

In reply refer:
Unit Division

October 9, 1956

Skelly Oil Company
Tulsa 2, Oklahoma

Re: Skelly State "F"
No. 1 Communitization
SE¹/₄ Sec. 17-20S-37E

Attention: Mr. Carl Lea

Gentlemen:

We have your letter of October 4, 1956 in which you set forth facts concerning your Skelly State "F" No. 2 well, which is to be a dual completed well as a gas well in the Eumont Gas Pool and an oil well in the Monument Oil Pool.

It is our understanding that the New Mexico Oil Conservation Commission is going to issue an NSP order for establishment of a 160 acre non-standard gas proration unit, therefore at such time as the order is issued we will notify you and we will change the name of the communitization to Skelly State "F" No. 2.

We wish to thank you for your prompt attention to this matter.

Very truly yours

E. S. WALKER
Commissioner of Public Lands

MMR

MAIN OFFICE OCC

RECEIVED 11 6:00

September 27, 1956

In reply refer to:
Unit Division

Skelly Oil Co.
Tulsa 2, Oklahoma

Re: Skelly State "F" No. 1
Communitization -
SE/4 of Sec. 17-20S-37E

Attention: Mr. F. M. Stephenson

Gentlemen:

In regard to the Skelly State "F" No. 1
Communitization, under Paragraph 6 of this Com-
munitization it will expire under its own terms
as of September 8, 1956.

Therefore, we request that you show cause
why we should not expire this Communitization
as of September 8, 1956.

Very truly yours,

E. S. WALKER
Commissioner of Public Lands

MMR/m

cc: Amerada Petroleum Corp.-Tulsa
OCC-Santa Fe
OCC-Hobbs

MAIN OFFICE OCC
1955 OCT 11 AM 8:20



SKELLY OIL COMPANY

Box 38, Hobbs, New Mexico

September 27, 1956

Re: Application for Administrative Approval for
Dual Completion and Non-Standard Unit for
State F No. 2

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

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

Dear Sir:

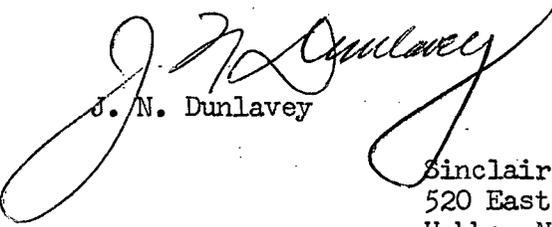
Your attention is directed to our application dated September 18, 1956,
particularly to Section No. 1 which states as follows:

1. That the petitioner is the operator of a gas lease confined by the
SW/4 Section 17, Township 20 South, Range 37 East N.M.P.M., etc.

This section should be corrected to read the SE/4 Section 17, Township 20
South, Range 37 East N.M.P.M., etc.

Yours very truly,

SKELLY OIL COMPANY


J. N. Dunlavy

JND/JDR/e

cc: Amerada Petroleum Corp.
R. S. Christie
Box 2040
Tulsa, Oklahoma

Humble Oil & Refining Co.
Mr. R. S. Dewey
Box 1600
Midland, Texas

Shell Oil Company
Box 1957
Hobbs, New Mexico

Sinclair Oil & Gas Co.
520 East Broadway
Hobbs, New Mexico

The Texas Company
Box 1270
Midland, Texas

Mr. George W. Selinger
Skelly Oil Company
Tulsa, Oklahoma

CC-OCC - Hobbs
9/29/56
MAIN OFFICE OCC



NSP-322

Dec 10/17/56

1956 SEP 20 PM SKELLY OIL COMPANY

Box 38, Hobbs, New Mexico
see Dec-348

September 18, 1956

No copy
for NMOCC

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

Need to
Communitization w/ Amurda
#NMSLO

Re: IN THE MATTER OF APPLICATION OF SKELLY OIL COMPANY FOR AN ADMINISTRATIVE ORDER GRANTING PERMISSION TO DUAL COMPLETE ITS STATE "F" NO. 2 IN THE EUMONT GAS POOL AND THE MONUMENT OIL POOL AND FOR AN ORDER FOR A 160 ACRE NON-STANDARD GAS PRORATION UNIT.

