

EXPANSION & CONTRACTION.

Cont'd
A
Oct

Case Number

4808

Large

Exhibits

BEFORE THE
NEW MEXICO OIL CONSERVATION COMMISSION
CONFERENCE ROOM, STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO

October 4, 1972

EXAMINER HEARING

IN THE MATTER OF:

Application of Skelly Oil Company
for a waterflood expansion and
dual completion, Eddy County, New
Mexico.

Case No. 4808

BEFORE: Elvis A. Utz,
Examiner.

TRANSCRIPT OF HEARING

1 MR. UTZ: Case 4808.

2 MR. HATCH: Case 4808: Application of Skelly Oil
3 Company for a waterflood expansion and dual completion,
4 Eddy County, New Mexico.

5 MR. SELINGER: George W. Selinger and L. C. White
6 of White, Gilbert, Koch, Kelly, and McCarthy, Santa Fe,
7 appearing on behalf of Skelly Oil Company. We have one
8 witness we would like to have sworn.

9 * * * *

10 BERT O. BROWN,
11 was called as a witness, and after being duly sworn, testified
12 as follows:

13 MR. UTZ: Are there any other appearances in this
14 case?

15 (No response)

16 MR. UTZ: You may proceed.

17 DIRECT EXAMINATION

18 BY MR. SELINGER:

19 Q Will you state your name and what position you are in?

20 A My name is Bert O. Brown, B-e-r-t, and I am with Skelly
21 Oil Company as an area engineer.

22 Q Have you heretofore testified before the New Mexico Oil
23 Conservation Commission?

24 A Yes, sir.

25 Q Are you familiar in general with the Grayburg-Jackson

1 waterflood unit of Skelly?

2 A Yes, sir.

3 Q Are you familiar with the application and the exhibits
4 that have been marked?

5 A Yes, sir.

6 Q I will hand you what has been marked as Exhibit One,
7 and ask you to state what that is.

8 A Exhibit One is a two-mile radius map around the well
9 that is the subject of this hearing, Skelly Well Number
10 114, showing all of the wells around that well within
11 a two-mile radius, or producing zone, or horizon from
12 which they produce. It also shows the injection wells.

13 Q This area has been under waterflood for some time, has
14 it not?

15 A Yes.

16 Q I will hand you what has been marked as Exhibit Two, and
17 ask you to state what that is.

18 A Exhibit Two is a section of the gamma ray neutron log
19 of the Skelly Unit Well Number 114 which shows the
20 formation top, the perforations, and the casing that
21 opens to the Fren-Seven Rivers as well as the Grayburg-
22 Jackson Pools.

23 Q This field is overlaid by two different classified
24 reservoirs, is that correct?

25 A Yes, sir.

1 Q I will hand you what has been marked as Exhibit Three,
2 and ask you to state what that is.

3 A Exhibit Three is a schematic diagram of Well Number 114,
4 and the configuration that we propose as a dual completion
5 with production of oil from the Fren-Seven Rivers and
6 water injection into the Grayburg-Jackson Pool.

7 Q The exhibit shows the completion as you propose it?

8 A Right.

9 Q Not the present equipment?

10 A No.

11 Q Now, I will hand you what has been marked as Exhibit
12 Four, and ask you to state what that is.

13 A Exhibit Four is a water analyses of the water that we
14 purchase for injection or back-up water in the Skelly
15 Unit Waterflood Project. We also inject all the produced
16 water and we purchase the additional water from the
17 Double Eagle Water Company.

18 Q The unit produces approximately one thousand barrels
19 of oil and thirteen hundred barrels of water daily, is
20 that correct?

21 A Correct.

22 Q And you are injecting approximately 11,000 barrels and
23 the difference between 1,300 and 11,000 is the water
24 you purchase, is that correct?

25 A Yes, sir.

1 Q Is that water by its analyses indicated to be fresh
2 water?

3 A Yes, sir.

4 Q I will hand you what has been marked as Exhibit Five,
5 and ask you to state what that is.

6 A Exhibit Five are copies of C-115s that we have filed
7 with the Commission over the years, showing the wells
8 around the Skelly Unit Well Number 114, indicating there
9 has been response to the injection in the area.

10 Q Specifically, the months covered are February, 1966,
11 April, 1972, and May, 1971 at various times indicating
12 the effect of the waterflood operation?

13 A That's right.

14 Q I will hand you what has been marked as Exhibit Six, and
15 ask you to state what that is.

16 A Exhibit Six is a form that we filed with the Oil
17 Conservation Commission requesting a dual completion.
18 We filed this as an administrative request, which
19 resulted in this hearing.

20 Q That indicates that you proposed at that time to
21 artificially lift oil from the upper zone, the Fren-
22 Seven Rivers, and from the lower zone, the Grayburg-
23 San Andres, is that correct?

24 A That's right.

25 Q Now, this Skelly Unit Waterflood Project was authorized

dearnley, meier & mc cormick

209 SIMMS BLDG., P.O. BOX 1092 • PHONE 243-8691 • ALBUQUERQUE, NEW MEXICO 87103
1216 FIRST NATIONAL BANK BLDG. EAST • ALBUQUERQUE, NEW MEXICO 87108

1 by the Commission by Order R-2900 on May 4th, 1965,
2 is that correct?
3 A Yes, sir.
4 Q And amended by the expansion route of different wells
5 by Order 3214, dated April 7th, 1967, is that right?
6 A That's right.
7 Q I will hand you what has been marked as Skelly Exhibit
8 Seven, and ask you to state what that is.
9 A Skelly's Exhibit Seven are C-115s on Skelly's Unit Wells
10 producing from the Fren-Seven Rivers Pool.
11 Q And that information is for the month of June, 1972?
12 A The months of June, July, and August.
13 Q Does that include Unit Well Number 114, showing its
14 capacity?
15 A Yes, sir.
16 Q I'll hand you what has been marked as Exhibit Eight, and
17 ask you to state what that is.
18 A Exhibit Number Eight is a letter dated July 24th to the
19 New Mexico Oil Conservation Commission requesting
20 application for waterflood expansion on the Skelly Unit
21 Well Number 114 by administrative procedure.
22 Q That is provided for by Statewide Rules 701, 702, and 703?
23 A Yes, sir.
24 Q I will hand you what has been marked as Exhibit Nine,
25 and ask you to state what that is.

1 A Exhibit Nine is a letter to the New Mexico Oil
2 Conservation Commission dated July 24th, 1972, requesting
3 application for administrative approval of the dual
4 completion.

5 Q That is for the purpose of producing oil from the upper
6 pay and the disposal of water-- or water expansion to
7 the lower pay through another string of tubing, is that
8 correct?

9 A Yes, sir.

10 Q And the Commission required this hearing as a result
11 of that request?

12 A The two requests.

13 Q I will hand you what has been marked as Exhibit Ten, and
14 ask you to state what that is.

15 A Exhibit Ten is a letter to Skelly Oil Company from the
16 United States Department of Interior approving the
17 proposed dual completion of the Skelly Unit Well Number 114.

