

OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

March 23, 1954

Skelly Oil Company  
Hobbs, New Mexico

Attention: Mr. J. N. Dunlavy

Gentlemen:

We attach signed copy of Order R-417 issued by the Commission in dismissal of Case 636 upon your company's request for such a conclusion.

Very truly yours,

W. B. Macey  
Chief Engineer

WBM:nr

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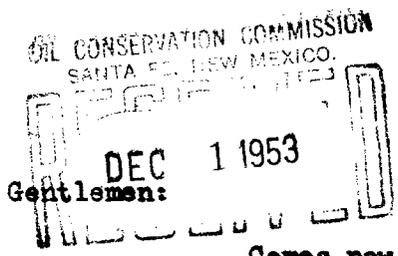
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OIL CONSERVATION COMMISSION  
STATE OF NEW MEXICO  
SANTA FE, NEW MEXICO

Re: IN THE MATTER OF SKELLY OIL  
COMPANY FOR APPROVAL OF AN  
UNORTHODOX GAS UNIT EMBRACING  
80 CONTIGUOUS ACRES IN THE  
EUMONT GAS POOL, LEA COUNTY,  
NEW MEXICO.



Comes now SKELLY OIL COMPANY, a Delaware corporation with offices in Tulsa, Oklahoma, petitioning the New Mexico Oil Conservation Commission for approval of an unorthodox gas proration unit lying wholly within the limits of the Eumont Gas Pool, namely the  $W\frac{1}{2}$ ,  $NE\frac{1}{4}$  of Section 16, T21S, R36E., N.M.P.M., Lea County, New Mexico, and in support thereof does state:

1. That the petitioner is the sole owner of all leases on the 80 acres confined by the boundaries of the  $W\frac{1}{2}$ ,  $NE\frac{1}{4}$  of Section 16, T21S, R36E., N.M.P.M., and concerns but a single royalty owner, namely the State of New Mexico.
2. That the petitioner's State "B" well No. 5 is located 660' from each the South and East boundaries of the lease and is completed within the vertical limits of the Eumont Gas Pool as defined by the New Mexico Oil Conservation Commission.
3. That the petitioner's lease is capable of production by virtue of its past production and the fact it is offset by producing gas wells.
4. 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.
5. That all lands described above, and contained within the limits of the proposed proration unit, lie within a single legal subdivision (quarter section) of the U. S. Public Land Survey.

Wherefore, the petitioner requests that, in the interest of conservation and protection of correlative rights, the Commission grant an exception to Rule 7(a), Order R-370-A, by which the petitioner may operate the above described lands as a single unit.