Gentlemen:

Comes now SKELLY OIL COMPANY, a Delaware Corporation with offices in Tulsa, Oklahoma, and Hobbs, New Mexico, hereby petitioning the Secretary of the New Mexico Oil Conservation Commission for administrative approval for an order granting permission to dual complete its State "F" Well No. 2 as a gas well in the Eumont Gas Pool and an oil well in the Monument Oil Pool and also for an order for a 160 acre non-standard gas proration unit in the Eumont Gas Pool, Lea County, New Mexico, and in support thereof does state:

1. That the petitioner is the operator of a gas lease confined by the ~~2477~~ Section 17, Township 20 South, Range 37 East N.M.P.M., Lea County, New Mexico, and concerns but a single royalty owner.
2. That the petitioner's State "F" No. 2 is located 660' from the south line and 1980' from the east line of the section and was completed March 1937, as a Monument oil well.
3. That the petitioner, in order to meet communitization deadline involving the above acreage, did the following work on its State "F" #2.
 - a. Set a bridge plug at 3488' to shut off Monument Oil Pool production from open hole 3678-3720'.
 - b. Perforated the Penrose Zone of the Eumont Gas Pool from 3348-3450'.
 - c. Tested September 7, 1956, at the rate of 3,040 MCF through open 2 1/2" tubing.

Copy: @ NMSLO (ms. Ray)
Get letter from NMSLO on communitization

September 18, 1956

4. That the petitioner's State "F" No. 2 will be dually completed in a manner described below.
 - a. Pull bridge plug set at 3488'.
 - b. Run 2 $\frac{1}{2}$ " tubing with a Baker Model "D" Retainer Production Packer to be set at around 3660' so as to segregate the two producing intervals.
 - c. Produce the Monument oil from open hole 3678' to 3720' through 2 $\frac{1}{2}$ " tubing and the Eumont gas through tubing casing annulus.
5. That the manner in which the petitioner has set out to complete the proposed dual 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 well in the State of New Mexico.
6. That a diagrammatic sketch showing the producing intervals anticipated and the physical equipment to be used in dualling this 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 within the horizontal limits of the Eumont Gas Pool, and by virtue of its offset production can be assumed to be productive of gas.
9. 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.
10. That a plat showing the above described lands and all offset properties, indicating well locations and lease ownership to the best of our knowledge, is hereto attached.
11. 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

New Mexico Oil Conservation Commission-3-
Santa Fe, New Mexico

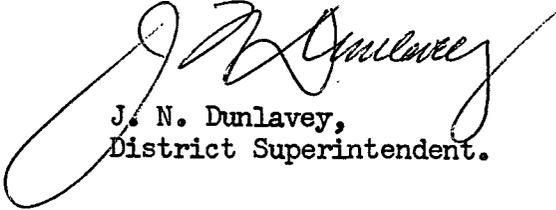
September 18, 1956

which the petitioner may dually complete its State "F" No. 2 in the manner described above and may establish a non-standard 160 acre gas proration unit.

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

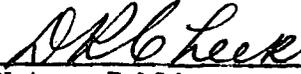
Respectfully submitted,

SKELLY OIL COMPANY


J. N. Dunlavey,
District Superintendent.

JND/JDR/e

SWORN AND SUBSCRIBED to before me this 18th day of September 1956.