18 Q Approving what you are proposing to the Commission?

19 A Yes, and as is pointed out on the diagramatic sketch
20 of the well.

21 Q Did you have overall jurisdiction to propose these
22 exhibits, make them up?

23 A Yes, sir.

24 MR. SELINGER: We offer into evidence Skelly
25 Exhibits One through Ten, both inclusive. That's all we have.

1 MR. UTZ: Without objection, Exhibits One through
2 Ten will be entered into the record of this case.

3 (Whereupon Skelly's Exhibits One through Ten were
4 entered in evidence.)

5 * * * *

6 CROSS EXAMINATION

7 BY MR. UTZ:

8 Q Mr. Brown, on Exhibit Six, that is information for the
9 dual completion, is that correct?

10 A I beg your pardon?

11 Q Exhibit Six?

12 A Yes, sir.

13 Q And now you propose to inject water into the Grayburg
14 zone rather than produce it as an oil well?

15 A Yes, sir.

16 Q At the same perforations?

17 A Yes, sir.

18 Q Three thousand three hundred seventy-three to 3,772?

19 A That's correct.

20 MR. SELINGER: I might state that the well was
21 producing oil for a short period of time from those
22 perforations. That is correct, isn't it?

23 THE WITNESS: Yes.

24 Q (By Mr. Utz) The Grayburg is part of the waterflood
25 project here?

dearnley, meier & mc cormick

200 SIMMS BLDG., P.O. BOX 1092, PHONE 243-8891, ALBUQUERQUE, NEW MEXICO 87103
1216 FIRST NATIONAL BANK BLDG. EAST, ALBUQUERQUE, NEW MEXICO 87108

1 A Yes, sir.

2 Q So actually all you need out of this hearing is approval
3 of the water injection and oil dual completion?

4 A Yes, sir.

5 MR. SELINGER: May the Examiner please, we would
6 also like to have permission to seek administrative approval
7 of similar completions in the future on this project without
8 the necessity of a hearing. And while our project is a small
9 part of the entire field, we will have no objection if that
10 relief is given to any other operator that may conduct
11 similar projects.

12 MR. HATCH: What you are talking about here is
13 administrative approval of dual completions?

14 MR. SELINGER: Dual completions for producing oil
15 from the upper pay and the waterflood into the lower pay.

16 MR. HATCH: There may be some question as to whether
17 that can be allowed or not. There has always been a lot of
18 argument as to whether this is properly a dual completion.
19 We have issued orders though.

20 MR. UTZ: We will take your request under
21 consideration. Are there any further questions of this
22 witness?

23 (No response)

24 MR. UTZ: If not, he may be excused.

25 (Witness excused.)

dearnley, meier & mc cormick

209 SIMMS BLDG., P.O. BOX 1092, PHONE 243-6891, ALBUQUERQUE, NEW MEXICO 87103
1216 FIRST NATIONAL BANK BLDG. EAST, ALBUQUERQUE, NEW MEXICO 87108

MR. UTZ: Case 4808 will be taken under advisement.

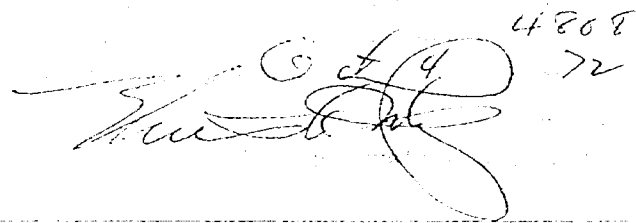
dearnley, meier & mc cormick

204 SIMMS BLDG. • P.O. BOX 1092 • PHONE 243-6691 • ALBUQUERQUE, NEW MEXICO 87103
1216 FIRST NATIONAL BANK BLDG. EAST • ALBUQUERQUE, NEW MEXICO 87108

1 STATE OF NEW MEXICO)
2 COUNTY OF BERNALILLO) SS

3
4 I, RICHARD E. McCORMICK, a Certified Shorthand
5 Reporter, in and for the County of Bernalillo, State of
6 New Mexico, do hereby certify that the foregoing and attached
7 Transcript of Hearing before the New Mexico Oil Conservation
8 Commission was reported by me; and that the same is a true
9 and correct record of the said proceedings to the best of
10 my knowledge, skill and ability.

11
12 
13 CERTIFIED SHORTHAND REPORTER
14
15
16
17
18
19
20
21
22
23
24
25


4808
72

I N D E XWITNESSPAGE

BERT O. BROWN

Direct Examination by Mr. Selinger

3

Cross Examination by Mr. Utz

9

E X H I B I T SAPPLICANT'SADMITTEDOFFERED

Exhibit #1 Map

9

4

Exhibit #2 Section of log

9

4

Exhibit #3 Schematic diagram

9

5

Exhibit #4 Water analyses

9

5

Exhibit #5 Copies of. 115s

9

6

Exhibit #6 Form

9

6

Exhibit #7 C-115s

9

7

Exhibit #8 Letter

9

7

Exhibit #9 Letter

9

8

Exhibit #10 Letter

9

8

dearnley, meier & mc cormick

209 SIMMS BLDG., P.O. BOX 1092, PHONE 243-6611, ALBUQUERQUE, NEW MEXICO 87103
1216 FIRST NATIONAL BANK BLDG., EAST ALBUQUERQUE, NEW MEXICO 87108

dearnley, meier & mc cormick

209 SIMMS BLDG. • P.O. BOX 1092 • PHONE 243-6691 • ALBUQUERQUE, NEW MEXICO 87103
1216 FIRST NATIONAL BANK BLDG. EAST • ALBUQUERQUE, NEW MEXICO 87108

PAGE

2

BEFORE THE
NEW MEXICO OIL CONSERVATION COMMISSION
CONFERENCE HALL, STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO
September 13, 1972

EXAMINER HEARING

IN THE MATTER OF:

Application of Skelly Oil Company for
a waterflood expansion and dual
completion, Eddy County, New Mexico.

CASE NO. 4808

BEFORE: Daniel S. Nutter
Examiner

TRANSCRIPT OF HEARING

1 MR. HATCH: Case 4808: Application of Skelly
2 Oil Company for a waterflood expansion and dual completion,
3 Eddy County, New Mexico.

4 The Commission has received a request from the
5 Applicant that the case be continued to October 4th.

6 MR. NUTTER: Case 4808 will be continued to
7 October 4th, the Examiner Hearing scheduled to be held at
8 this same place.

9 Call Case Number 4809.
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

dearnley, meier & mc cormick

209 SIMMS BLDG., P.O. BOX 1092, PHONE 242-6691, ALBUQUERQUE, NEW MEXICO 87103
1216 FIRST NATIONAL BANK BLDG., EAST ALBUQUERQUE, NEW MEXICO 87108

1 STATE OF NEW MEXICO)
 2 COUNTY OF BERNALILLO) ss

3 I, JOHN DE LA ROSA, a Court Reporter, in and for the
 4 County of Bernalillo, State of New Mexico, do hereby certify
 5 that the foregoing and attached Transcript of Hearing
 6 before the New Mexico Oil Conservation Commission was
 7 reported by me; and that the same is a true and correct
 8 record of the said proceedings to the best of my knowledg,
 9 skill and ability.

