OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

November 18, 1955

Skelly Oil Company P. O. Box 38 Hobbs, New Mexico

Attention: Mr. J. N. Dunlavey

Administrative Order NSP-144-A

Gentlemen

Reference is made to your application for approval of a 320-acre non-standard gas provation unit in the Jalmat Gas Pool consisting of the following acreage:

Township 24 South, Range 36 East, NMPM S/2 of Section 3

It is understood that this unit is to be ascribed to your E. Coates Wells Nos. 2 and 3, located in the SE/4 SW/4, and SW/4 SW/4, respectively of Section 3, Township 24 South, Range 36 East, NMPM, Lea County, New Mexico.

It is further stipulated that Well No. 3 shall not be permitted to produce a volume of gas during any proration period to exceed 50% of the allowable which would actually be assigned to the above mentioned proration unit for such proration period.

By authority granted me under provisions of Rule 5, Section (b)-6 of the Special Rules and Regulations for the Jalmat Gas Pool, as set forth in Order R-520, you are hereby authorized to operate the above described acreage as a non-standard gas proration unit, with allowable to be assigned thereto in accordance with pool rules, based upon the unit size of 320 acres.

Very truly yours,

W. B. Macey Secretary-Director