Notary Public

My Commission Expires Aug. 19, 1960

cc: Amerada Petroleum Corp.
R. S. Christie
Box 2040
Tulsa, Oklahoma

Humble Oil & Refining Co.
Mr. R. S. Dewey
Box 1600
Midland, Texas

Shell Oil Company
Box 1957
Hobbs, New Mexico

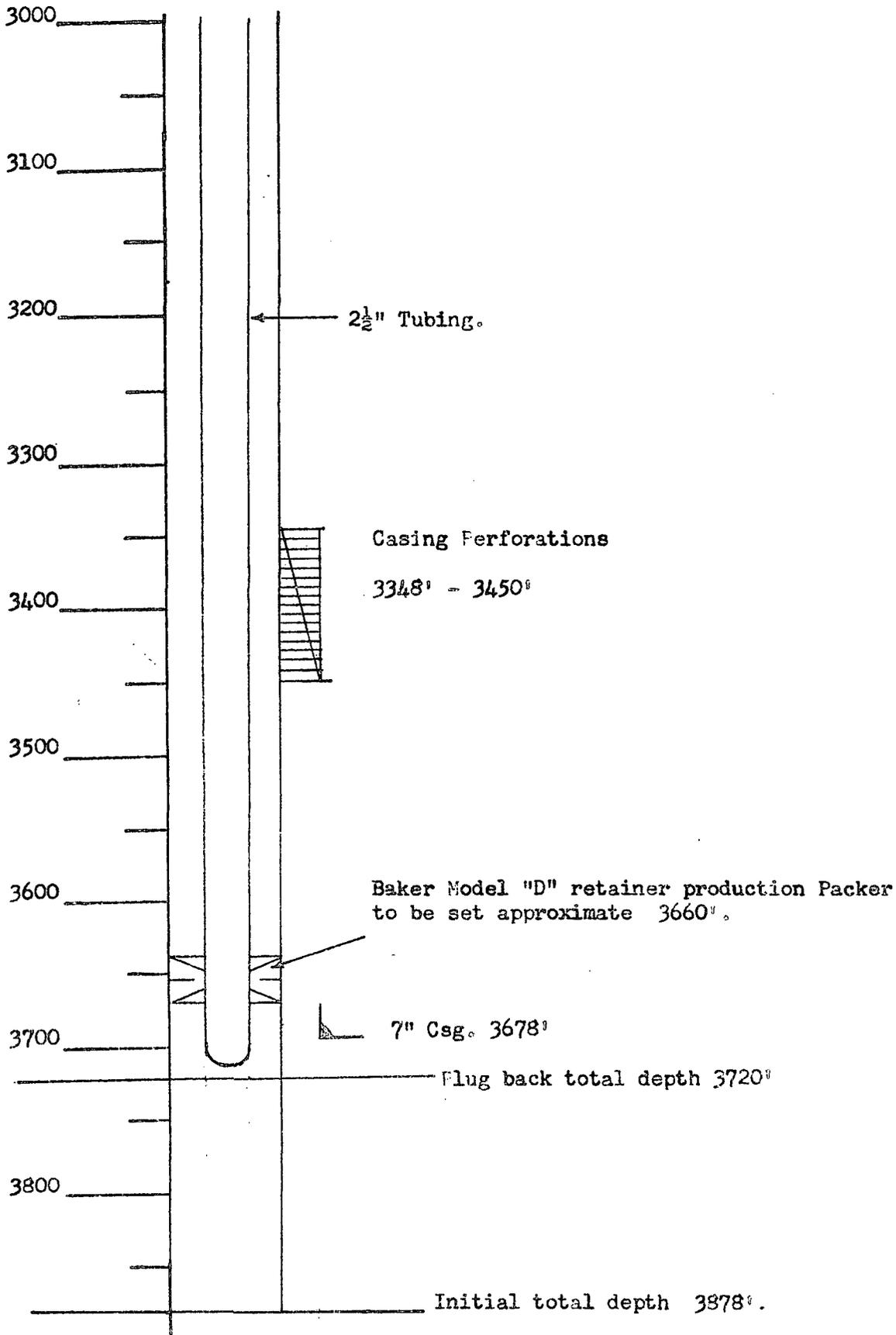
New Mexico Oil Conservation Commission
Box 2045
Hobbs, New Mexico