10 John De la Rosa
 11 COURT REPORTER
 12
 13
 14
 15
 16
 17
 18
 19
 20
 21
 22
 23
 24
 25

9/13 4808
 72

dearnley, meier & mc cormick

209 SIMMS BLDG., P.O. BOX 1092, PHONE 243-0691, ALBUQUERQUE, NEW MEXICO 87103
 1216 FIRST NATIONAL BANK BLDG. EAST, ALBUQUERQUE, NEW MEXICO 87106

DOCKET: EXAMINER HEARING - WEDNESDAY - SEPTEMBER 13, 1972

9 A.M. - OIL CONSERVATION COMMISSION CONFERENCE ROOM,
STATE LAND OFFICE BUILDING - SANTA FE, NEW MEXICO

The following cases will be heard before Daniel S. Nutter, Examiner, or Elvis A. Utz, Alternate Examiner:

- ALLOWABLE: (1) Consideration of the allowable production of gas for October, 1972, from seventeen prorated pools in Lea, Eddy, Chaves and Roosevelt Counties, New Mexico;
- (2) Consideration of the allowable production of gas from nine prorated pools in San Juan, Rio Arriba, and Sandoval Counties, New Mexico, for October, 1972.

CASE 4808: Application of Skelly Oil Company for a waterflood expansion and dual completion, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks to expand its Grayburg-Jackson Skelly Unit Waterflood Project, Grayburg-Jackson Pool, Eddy County, New Mexico, by the injection of water through its Unit Well No. 114 located in Unit D of Section 14, Township 17 South, Range 31 East. Said Well No. 114 to be completed as a dual completion in such a manner as to permit the production of oil from the Fren-Sevens Rivers Pool and the injection of water into the Grayburg-Jackson Pool.

CASE 4809: Application of Saturn Oil Company for a unit agreement, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of the Antebellum Unit Area comprising 3,840 acres, more or less, of State and Federal lands in Township 23 South, Range 34 East, Lea County, New Mexico.

CASE 4810: In the matter of the application of the Oil Conservation Commission on its own motion to consider the revision of the special rules for the Devils Fork Gallup Associated Pool and the Escrito Gallup Associated Pool, Rio Arriba and San Juan Counties, New Mexico, promulgated by Orders Nos. R-1670-B and R-1793-A, respectively, to permit taking of gas-oil ratio and bottom-hole pressure tests on an annual basis rather than quarterly and semi-annually, as is now required.

CASE 4747: (Continued from the July 26, 1972, Examiner Hearing)

Application of Union Texas Petroleum, a Division of Allied Chemical Corporation for compulsory pooling, Lea County, New Mexico, Applicant, in the above-styled cause, seeks an order pooling all mineral interests below the base of the Devonian formation underlying the N/2 of Section 33, Township 25 South, Range 37 East, Crosby Field, Lea County, New Mexico. Said acreage to be dedicated to its well to be located 1650 feet from the North line and 2310 feet from the East line of said Section 33. Also to be considered will be the costs of drilling said well, a charge for the risk involved, a provision for the allocation of actual operating costs, and the establishment of charges for supervision of said well.

CASE 4577: (Reopened)

In the matter of Case 4577 being reopened pursuant to the provisions of Order No. R-4181, which order established special rules and regulations for the Parkway-Wolfcamp Pool, Eddy County, New Mexico, including a provision for 160-acre spacing units. All interested persons may appear and show cause why said pool should not be developed on 40-acre or 80-acre spacing units.

CASE 4811: Application of Atlantic Richfield Company for a non-standard proration unit, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of a 120-acre non-standard gas proration unit comprising the N/2 SE/4 and NE/4 SW/4 of Section 36, Township 21 South, Range 37 East, Blinbry Gas Pool, Lea County, New Mexico, to be dedicated to its State 367 Well No. 3 located in Unit K of said Section 36.

CASE 4812: Application of Midwest Oil Corporation for an unorthodox location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks as an exception to Rule 104, authority to drill a wildcat gas well to test the Morrow formation at an unorthodox location 1320 feet from the South and East lines of Section 1, Township 18 South, Range 28 East, Eddy County, New Mexico, with the S/2 of said Section 1 to be dedicated to the well.

CASE 4813: Application of Inexco Oil Company for a unit agreement, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval of the Sitting Bull Unit Area comprising 6,665 acres, more or less, of Federal lands in Sections 28, 29, 31, 32, and 33 of Township 23 South, Range 22 East, and Sections 4 through 9 of Township 24 South, Range 22 East, Eddy County, New Mexico.

CASE 4814: Application of Inexco Oil Company for a unit agreement, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval of the Four Forks Unit Area comprising 3,133 acres, more or less, of Federal and Fee lands in Sections 3, 10, 11, 14 and 15 of Township 22 South, Range 25 East, Eddy County, New Mexico.

CASE 4815: Application of Inexco Oil Company for pool creation and special pool rules, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks the creation of a new Strawn gas pool for its well located 1980 feet from the South and West lines of Section 18, Township 21 South, Range 26 East, Eddy County, New Mexico. Applicant further seeks the promulgation of special rules therefor, including a provision for 640-acre spacing units.

CASE 4816: Application of Penroc Oil Corporation for a special gas-oil ratio limitation increase, Lea County, New Mexico. Applicant, in the above-styled cause, seeks amendment of the special rules and regulations for the Hobbs-Drinkard Pool promulgated by Order No. R-3811, as amended,

(Case 4816 continued from Page 2)

to establish a limiting gas-oil ratio limitation of 6,000 cubic feet of gas per barrel of oil in said pool.

CASE 4817: Application of Phillips Petroleum Company for a dual completion, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the dual completion (conventional) of its Drag "B" Well No. 1 located in Unit K of Section 18, Township 23 South, Range 27 East, Eddy County, New Mexico, in such a manner as to produce gas from the South Carlsbad-Morrow Gas Pool through tubing and an undesignated Canyon gas pool through the casing-tubing annulus.

CASE 4818: Application of Tipperary Land and Exploration Corporation for a waterflood project, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a waterflood project in the North Bagley-Pennsylvanian Pool by the injection of water into the Strawn and possibly other formations by the injection of water through its Bess Well No. 1 located 660 feet from the North line and 1980 feet from the East line of Section 20, Township 11 South, Range 33 East, Lea County, New Mexico.

CASE 4819: Application of D. L. Hannifin for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in and under the S/2 of Section 24, Township 22 South, Range 26 East, South Carlsbad Field, Eddy County, New Mexico, to be dedicated to a well to be drilled 1980 feet from the South and East lines of said Section 24. Also to be considered will be the costs of drilling said well, a charge for the risk involved, a provision for the allocation of actual operating costs, and the establishment of charges for supervision of said well.

CASE 4820: Application of Anadarko Production Company for the creation of an associated pool, special rules therefor, downhole and surface commingling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks the creation of a new associated pool for the production of oil and gas from the Yates and Seven Rivers formations for its Loco Hills Federal "B" Wells Nos. 1 and 8 located, respectively, in Units P and K of Section 9, Township 17 South, Range 30 East, Eddy County, New Mexico, and the promulgation of special rules therefor including provisions for the classification of oil and gas wells, oil and gas well spacing, and an unlimited gas-oil ratio.

