BEFORE THE OIL CONSERVATION COMMISSION OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION COMMISSION OF THE STATE OF NEW MEXICO FOR THE PURPOSE OF CONSIDERING:

> CASE NO. 703 Order No. R-479

THE APPLICATION OF SKELLY OIL COMPANY FOR AN ORDER GRANTING APPROVAL OF AN EXCEPTION PURSUANT TO RULE 7 (a) OF ORDER NO. R-369-A IN ESTABLISHMENT OF AN UNORTHODOX GAS PRORATION UNIT OF 160 CONTIGUOUS ACRES CONSISTING OF THE WEST HALF SOUTHWEST QUARTER, NORTHEAST QUARTER SOUTHWEST QUARTER, NORTHEAST QUARTER SOUTHWEST QUARTER AND NORTHWEST QUARTER SOUTHEAST QUARTER OF SECTION 17, TOWNSHIP 23 SOUTH, RANGE 37 EAST, NMPM, LEA COUNTY, NEW MEXICO ADJACENT TO THE LANGMAT GAS POOL.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m., on May 19, 1954, at Santa Fe, New Mexico, before the Oil Conservation Commission, hereinafter referred to as the "Commission".

NOW, on this 27 day of May, 1954, the Commission, a quorum being present, having considered the records and testimony adduced, and being fully advised in the premises;

FINDS:

(1) That due notice of the time and place of hearing and the purpose thereof having been given as required by law, the Commission has jurisdiction of this case and the subject matter thereof.

(2) That pursuant to provisions of Rule 7 (a) of Order No. R-369-A, the Commission has power and authority to permit the formation of a gas proration unit consisting of other than a legal quarter section after notice and hearing by the Commission.

(3) That applicant, Skelly Oil Company, is the owner of an oil and gas lease in Lea County, New Mexico the land consisting of other than a legal quarter section, and described as follows, to-wit:

TOWNSHIP 23 SOUTH, RANGE 37 EAST, NMPM W/2 SW/4, NE/4 SW/4, NW/4 SE/4 of Section 17

containing 160 acres, more or less.

(4) That applicant, Skelly Oil Company, has a producing well on the aforesaid lease known as E. L. Steeler, No. 7 located 1980' from the South line and 660' from the West line of Section 17, Township 23 South, Range 37 East.

Order No. R-479

-2-

(5) That the aforesaid well is located within one mile of the limits of the pool heretofore delineated and designated as the Langmat Gas Pool.

(6) That it is impractical to pool applicant's said lease with adjoining acreage in the South half of Section 17, Township 23 South, Range 37 East, NMPM, Lea County, New Mexico, and that the owner of adjoining acreage in said half section have not objected to the formation of the proposed proration unit of 160 acres.

(7) That unless a proration unit consisting of applicant's aforesaid acreage is permitted, applicant will be deprived of the opportunity to recover its just and equitable share of the natural gas in the Langmat Gas Pool.

(8) That creation of a proration unit consisting of the aforesaid acreage will not cause but will prevent waste, will protect correlative rights, and is necessary to prevent confiscation of applicant's property.

IT IS THEREFORE ORDERED:

(1) That the application of Skelly Oil Company for approval of an unorthodox proration unit consisting of the following described acreage

TOWNSHIP 23 SOUTH, RANGE 37 EAST, NMPM W/2 SW/4, NE/4 SW/4, NW/4 SE/4 of Section 17

be and the same is hereby approved, and a proration unit consisting of aforesaid acreage is hereby created.

(2) That applicant's well, E. L. Steeler, No. 7, located in the NW/4 SW/4 of Section 17, Township 23 South, Range 37 East, NMPM, shall be granted an allowable in the proportion that the above described 160 acre unit bears to the standard or orthodox proration unit for said pool, all until further order of the Commission.

DONE at Santa Fe, New Mexico, the day and year hereinabove designated.

STATE OF NEW MEXICO OIL CONSERVATION COMMISSION

EDWIN L. MECHEM, Chairman

R. R. SPURRIER, Secretary-Member

SEAL

ocation of Well		MPAN	Ŭ	FILE NO.		
	COMPANY: SKELLY OIL COMPANY WELL: E. L. STEELER NO. 7 FIELD: LANGLIE MATTIX			COUNTY: LOCATION:	COMPANY: WELL: FIELD:	
					ANY:	
	COUNTY: LEA		TATE: N MEX.	-	SKELLY	
	LOCATION: 1980' FSL & 660' FWL OF				OIL STEEL	
	SECTION 17, 23.	-S, 37-E				
LOG MEAS. FROM	M DERRICK FLOOR		ELEV. 3316	OMPANT ER NO. 7 LIX STATE: N		
DRLG. MEAS, FRC	DERRICK FLOOR		ELEV. 3316	MEX		
PERM. DATUM	GROUND LEVEL	ELEV. 3314		•		
EFFECTIVE DEPTH TOP OF LOGGED BOTTOM OF LOG TYPE OF FLUID IN FLUID LEVEL MAXIMUM RECON NEUTRON SOURCE SOURCE SPACING	INTERVAL GED INTERVAL I HOLE RDED TEMP. CE STRENGTH & TYPE G — IN. SURING DEVICE — IN. AENT — IN. — SECONDS FT. MIN. HATION — IN. RENCE	GAMMA RAY ONE-NW 4-6-54 3641 3641 SURFACE 3617 011 3500' 3500' 36" 3 5/8" 2 5 20-50 274 SCHLOTTERE CALHOUN	ONE-NW 4-6-54 3641 3641 SURFACE 3617 OIL 3500' 600N 8.25 9" 3.5/8" 1.6 20-50 275 ACK CALHOUN	RECORDED SIMULTANEQUELY		
RUN NO. BIT S ONE 11" ONE 63, ONE 43	IZE CASING WT 85/8" 14" 51/2" 14	SURFAC	RD WELL RECORD DE TO 1150 DE TO 3110 TO 3611		R A LOG TO 1118 TO 3130 TO 3619	