Sinclair Oil & Gas Co.
520 East Broadway
Hobbs, New Mexico

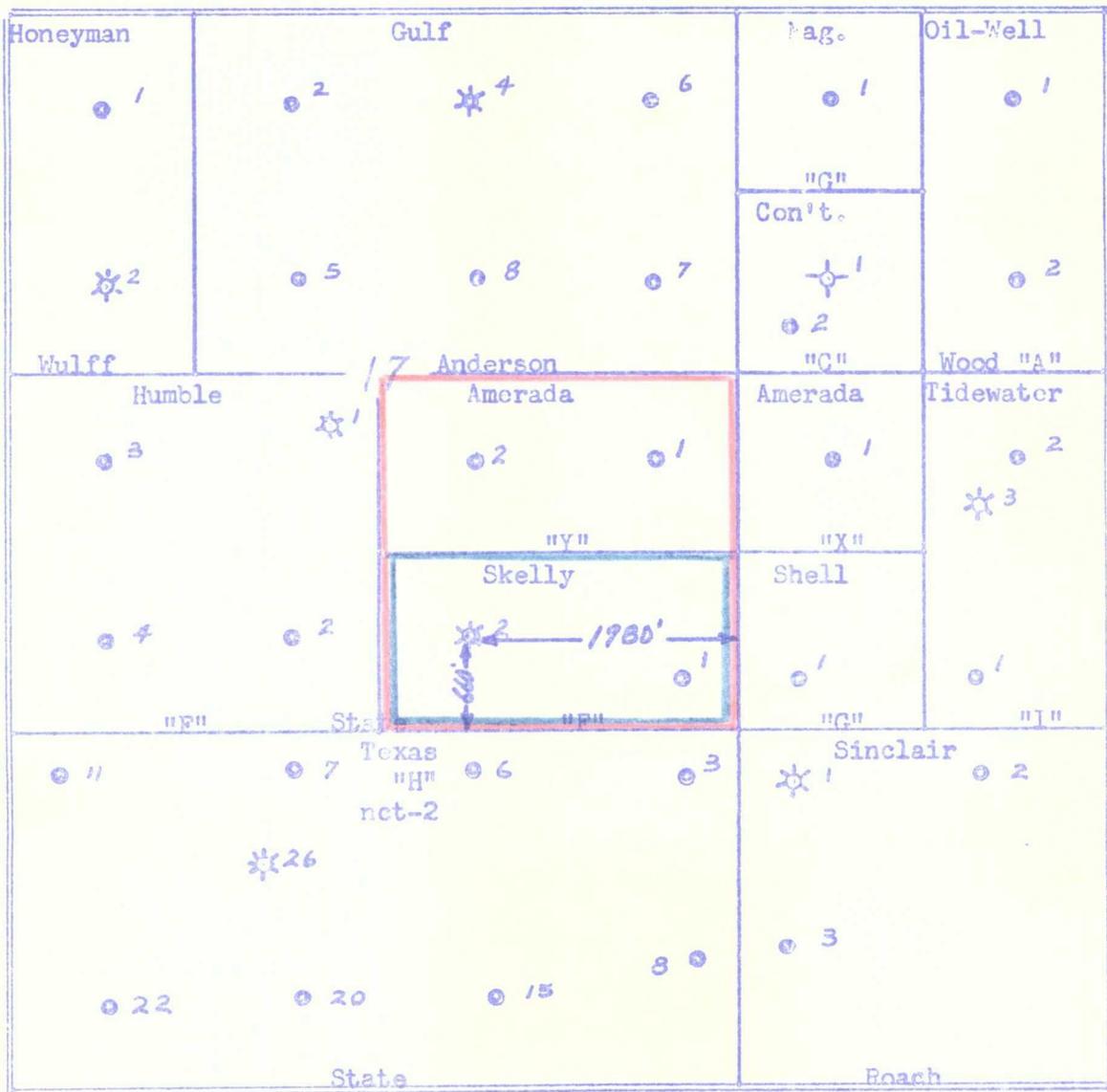
The Texas Company
Box 1270
Midland, Texas

Mr. George W. Selinger
Skelly Oil Company
Tulsa, Oklahoma

SKELLY OIL COMPANY
State "F" Lease
Sec. 17 T-20-S R-37-E
Lea County, New Mex.



SKELLY OIL COMPANY
 State "F" Lease
 Sec. 17, T-20-S R-37-E
 Lea County, New Mex.



- ⊙ Oil well
- ☆ Gas well
- ★ Dual Completion
- ⊕ Plugged & Abandoned
- Blue lines lease lines
- Red lines dedicated Acreage



MAIN OFFICE OCC

1956 SEP 23 11 15 AM '56
SKELLY OIL COMPANY

Box 38, Hobbs, New Mexico

September 18, 1956

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

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

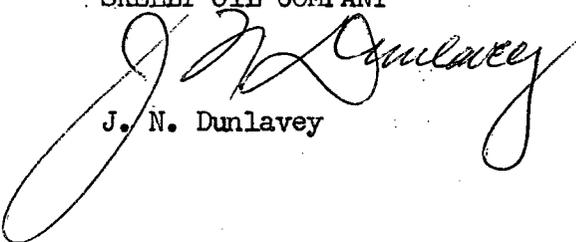
Dear Sir:

An application requesting administrative approval for the dual completion of our State "F" No. 2 was recently submitted to you. This application listed an intent to do certain work which, because of the near deadline of communitization agreement, was done prior to the filing of the application.