Applicant further seeks authority to commingle in the well-bore of said Well No. 1 the Yates-Seven Rivers production from the newly created pool and the Grayburg-Jackson Pool and to commingle on the surface the Yates-Seven Rivers production from said Well No. 8 with production from the Grayburg-Jackson Pool.

CASE 4821: Application of Getty Oil Company for downhole commingling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks as an exception

(Case 4821 continued from Page 3)

to Rule 303 of the Commission Rules and Regulations, authority to commingle production from the North Vacuum-Abo, Vacuum-Wolfcamp, and Vacuum-Pennsylvanian Pools in the wellbore of its State "BA" Well No. 8 located in Unit B of Section 36, Township 17 South, Range 34 East, Lea County, New Mexico.

CASE 4822: Application of Getty Oil Company for an unorthodox location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of an unorthodox location for its State "BA" Well No. 9 located 660 feet from the North line and 2310 feet from the East line of Section 36, Township 17 South, Range 34 East, Vacuum Grayburg-San Andres Pool, Lea County, New Mexico. Said well being nearer than 660 feet to another well capable of producing from the same pool.

CASE 4823: Application of Getty Oil Company for an unorthodox location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of an unorthodox location for its A. B. Coates "C" Well No. 28 located 1820 feet from the North and West lines of Section 24, Township 25 South, Range 37 East, Justis Blinebry Pool, Lea County, New Mexico. Said well being located nearer than 660 feet to another well capable of producing from the same pool.

CASE 4824: Application of Getty Oil Company for an unorthodox location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of an unorthodox location for its H. D. McKinley Well No. 11 located 760 feet from the North line and 550 feet from the East line of Section 30, Township 18 South, Range 38 East, Hobbs Grayburg-San Andres Pool, Lea County, New Mexico. Said well being nearer than 660 feet to another well capable of producing from the same pool.

CASE 4825: Application of Hanagan Petroleum Corporation for dual completion, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the dual completion (conventional) of its Catclaw Draw Unit Well No. 3 located in Unit D of Section 36, Township 21 South, Range 25 East, Eddy County, New Mexico, in such a manner as to produce gas from an undesignated Strawn gas pool through tubing and from the Catclaw Draw-Morrow Gas Pool through the casing-tubing annulus.

CASE 4826: Application of Hanagan Petroleum Corporation for pool creation, special pool rules, and an unorthodox location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks the creation of a new Strawn gas pool for its well located 920 feet from the North and West lines of Section 36, Township 21 South, Range 25 East, Eddy County, New Mexico, and the promulgation of special rules therefor, including a provision for 640-acre spacing units. Applicant further seeks approval of an unorthodox location for the above-described well.

CASE 4827: Application of Robert N. Enfield for an unorthodox location, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks

(Case 4827 continued from Page 4)

authority to drill a gas well at an off-pattern unorthodox location 990 feet from the North and East lines of Section 11, Township 15 South, Range 27 East, Buffalo Valley-Pennsylvanian Gas Pool, Chaves County, New Mexico, with the E/2 of said Section 11 to be dedicated to the well.

CASE 4828: Application of Inexco Oil Company for a dual completion, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority for the dual completion of its McMinn State Well No. 1 located 1980 feet from the South and West lines of Section 18, Township 21 South, Range 26 East, Eddy County, New Mexico, in such a manner as to produce gas from the Strawn formation and the Morrow formation adjacent to the Catclaw Draw-Morrow Gas Pool.

BEFORE THE NEW MEXICO STATE OIL
CONSERVATION COMMISSION

IN THE MATTER OF APPLICATION
OF SKELLY OIL COMPANY FOR WATER-
FLOOD EXPANSION, DUAL COMPLETION
AND INJECTION OF WATER INTO DUAL
COMPLETION

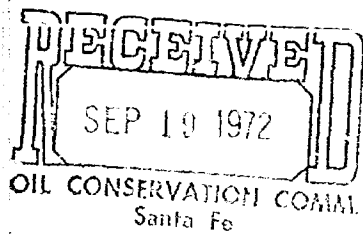
No. 4808

Comes now L. C. White of the firm of White, Koch, Kelly &
McCarthy of Santa Fe, New Mexico, and herewith enters his formal
appearance as local counsel for Skelly Oil Company the applicant
in the above entitled cause.

WHITE, KOCH, KELLY & MCCARTHY

By


L. C. White



Handwritten:
Sent to World
9-22-72

4808

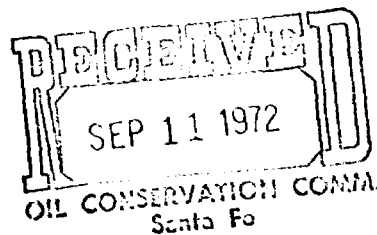
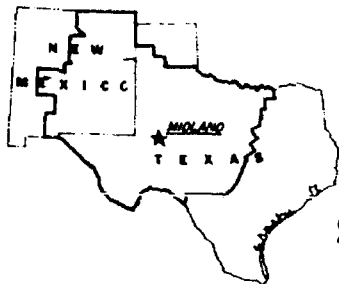
Heard 10-4-72

Rec. 10-5-72

Grant Skelly's request for
a 2nd Injection Dual Flooding
production & Expansion of the
Grayburg - Jackson Skelly Unit
flood. by Qualifying these unit.
well #14 unit D-14-175-3/E..
Water to be injected in the Gray-
Jackson pool of the flood &
oil to be produced from the
Dren-SR oil pool.

Also Grant a lim.
approval for this type of dual
injection within the unit.

Thos E. Mc



SKELLY OIL COMPANY

September 7, 1972

EXPLORATION & PRODUCTION DEPARTMENT
WEST CENTRAL DISTRICT

A. B. CARY, EXPLORATION & PRODUCTION MANAGER
V. E. BARTLETT, EXPLORATION MANAGER
C. J. LOVE, PRODUCTION MANAGER
J. R. AVENT, ADMINISTRATIVE COORDINATOR

ADDRESS REPLY TO:
P. O. BOX 1351
MIDLAND, TEXAS 79701

File: Skelly Unit Well No. 114
Lease No. 73617
Eddy County, New Mexico

Re: New Mexico Oil Conservation Commission
Hearing for Dual Completion

Secretary Director (3)
New Mexico Oil Conservation Commission
Santa Fe, New Mexico 87501

Handwritten: *file - Case 4808*

Dear Mr. Porter:

We are informed that our request for administrative approval for a dual well has not been granted and that the matter has been scheduled for hearing September 13, 1972. We request that this hearing (case number 4808) be re-scheduled for October 4, 1972. This will allow us to prepare our case more thoroughly which will result in a clear presentation.

