

MAIN OFFICE OCC El Paso Natural Gas Company

1956 APR 5

5 PM 1:25 El Paso, Texas

April 3, 1956

Skelly Oil Company
P. O. Box 1650
Tulsa 2, Oklahoma

Attention: Mr. George W. Selinger

Re: Hobbs "C" Well #1
NE/4 Sec. 2, 27-N, 9-W

Gentlemen:

We acknowledge receipt of a carbon copy of your letter dated March 23, 1956, to the New Mexico Oil Conservation Commission requesting approval for the non-standard proration unit described in the above caption.

We wish to advise that El Paso Natural Gas Company as offset operator has no objection to the approval of this request. However, we fail to understand how the acreage figure of 144.77 was derived. Our latest re-survey dated May 10, 1949, shows no change in the previous survey as to the amount of acreage, and according to our plats, the total number of acres in the NE/4 of Section 2, Township 27 North, Range 9 West is 159.15.

Rule 6 (A) of Order #565 issued by the New Mexico Oil Conservation Commission states in part as follows:

"For the purpose of gas allocation in the Fulcher Kutz-Pictured Cliffs gas pool, a standard proration unit shall consist of approximately 160 surface contiguous acres substantially in the form of a square which shall be a legal subdivision (quarter-section) of the U. S. Public Land Survey;

The allowable production from any non-standard gas proration unit as compared with the allowable production therefrom if such tract were a standard

39.66
39.45
80
109.11

JA

COPY

April 3, 1956

unit shall be in the ratio which the area of the non-standard proration unit bears to a standard proration unit of 160 acres. Any gas proration unit containing between 158 and 162 acres shall be considered to contain 160 acres for the purpose of computing allowables."

Therefore, if the acreage figure of 159.15 is correct, it would appear that the NE/4 of Section 2, Township 27 North, Range 9 West would be considered a standard proration unit, and no application for non-standard proration unit would be required.

Very truly yours,

EL PASO NATURAL GAS COMPANY

By R. L. Hamblin
R. L. Hamblin
Manager
Lease Department

RLH:JWC:pb

cc: Oil Conservation Commission
of the State of New Mexico
Capitol Annex Building
Santa Fe, New Mexico

OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

NWU 173
✓

April 1, 1957

C
O
P
Y

Skelly Oil Company
P. O. Box 1650
Tulsa 2, Oklahoma

Re: Cancellation of NWU-173

Attention: Mr. George W. Selinger

Gentlemen:

Reference is made to your letter dated March 20, 1957, requesting Cancellation of NWU-173 for your Hobbs "C" Well No. 1 Unit, located in the NE/4 of Section 2, Township 27 South, Range 9 West, San Juan County, New Mexico, South Blanco-Pictured Cliffs Gas Pool.

Effective this date Administrative Order NWU-173 is hereby cancelled as per your request due to the use of the old survey plats which indicate 159.15 acres for the NE/4 of said Section 2.

Very truly yours,

A. L. PORTER, JR.
Secretary-Director

WWM:dea

cc: Oil Conservation Commission, Aztec, New Mexico
New Mexico State Land Office (Mrs. Rhea)

file

GOVERNOR
EDWIN L. MECHEM
CHAIRMAN

New Mexico
MAIN OFFICE O.C.C.
OIL CONSERVATION COMMISSION

LAND COMMISSIONER, MURRAY E. MORGAN
MEMBER

1957 MAR 15 AM 9:06

STATE GEOLOGIST, A.L. PORTER JR.
SECRETARY DIRECTOR



P.O. Box 697
Aztec, New Mexico

March 15, 1957

Mr. A. L. Porter, Jr.
Director
N. M. O. C. C.
P. O. Box 871
Santa Fe, New Mexico

Dear Mr. Porter:

We are changing the acreage dedication for the Skelly Oil Company's #1 Hobbs "C" well in 2-27N-9W from the May, 1949, Dependent Resurvey Plat to the 1882 Plat.

All other wells in this township have been prorated on the basis of the 1882 Plat. Most of the leases of this township were purchased according to the 1882 survey.

Administrative Order NWU-173 was based on the 1949 survey and we recommend that Skelly Oil Company request cancellation of that order.

The dedicated acreage according to the 1882 Plat would be 159.15 acres which is a standard proration unit.

Yours very truly,

A. R. Kendrick

A. R. Kendrick
Engineer, District #3

ARK/rc

cc: Mr. P. O. Cospers
Skelly Oil Co.
Farmington, N. M.

Mr. George W. Selinger
Skelly Oil Co.
Tulsa, Okla.



MAIN OFFICE OCC

SKELLY OIL COMPANY

1957 MAR 22 AM 8:21

TULSA 2, OKLAHOMA

PRODUCTION DEPARTMENT
C. L. BLACKSHER, MANAGER

March 20, 1957

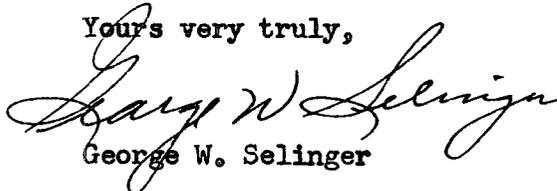
Mr. A. L. Porter, Jr.
Oil Conservation Commission
Box 871
Santa Fe, New Mexico

Dear Sir:

Administrative Order NWU-173 which was erroneously based on the 1949 survey, was issued on April 5, 1956, on our Hobbs "C" well No. 1, which is located in the NE/4 of Section 2 - 27 North - 9 West, San Juan County, New Mexico.

All other wells in this township have been prorated on the basis of the 1882 plat, which indicates that our well should be credited 159.15 acres. On April 10, 1956, we were advised by our Farmington office that this quarter section consisted of 159.15 acres and that all records had been changed by the New Mexico Oil and Gas Conservation Commission. Therefore, it is in order to cancel administrative order NWU-173 and assign our well credit for 159.15 acres from inception.

Yours very truly,


George W. Selinger

NPM:dc



MAIN OFFICE OCC

NWU-173

1956 APR 25 AM 9:08 **SKELLY OIL COMPANY**

*One 4/25/56
4/5/56*

TULSA 2, OKLAHOMA

PRODUCTION DEPARTMENT
J. S. FREEMAN, VICE PRESIDENT

March 23, 1956

New Mexico Oil Conservation Commission
Mabry Hall
Santa Fe, New Mexico

Gentlemen:

We are proposing to drill our Hobbs "C" Well No. 1 to the Pictured Cliffs formation of the South Blanco Field in Section 2, Township 27 North, Range 9 West which will be the only well on the NE/4 of Section 2 but will have only 144.77 acres rather than the normal 160 acres. This is due to adjustment along the North line of this particular township.

Since it will be non-standard, request is made for approval of this State lease on the subnormal section.

El Paso Natural Gas Company is the only other lease holder offsetting our Hobbs "C" lease and by carbon copy of this lease we are giving them formal notice of our request and trust that they will forward to you direct waiver of their objections.

Yours very truly,

George W. Selinger
George W. Selinger

GWS:zmr
cc-El Paso Natural Gas Company
El Paso, Texas

Mr. P. E. Cosper