Attached are three copies of the corrected application which are to supersede the previous application.

Yours very truly,

SKELLY OIL COMPANY


J. N. Dunlavey

JND/JDR/e
Attachments: 3

CC-OCC - Hobbs
9/20/16
MAIN OFFICE OCC

NSP-322

Due 10/17/12

re DC-345

1956 SEP 18 PM 1:01

Box 38, Hobbs, New Mexico

September 11, 1956

No copy
for NM OEGC

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

Need to
Communitize
w/annula

Re: IN THE MATTER OF APPLICATION OF SKELLY OIL COMPANY FOR AN ADMINISTRATIVE ORDER GRANTING PERMISSION TO DUAL COMPLETE ITS STATE "F" NO. 2 IN THE EUMONT GAS POOL AND THE MONUMENT OIL POOL AND FOR AN ORDER FOR A 160 ACRE NON-STANDARD GAS PRORATION UNIT.

Gentlemen:

Comes now SKELLY OIL COMPANY, a Delaware Corporation with offices in Tulsa, Oklahoma, and Hobbs, New Mexico, hereby petitioning the Secretary of the New Mexico Oil Conservation Commission for administrative approval for an order granting permission to dual complete its State "F" Well No. 2 as a gas well in the Eumont Gas Pool and an oil well in the Monument Oil Pool and also for an order for a 160 acre non-standard gas proration unit in the Eumont Gas Pool, Lea County, New Mexico, and in support thereof does state:

1. That the petitioner is the operator of a gas lease confined by the SW 1/4 Section 17, Township 20 South, Range 37 East N.M.P.M., Lea County, New Mexico, and concerns but a single royalty owner.
2. That the petitioner's State "F" No. 2 is located 660' from the south line and 1980' from the east line of the section and was completed March 1937, as a Monument oil well.
3. That the petitioner will dually complete its State "F" No. 2 in a manner described below.
 - a. Perforate the Fenrose 3348' to 3450' for Eumont Gas.
 - b. Run 2 1/2" tubing with a Baker Model "D" Retainer Production Packer to be set at around 3660' so as to segregate the two producing intervals.
 - c. Produce the Monument oil from open hole 3676' to 3720' through 2" tubing and the Eumont gas through the tubing-casing annulus.

copy NMSCO
MIS/Ray

Get letter from NMSL
on Communitization

September 11, 1956

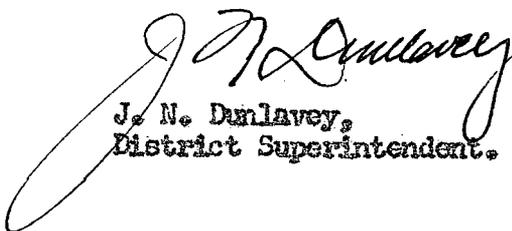
4. That the manner in which the petitioner has set out to complete the proposed dual is both mechanically feasible and practical and conforms to the Commission's policies and specifications as pertaining to the dual completion of dual gas and oil well in the State of New Mexico.
5. That a diagrammatic sketch showing the producing intervals anticipated and the physical equipment to be used in dualling this well is hereto attached.
6. 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.
7. That the above described acreage is within the horizontal limits of the Eumont Gas Pool, and by virtue of its offset production can be assumed to be productive of gas.
8. 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.
9. That a plat showing the above described lands and all offset properties, indicating well locations and lease ownership to the best of our knowledge, is hereto attached.
10. 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 dually complete its State "F" No. 2 in the manner described above and may establish a non-standard 160 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. Danlavy,
District Superintendent.

JND/JDR/e

September 11, 1956

SWORN AND SUBSCRIBED to before me this 17th day of September 1956.