Very truly yours,

C. J. Love

C. J. Love
District Production Manager

BOB/rc

Handwritten: *9-22-72*



OIL CONSERVATION COMMISSION

STATE OF NEW MEXICO
P.O. BOX 2088 - SANTA FE
87501

GOVERNOR
BRUCE KING
CHAIRMAN
LAND COMMISSIONER
ALEX J. ARMJO
MEMBER
STATE GEOLOGIST
A. L. PORTER, JR.
SECRETARY - DIRECTOR

October 16, 1972

Mr. George Selinger
Skelly Oil Company
Post Office Box 1650
Tulsa, Oklahoma 74102

Re: Case No. 4808
Order No. R-4419
Applicant:
Skelly Oil Company

Dear Sir:

Enclosed herewith are two copies of the above-referenced Commission order recently entered in the subject case.

Very truly yours,

A. L. PORTER, Jr.
Secretary-Director

ALP/ir

Copy of order also sent to:

Hobbs OCC X

Artesia OCC X

Aztec OCC

Other State Engineer Office

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

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

CASE NO. 4808
Order No. R-4419

APPLICATION OF SKELLY OIL
COMPANY FOR A WATERFLOOD
EXPANSION AND DUAL COMPLETION,
EDDY COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on October 4, 1972, at Santa Fe, New Mexico, before Examiner Elvis A. Utz.

NOW, on this 16th day of October, 1972, the Commission, a quorum being present, having considered the testimony, the record, and the recommendations of the Examiner, and being fully advised in the premises,

FINDS:

(1) That due public notice having been given as required by law, the Commission has jurisdiction of this cause and the subject matter thereof.

(2) That the applicant, Skelly Oil Company, seeks permission to expand its Grayburg-Jackson Skelly Unit Waterflood Project in the Grayburg-Jackson Pool, by the injection of water through its Unit Well No. 114 located in Unit D of Section 14, Township 17 South, Range 31 East, NMPM, Eddy County, New Mexico.

(3) That the applicant further seeks authority to complete its Well No. 114 in such a manner as to permit the production of oil from the Fren-Seven Rivers Pool through 2 1/16-inch tubing and the injection of water into the Grayburg-Jackson Pool through a parallel string of 2 1/16-inch tubing with separation of zones by a packer set at approximately 3300 feet.

(4) That the applicant further seeks a procedure whereby the subject waterflood project may be expanded by the dual completion of additional wells within the boundaries of the above-described unit without the necessity for notice and hearing.

(5) That the proposed waterflood expansion and dual completion are feasible and should result in the recovery of otherwise unrecoverable oil, thereby preventing waste.

-2-

Case No. 4808
Order No. R-4419

(6) That the subject application should be approved and the project should be governed by the provisions of Rules 701, 702, and 703 of the Commission Rules and Regulations; provided however, that the showing of well response as required by Rule 701 E-5 shall not be necessary before obtaining administrative approval for the conversion of additional wells to water injection as single completions or as dual completions.

IT IS THEREFORE ORDERED:

(1) That the applicant, Skelly Oil Company, is hereby authorized to expand its Grayburg-Jackson Skelly Unit Waterflood Project in the Grayburg-Jackson Pool by the injection of water through its Unit Well No. 114 located in Unit D of Section 14, Township 17 South, Range 31 East, NMPM, Eddy County, New Mexico.

(2) That the applicant is hereby authorized to complete said Well No. 114 in such a manner as to permit the production of oil from the Fren-Seven Rivers Pool through 2 1/16-inch tubing and the injection of water into the Grayburg-Jackson Pool through a parallel string of 2 1/16-inch tubing with separation of zones by a packer set at approximately 3300 feet.

(3) That Order (2) of Order No. R-3214 is hereby amended to read in its entirety as follows:

"(2) That the subject waterflood project is hereby designated the Grayburg-Jackson Skelly Unit Waterflood Project and shall be governed by the provisions of Rules 701, 702, and 703 of the Commission Rules and Regulations;

PROVIDED HOWEVER, that the Secretary-Director of the Commission may approve expansion of the above-described waterflood project to include such additional injection wells in the area of said project as may be necessary to complete an efficient injection pattern; that said wells may be approved as dual completions for injection into the Grayburg-Jackson Pool and production from the Fren-Seven Rivers Pool."

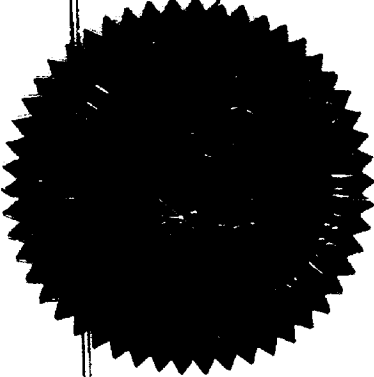
(4) That monthly progress reports of the waterflood expansion authorized shall be submitted to the Commission in accordance with Rules 704 and 1120 of the Commission Rules and Regulations.

(5) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

-3-
Case No. 4808
Order No. R-4419

DONE at Santa Fe, New Mexico, on the day and year herein-
above designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION