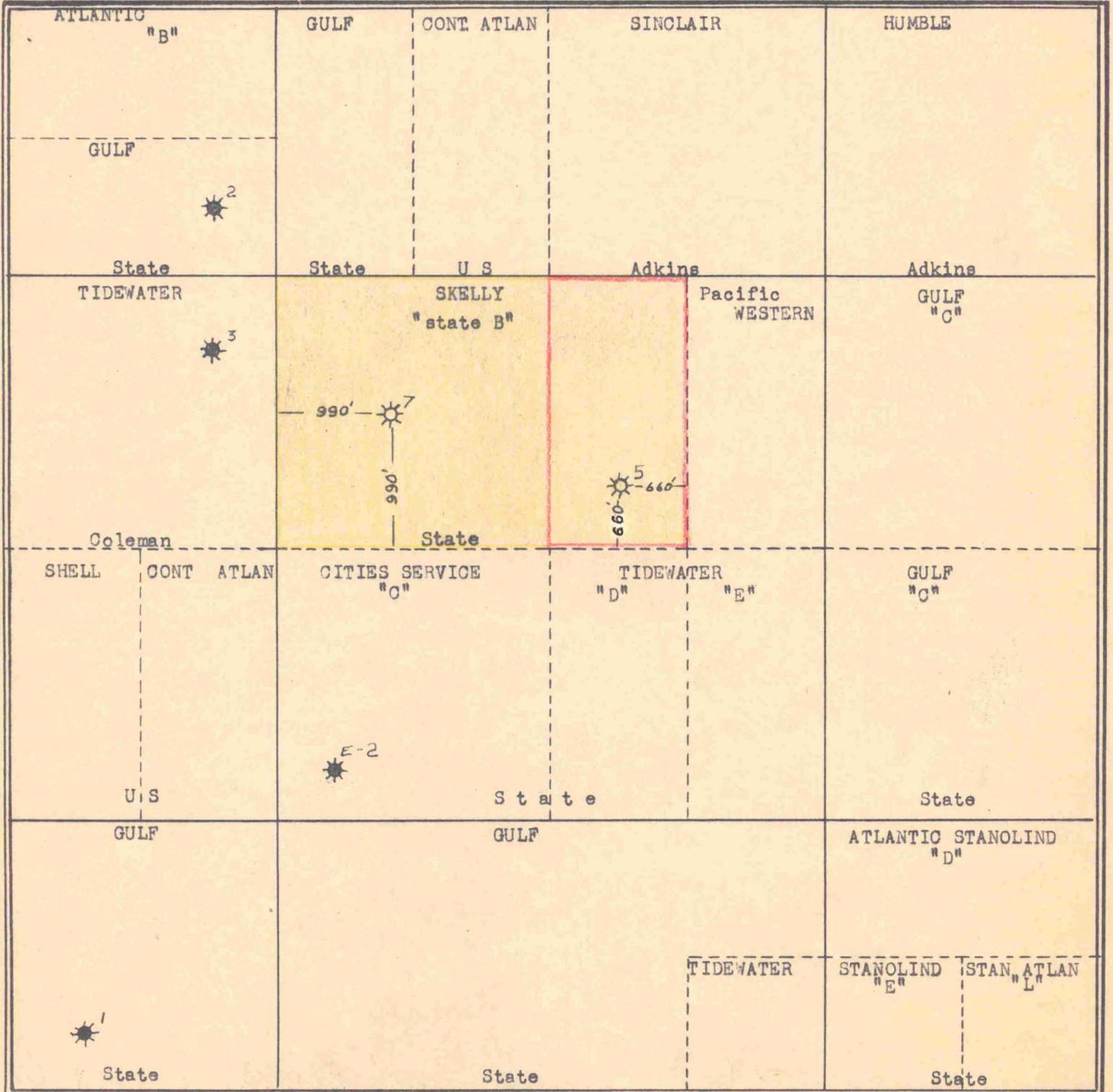
Respectfully submitted  
SKELLY OIL COMPANY

*J. N. Dunlayey*  
J. N. Dunlayey

# SKELLY OIL COMPANY

CASE No 636

EXHIBIT No \_\_\_\_\_



OIL CONSERVATION COMMISSION  
STATE OF NEW MEXICO  
SANTE FE, NEW MEXICO

Re: IN THE MATTER OF SKELLY OIL  
COMPANY FOR APPROVAL OF AN  
UNORTHODOX GAS UNIT EMBRACING  
80 CONTIGUOUS ACRES IN THE  
EUMONT GAS POOL, LEA COUNTY,  
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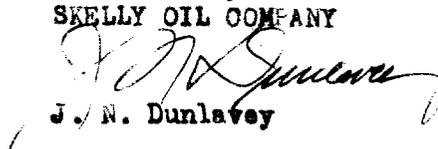
Gentlemen:

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1. That the petitioner is the sole owner of all leases on the 80 acres confined by the boundaries of the  $W\frac{1}{2}$ ,  $NE\frac{1}{4}$  of Section 16, T21S, R36E., N.M.P.M., and concerns but a single royalty owner, namely the State of New Mexico.
2. That the petitioner's State "B" well No. 5 is located 660' from each the South and East boundaries of the lease and is completed within the vertical limits of the Eumont Gas Pool as defined by the New Mexico Oil Conservation Commission.
3. That the petitioner's lease is capable of production by virtue of its past production and the fact it is offset by producing gas wells.
4. 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.
5. That all lands described above, and contained within the limits of the proposed proration unit, lie within a single legal subdivision (quarter section) of the U. S. Public Land Survey.

Wherefore, the petitioner requests that, in the interest of conservation and protection of correlative rights, the Commission grant an exception to Rule 7(a), Order R-570-A, by which the petitioner may operate the above described lands as a single unit.

Respectfully submitted  
SKELLY OIL COMPANY

  
J. N. Dunlavey