Notary Public

My Commission Expires Aug. 19, 1960

cc: Amerada Petroleum Corp.
R. S. Christie
Box 2040
Tulsa, Oklahoma

Humble Oil & Refining Co.
Mr. R. S. Dewey
Box 1600
Midland, Texas

Shell Oil Company
Box 1957
Hobbs, New Mexico

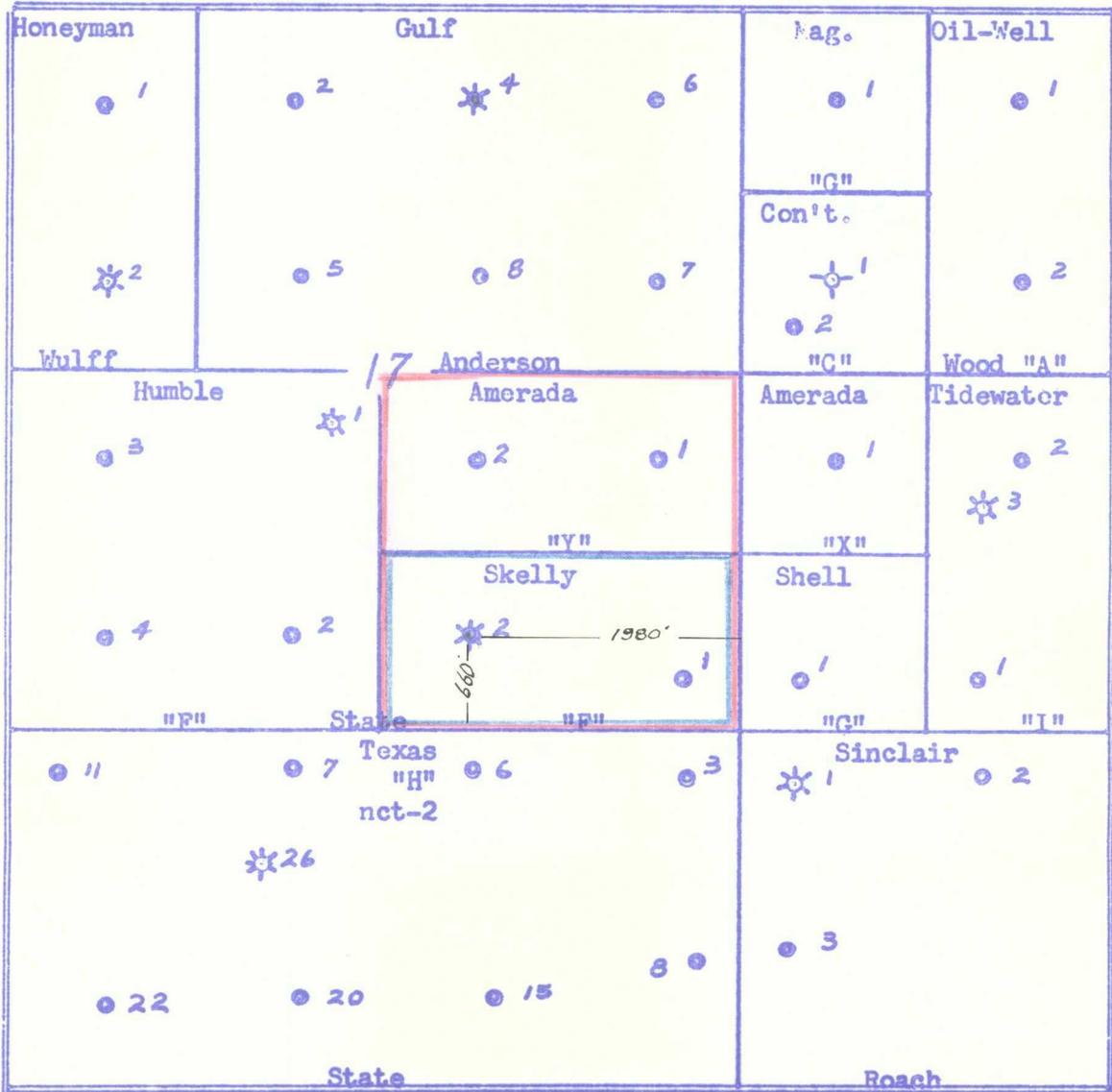
New Mexico Oil Conservation Commission
Box 2045
Hobbs, New Mexico