Bruce King
BRUCE KING, Chairman

Alex J. Armijo
ALEX J. ARMIJO, Member

A. L. Porter, Jr.
A. L. PORTER, Jr., Member & Secretary

S E A L

dr/

SKELLY OIL COMPANY
Skelly Unit No. 114
660 FNL & 660 FWL Sec. 14-17S-31E

BEFORE EXAMINER
OIL CONSERVATION

EXHIBIT NO. 3

CASE NO. 4808

Sealed by Skelly

Sealing Date 10-4-72

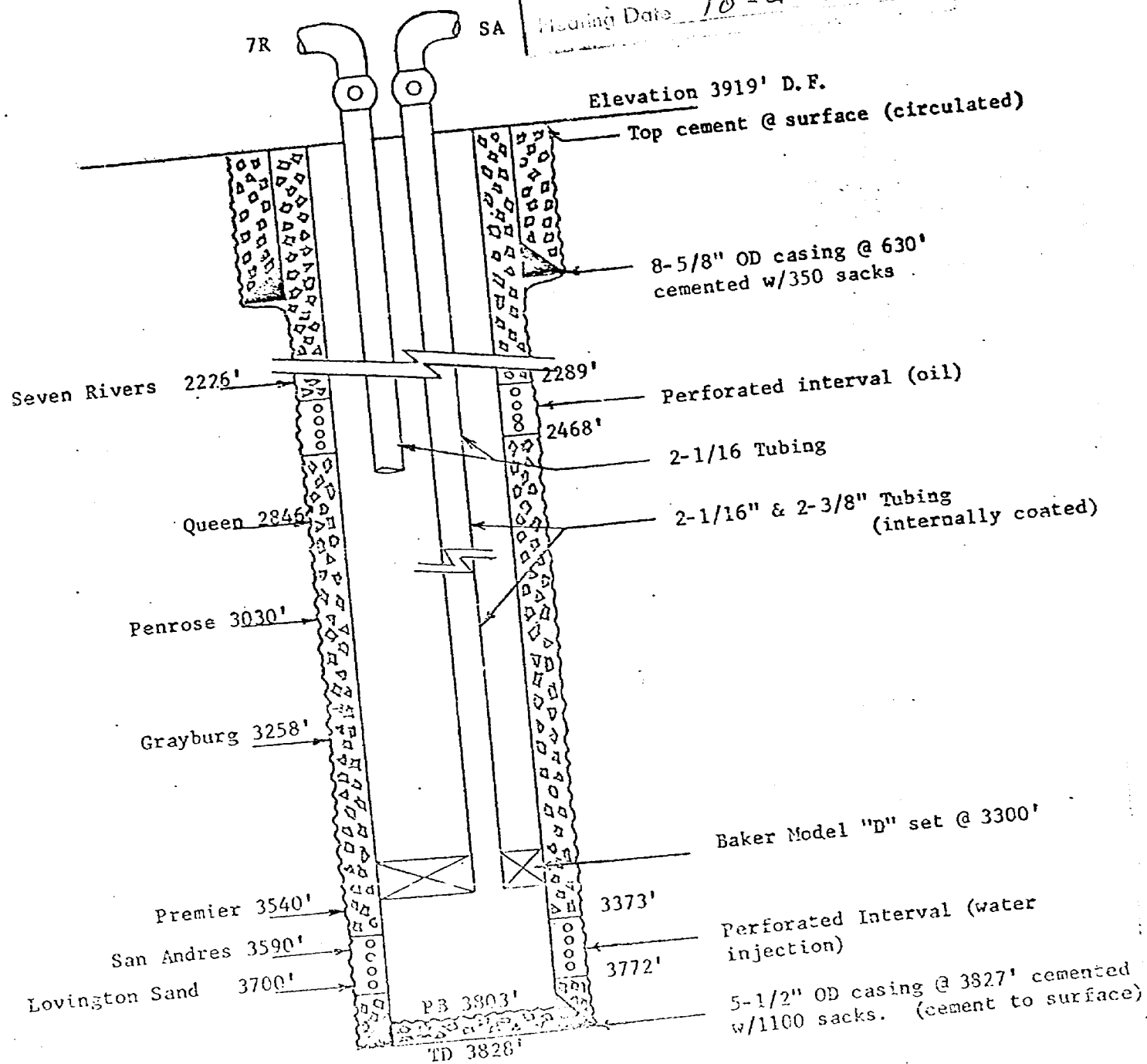


EXHIBIT 3

P. O. BOX 1468 PHONE 943-3234
MONAHAN, TEXAS 79766

Martin Water Laboratories

406 W. ILLINOIS PHONE 683-4621
MIDLAND, TEXAS 79701

RESULT OF WATER ANALYSES

TO: Mr. D. R. Parkhurst
P. O. Box 730, Hobbs, New Mexico

LABORATORY NO. 77161
SAMPLE RECEIVED 7-7-71
RESULTS REPORTED 7-19-71

COMPANY Skelly Oil Company LEASE Skelly Unit - Plant #1
FIELD OR POOL Grayburg Jackson COUNTY Eddy STATE N. M.

SECTION BLOCK SURVEY
SOURCE OF SAMPLE AND DATE TAKEN:

NO. 1 Raw water - taken from raw water line. 7-7-71
NO. 2 Treated water - taken from injection pump discharge. 7-7-71
NO. 3 Injection water - taken from input #30. 7-7-71

REMARKS:	Skelly Water System			
	NO. 1	NO. 2	NO. 3	NO. 4
Specific Gravity at 60° F.	1.0016	1.0019	1.0018	
pH When Sampled	6.5	6.3	6.3	
pH When Received	6.2	6.2	6.25	
Bicarbonate as HCO ₃	122	127	132	
Supersaturation as CaCO ₃	-	-	-	
Undersaturation as CaCO ₃	28	26	26	
Total Hardness as CaCO ₃	172	172	180	
Calcium as Ca	54	54	56	
Magnesium as Mg	9	9	10	
Sodium and/or Potassium	53	50	68	
Sulfate as SO ₄	119	112	112	
Chloride as Cl	46	42	42	
Iron as Fe	0.33	0.37	0.26	
Barium as Ba	0	0	0	
Turbidity, Electric	0	1.3	0.0	
Color as Pt	0.64	0	0	
Total Solids, Calculated	2	394	400	
Temperature °F.	403	32	34	
Carbon Dioxide, Calculated	74	104	108	
Disso'ved Oxygen, Winkler	63	0.0	0.0	
Hydrogen Sulfide	0.0	0.0	0.0	
Resistivity, ohms/m at 77° F.	18.50	18.55	18.50	
Suspended Oil	0.34	0.52	0.70	
Filtrable Solids as mg/l	10,000	10,000	10,000	
Volume Filtered, ml				

Results Reported As Milligrams Per Liter

Additional Determinations And Remarks

BEFORE EXAMINER UTZ
CONSERVATION COMMISSION

EXHIBIT NO. 4

NO. 4808

by Skelly

Date 10-4-72

Form No. 3

By

Waylan G. Karsen, N. A.

EXHIBIT A

NEW MEXICO OIL CO. CONSERVATION COMMISSION

BOX 2088 SANTA FE, NEW MEXICO

OPERATOR'S MONTHLY REPORT

STATE OF NEW MEXICO
SUNSHINE ORIGINAL TO THE STATE
ONE COPY TO THE OPERATOR
ONE COPY TO THE COMMISSION

Company or Operator

Address

For Month

Feb-1966

WELL NO. UNIT SEC. TWP. RNO.	WELL STATUS	TOTAL LIQUIDS PRODUCED			GAS PRODUCED MCF	DAYS PROD.	DISPOSITION OF GAS					DISPOSITION OF OIL														
		MONTHLY OIL ALLOWABLE	ACTUAL BARRELS PRODUCED	BARRELS OF WATER PRODUCED			VENTED	USED ON LEASE	SOLED	PURCH.	OTHER	C O D E	OIL ON HAND BEG. OF MONTH	BARRELS TO TRANS-PORTER	OTHER	C O D E	TRANS-PORTER	OIL ON HAND END OF MONTH								
LEASE NAME (UNDERLINE)		LEASE NAME AND STATE LAND LEASE NUMBER OR FEDERAL LEASE NUMBER																								
		196	160	0	110	28	<div>BEFORE EXAMINER LITZ OIL CONSERVATION COMMISSION EXHIBIT NO. 5 CASE NO. 4808 Submitted by Skelly Hearing Date 10-4-72</div>																			
		196	160	0	61	✓																				
		196	160	10	60	✓																				
		168	139	4	177	✓																				
		168	139	0	293	✓																				
		168	139	0	635	✓																				
		308	252	0	585	✓																				
		168	139	0	304	✓																				
		336	276	97	2010	✓																				
		476	391	0	1287	✓																				
		380	1955	111	5522				5522	0			237	1856	0	336										
		140	97	0	127	28																				
		84	58	0	67	✓																				
		112	78	0	332	✓																				
		112	78	0	845	✓																				
		448	311	0	1771				1771	0			147	0	0	258										

BEFORE EXAMINER UTZ
OIL CONSERVATION COMMISSION
EXHIBIT NO. 5
CASE NO. 4808
Submitted by Skelly
Hearing Date 10-4-72

OFFSET flow UNIT No. 103

STATUS CODE
F - FLOWING
P - PLUMBING
G - GAS LIFT
L - LOST IN
A - ABANDONED
I - INJECTION

"OTHER" GAS DISPOSITION CODE
X - USED OFF LEASE
D - USED FOR DRILLING
G - GAS LIFT
L - LOST IN
E - EXPLANATION ATTACHED
R - REPRESSURING OR PRESSURE MAINTENANCE

"OTHER" OIL DISPOSITION CODE
C - CIRCULATING OIL
L - LOST
S - SEDIMENTATION LOSS
E - EXPLANATION ATTACHED

I HEREBY CERTIFY THAT THE INFORMATION GIVEN IS TRUE AND COMPLETE TO THE BEST OF MY KNOWLEDGE.

