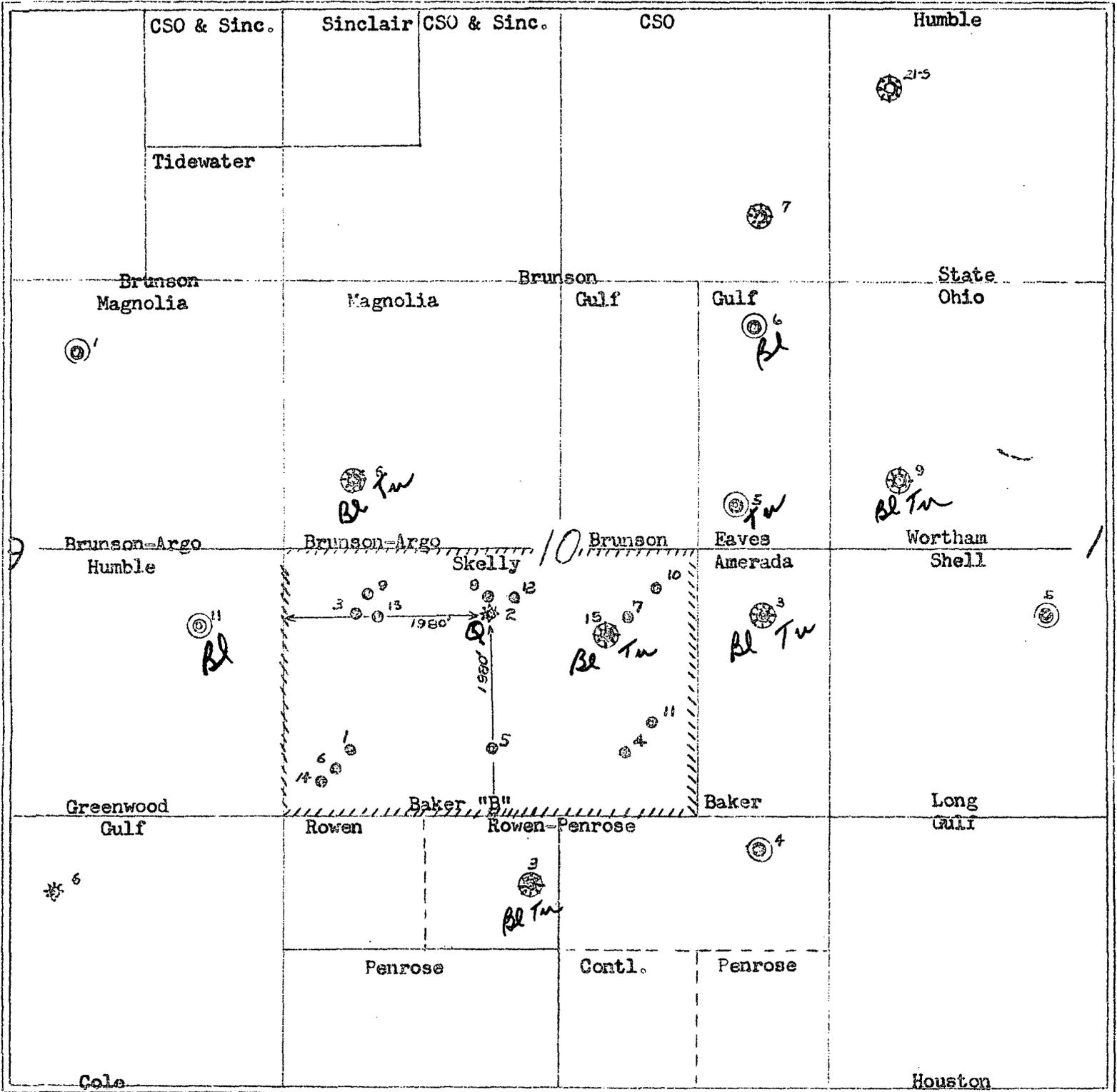
7 in. Casing: 3570 ft

Top Grayburg: 3535 ft

2 in. Tubing: 3650 ft

Total Depth: 3715 ft

SKELLY OIL COMPANY.  
 Baker "B" Lease  
 Sec. 10-T22S-R37E  
 Lea County, N. M.



- - Oil well
- ★ - Gas well
- ★ - Dual gas & gas well
- ★ - Dual oil & gas well