Sinclair Oil & Gas Co.
Box 1470
Hobbs, New Mexico

The Texas Company
Box 1270
Midland, Texas

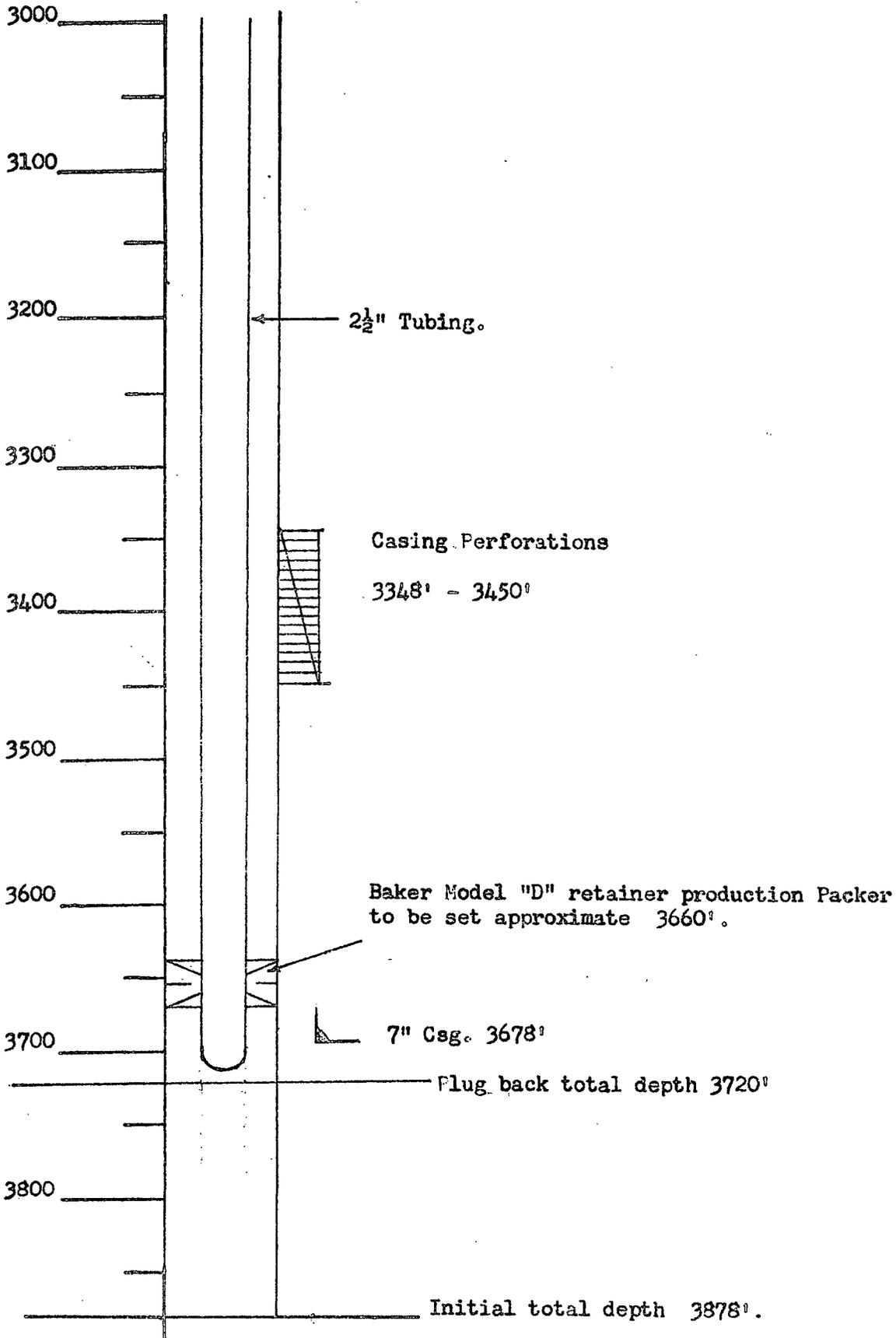
Mr. George W. Selinger
Skully Oil Company
Tulsa, Oklahoma

SKELLY OIL COMPANY
 State "F" Lease
 Sec. 17, T-20-S R-37-E
 Lea County, New Mex.



- ⊙ Oil well
- ☆ Gas well
- ✱ Dual Completion
- ⊕ Plugged & Abandoned
- Blue lines lease lines
- Red lines dedicated Acreage

SKELLY OIL COMPANY
State "F" Lease
Sec.17 T-20-S R-37-E
Lea County, New Mex.



February 15, 1956

In reply refer to:
Unit Division

Skelly Oil Co.
Tulsa 2, Oklahoma

Re: Skelly State "F" No. 1
Communitization -
SE/4 Sec. 17-20S-37E

Attention: Mr. F. M. Stephenson

Gentlemen:

We are enclosing four copies of Skelly State "F" No. 1 Communitization, which was approved by the Commissioner of Public Lands February 15, 1956.