2-30-66
SIGNATURES
DATE

POSITION

EXHIBIT 5

NEW MEXICO OIL CONSERVATION COMMISSION

BOX 2088 SANTA FE, NEW MEXICO

OPERATOR'S MONTHLY REPORT

STATE FORM 2-115 REV. 10-1-66
ISSUED 10-1-66 TO OIL & GAS COMMISSION
ONE COPY TO OIL & GAS COMMISSION
ONE COPY TO TRANSPORTATION

Company or
Operator

SKELLY OIL COMPANY

P. O. Box 1351, Midland, Texas

FOR MONTH

APR 1972

WELL NO. UNIT SEC. TWP. RND.	WELL STATUS	TOTAL LIQUIDS PRODUCED			GAS PRODUCED ACF	DAYS PROD.	DISPOSITION OF GAS					DISPOSITION OF OIL				
		MONTHLY OIL ALLOWABLE	ACTUAL BARRELS PRODUCED	BARRELS OF WATER PRODUCED			VENTED	USED ON LEASE	SOLD	PURCH.	OTHER	C O D E	OIL ON HAND BEG. OF MONTH	BARRELS TO TRANS-PORTER	OTHER	C O D E
LEASE NAME AND STATE LAND LEASE NUMBER OR FEDERAL LEASE NUMBER																
Grayburg Jackson - Eddy - (Continued)																
Skelly Unit No. I - Section 276 (Continued)																
95 H 28 17 31	I		Water	Injection Well												
96 F 27 17 31	I		Water	Injection Well												
97 G 27 17 31	P	210	150	1350	108	30	720									
98 J 28 17 31	I		Water	Injection Well												
99 K 28 17 31	T		Temporarily	Abandoned												
100 L 28 17 31	I		Water	Injection Well												
101 E 22 17 31	F	90	23	0	0	21	-0-									
102 B 14 17 31	P	180	90	60	11	30	122									
103 C 14 17 31	P	210	111	215	18	30	162									
104 E 14 17 31	P	150	60	42	9	30	150									
105 F 14 17 31	I		Water	Injection Well												
106 C 15 17 31	P	210	153	0	480	30	3137									
Totals this page		1050	587	1667	626											

STATUS CODE

F - FLOWING
P - PLUGGING
C - CIRCULATING
S - STOPPED
E - EXPLANATION ATTACHED
I - INJECTION

"OTHER" GAS DISPOSITION CODE

A - USED OFF LEASE
D - USED FOR DRILLING
G - GAS LIFT
L - LOST (NOT ESTIMATED)
E - EXPLANATION ATTACHED
R - REPRESSURING OR PRESSURE MAINTENANCE

"OTHER" OIL DISPOSITION CODE

C - CIRCULATING OIL
L - LOST
S - SEGMENTATION (LOSS)
E - EXPLANATION ATTACHED

I HEREBY CERTIFY THAT THE INFORMATION GIVEN IS TRUE AND COMPLETE TO THE BEST OF MY KNOWLEDGE.

[Signature] MAY 24 1972
District Administrative Coordinator

Submitted in Lieu of Form No. 9-329

EXHIBIT 5

NEW MEXICO OIL CONSERVATION COMMISSION

BOX 2038 SANTA FE, NEW MEXICO

OPERATOR'S MONTHLY REPORT

Company or Operator

SKELLY OIL COMPANY

Address P. O. Box 1351, Midland, Texas

For Month

APR

1972

Page 33

STATE OF NEW MEXICO
ORIGINAL TO COMMISSION
ONE COPY TO DIST. OFFICE
ONE COPY TO TRANSPORT

WELL NO. UNIT SEC. TWP. RNG.	WELL STATUS	TOTAL LIQUIDS PRODUCED			GAS PRODUCED MCF	DAYS PROD.	DISPOSITION OF GAS					OIL ON HAND END OF MONTH	DISPOSITION OF OIL				OIL ON HAND END OF MONTH
		MONTHLY OIL ALLOWABLE	ACTUAL BARRELS PRODUCED	BARRELS OF WATER PRODUCED			VENTED	USED ON LEASE	SOLD	PURCH.	OTHER		C O D E	BARRELS TO TRANS-PORTER	OTHER	C O D E	
LEASE NAME AND STATE LAND LEASE NUMBER OR FEDERAL LEASE NUMBER																	
Grayburg Jackson -addy - (Continued)																	
Skelly Unit No. I - Section 276 (Continued)																	
95 H 28 17 31	I		Water Injection	Well													
96 F 27 17 31	I		Water Injection	Well													
97 G 27 17 31	P	210	150	1350	108	30	700										
98 J 28 17 31	I		Water Injection	Well													
99 K 28 17 31	T		Temporarily Abandoned														
100 L 28 17 31	I		Water Injection	Well													
101 E 22 17 31	P	90	23	0	0	21	-0-										
102 B 14 17 31	P	180	90	60	11	30	122										
103 C 14 17 31	P	210	111	215	18	30	162	✓									
104 E 14 17 31	P	150	60	42	9	30	150										
105 F 14 17 31	I		Water Injection	Well													
106 C 15 17 31	P	210	153	0	480	30	3137										
Totals this page		1050	587	1667	626												

STATUS CODE
F - FLOODING
P - PUMPING
G - GAS LIFT
S - SILENT
I - WELL ABANDONED
E - INJECTION

OTHER GAS DISPOSITION CODE
A - USED OFF LEASE
D - USED FOR DRILLING
G - GAS LIFT
L - LOST (MCF ESTIMATED)
E - EXPLANATION ATTACHED
R - REPRESSURING OR PRESSURE MAINTENANCE