The Effective Date of this Communitization shall be September 8, 1955, according to the terms of Section 6 of the Communitization and for the purpose of forming a 160-acre unit for producing and marketing gas from Skelly State "F" No. 1 Well.

Also enclosed is Official Receipt in the amount of \$5.00.

Very truly yours,

E. S. WALKER
Commissioner of Public Lands

MMR/m
enc: 5

cc: OCC-Santa Fe

NOTICE
RECEIVED
OCT 10 1956

SKELLY OIL COMPANY
Tulsa, Oklahoma

October 4, 1956

In re: Communitization of Gas Rights
Within Vertical Limits Eumont Gas Pool
SE/4 Sec. 17-20S-37E,
Lea County, New Mexico

Mr. E. S. Walker, Commissioner of Public Lands
State Land Office
Santa Fe, New Mexico

Dear Mr. Walker:

We have your letter of September 27, 1956, wherein you ask that we show cause why the State Land Office should not expire the above captioned Communitization Agreement.

On Friday, September 28, the writer talked with Mrs. Rhea, of your office, and being somewhat unfamiliar with all of the requirements such as notices, et cetera, that perhaps we should have filed, did assure Mrs. Rhea that we had within the term of the Communitization Agreement re-completed our State "F" Well No. 2, located in the SW/4 SE/4 Section 17, as a well productive of gas from perforations in 7" casing 3348-3450' opposite the Fenrose zone of the Eumont Gas Pool, and that the well on September 7, 1956 was tested at the open flow rate of 3,040,000 cubic feet of gas per 24 hours through open 2-1/2" tubing; and, that we now have pending before the Secretary of the New Mexico Oil Conservation Commission a petition for administrative approval of an order granting permission to dual complete this No. 2 well as a gas well in the Eumont Gas Pool and an oil well in the Monument Oil Pool, and for an order for establishment of a 160-acre gas proration unit as per copy of petition attached. The writer further agreed to confirm all this by letter upon receipt of your letter, and attempt to do whatever else might be necessary to confirm said communitization of gas rights under said SE/4 Section 17 insofar as the same shall fall within the vertical limits of the Eumont Gas Pool and within those zones underlying said SE/4 Section 17 as found to exist in Skelly State "F" No. 1 well located on the SE/4, SE/4 of Section 17 and lying between the depths of 2500' and 3500'.

SKELLY OIL COMPANY

- 2 -

October 4, 1956

Mr. E. S. Walker
State Land Office

If this is not sufficient showing of cause why the Communitization Agreement should not be permitted to expire, will you kindly so advise us that we may do that which is necessary.

Yours very truly,
(Signed) CARL LEA

CL/jj
Attd:

cc - Mr. John Hammond
Amerada Petroleum Corporation
P. O. Box 2040
Tulsa, Oklahoma

New Mexico Oil Conservation Commission ✓
P. O. Box 271
Santa Fe, New Mexico

New Mexico Oil Conservation Commission
Hobbs, New Mexico

Mr. J. N. Dunlavey
Skelly Oil Company
P. O. Box 38
Hobbs, New Mexico

Mr. F. M. Stephenson

NSP-322

100-100000000
100-100000000

October 22, 1956

In reply refer to:
Unit Division

Skelly Oil Co.
Tulsa 2, Oklahoma

Re: Change of Name of
Skelly State "F" No. 1
Communitization

Attention: Mr. Carl Lea

Gentlemen:

This is to notify you that we are changing the name of the above designated Communitization to Skelly State "F" No. 2 Communitization.

We feel that changing the name of this Communitization is all that is necessary to cover your No. 2 Well, as the Communitization reads ". . . for the purpose of producing and marketing gas from those zones underlying said land found to exist in the Skelly State 'F' No. 1 Well . . . , lying between the depths of 2,500 feet and 3,500 feet, being within the vertical limits of the Eumont Gas Pool."

Therefore, for Communitization purposes, you have complied with the provisions of New Mexico Oil Conservation Commission Administrative Order NSP-322 which was issued October 17, 1956.

May we please have a copy of your reports filed on this dual completion and completion report when it is completed.

Very truly yours,

E. S. WALKER
Commissioner of Public Lands

MMR/m

cc: OCC-Santa Fe
OCC-Hobbs