OTHER OIL DISPOSITION CODE
C - CIRCULATING OIL
L - LOST
S - SEDIMENTATION (MCF)
E - EXPLANATION ATTACHED

I HEREBY CERTIFY THAT THE INFORMATION GIVEN IS TRUE AND COMPLETE TO THE BEST OF MY KNOWLEDGE

[Signature]
District Administrative Coordinator

MAY 24 1972

Submitted in Lieu of Form No. 9-329

EXHIBIT 5

NEW MEXICO OIL CONSERVATION COMMISSION

BOX 2088 SANTA FE, NEW MEXICO

OPERATOR'S MONTHLY REPORT

APR 1972

Operator: Skelly Oil Company

Address: P. O. Box 1351, Midland, Texas

For Month

Page 3 of 3

STATEWIDE PUBLIC UTILITY REG. 100-1
 LICENSE ORIGINAL TO BUREAU OF LANDS
 ONE COPY TO COUNTY CLERK
 ONE COPY TO TARRANT

WELL NO UNIT SEC. TWP. RND.	WELL STATUS	TOTAL LIQUIDS PRODUCED			GAS PRODUCED MCF	DAYS PROD.	DISPOSITION OF GAS					DISPOSITION OF OIL						
		MONTHLY OIL ALLOWABLE	ACTUAL BARRELS PRODUCED	BARRELS OF WATER PRODUCED			VENTED	USED ON LEASE	SOLD	PURCH.	OTHER	C O D E	OIL ON HAND BEG. OF MONTH	BARRELS TO TRANS MONTH	OTHER	C O D E	TRANS. MONTH	OIL ON HAND END OF MONTH
LEASE NAME AND STATE LAND LEASE NUMBER OR FEDERAL LEASE NUMBER																		
Grayburg-Jackson - Eddy (Continued)																		
Skelly Unit No. I - Section 176 (Continued)																		
E 27 17 31	P	810	513	56	612	30	1193											
108 A 15 17 31	P	600	554	831	2011	30	3630											
109 E 15 17 31	P	1620	1132	558	942	30	728											
110 G 14 17 31	P	1650	482	24	377	30	782											
111 I 14 17 31	P	510	308	9	1802	30	5551											
112 A 14 17 31	P	1050	120	13	994	30	8283											
113 H 14 17 31	P	1050	120	13	852	30	7100											
114 D 14 17 31	P	150	121	7	12	30	79	SUBJECT WELL COMPLETED 1-9-72 AS CONTINUATION OF 1-										
Total this page		7470	3356	1511	7602													
Lease Total		47700	33040	24263	14452			14452	CON			2593	32644		TNM	2987		

STATUS CODE
 F - FLOWING
 P - PRODUCING
 C - GAS LIFT
 S - SHUT IN
 A - ABANDONED
 I - INJECTION

"OTHER" GAS DISPOSITION CODE
 X - USED OFF LEASE
 D - USED FOR DRILLING
 G - GAS LIFT
 L - LOST (FACE ESTIMATED)
 E - EXPLANATION ATTACHED
 R - REPRESSURING OR PRESSURE MAINTENANCE

"OTHER" OIL DISPOSITION CODE
 C - CIRCULATING OIL
 L - LOST
 S - SEDIMENTATION (LOSS)
 E - EXPLANATION ATTACHED

I HEREBY CERTIFY THAT THE INFORMATION GIVEN IS TRUE AND COMPLETE TO THE BEST OF MY KNOWLEDGE.

Signature: *Skelly*
 (SIGNATURE)

MAY 24 1972
 (DATE)

Lead Clerk

(POSITION)

EXHIBIT 5

Submitted in Lieu of Form No. 9-329

NEW MEXICO OIL CONSERVATION COMMISSION

BOX 2028 SANTA FE, NEW MEXICO

OPERATOR'S MONTHLY REPORT

MAY 1971

(Company or Operator)

SKINNEY OIL COMPANY

8

Midland P. O. Box 1351, Midland, Texas

FOR MONTH

STATEMENT FOR OIL FIELD NO. 10000
EIGHT COPIES TO OGC SANTA FE
ONE COPY TO OGC DIST. OFFICE
ONE COPY TO TRANSPORTER

WELL NO. UNIT SEC. TWP. R4D.	WELL STATUS	TOTAL LIQUIDS PRODUCED			GAS PRODUCED MCF	DAYS PROD.	DISPOSITION OF GAS					DISPOSITION OF OIL					
		MONTHLY OIL ALLOWABLE	ACTUAL BARRELS PRODUCED	BARRELS OF WATER PRODUCED			VENTED	USED ON LEASE	SOLD	PURCH.	OTHER	C O D E	OIL ON HAND BEG. OF MONTH	BARRELS TO TRANSPORTER	OTHER	C O D E	TRANS-PORTER
LEASE NAME AND STATE LAND LEASE NUMBER OR FEDERAL LEASE NUMBER																	
Grayburg Jackson - Eddy - (Continued)																	
Skelly Unit No. I - Section 276 (Continued)																	
H 28 17 31	I			Water Injection Well													
96 F 27 17 31	I			Water Injection Well													
97 G 27 17 31	P	217	153	233	117	31											
98 J 28 17 31	I			Water Injection Well													
99 K 28 17 31	T			Temporarily Abandoned													
100 L 28 17 31	I			WATER INJECTION WELL													
101 E 22 17 31	P	186	81	0	0	27											
102 B 14 17 31	P	155	29	19	96	31											
103 C 14 17 31	P	155	59	114	127	31											
104 E 14 17 31	P	217	151	106	77	31											
105 F 14 17 31	I			Water Injection Well													
106 C 15 17 31	P	1209	1241	0	207	31											
Totals this page		2139	1716	472	1124												

STATUS CODE
F - FLOWING
P - PRODUCING
G - GAS LIFT
S - SHUT-IN
T - TEMP. ABANDONED
I - INJECTION

"OTHER" GAS DISPOSITION CODE
Y - - - - USED OFF LEASE
D - - - - USED FOR DRILLING
G - - - - GAS LIFT
L - - - - LOST (NOT ESTIMATED)
E - - - - EXPLANATION ATTACHED
R - - - - REPRESSURING OR PRESSURE MAINTENANCE

"OTHER" OIL DISPOSITION CODE
C - - - - CIRCULATING OIL
L - - - - LOST
S - - - - SEDIMENTATION (LOSS)
E - - - - EXPLANATION ATTACHED

I HEREBY CERTIFY THAT THE INFORMATION GIVEN IS TRUE AND COMPLETE TO THE BEST OF MY KNOWLEDGE.

[Signature] JUN 21 1971
District Administrative Coordinator

Submitted in Lieu of Form No. 9-329

EXHIBIT 5

NEW MEXICO OIL CONSERVATION COMMISSION

BOX 2038 SANTA FE, NEW MEXICO

OPERATOR'S MONTHLY REPORT

Company or
Operator

SKELLY OIL COMPANY

(Address)

P. O. Box 1351 Midland, Texas

FOR MONTH

APR 1972

STATE OF NEW MEXICO
SURREY ORIGINAL TO OGC SANTA FE
ONE COPY TO OGC C. D. OFFICE
ONE COPY TO TRANSPORTER

WELL NO. UNIT SEC. TWP. RNS.	WELL STATUS	TOTAL LIQUIDS PRODUCED			GAS PRODUCED MCF	DAYS PROD.	DISPOSITION OF GAS					DISPOSITION OF OIL					
		MONTHLY OIL ALLOWABLE	ACTUAL BARRELS PRODUCED	BARRELS OF WATER PRODUCED			VENTED	USED ON LEASE	SOLO	PURCH.	OTHER	C O D E	OIL ON HAND BEG. OF MONTH	BARRELS TO TRANSPORTER	OTHER	C O D E	TRANS. PORTER
LEASE NAME AND STATE LAND LEASE NUMBER OR FEDERAL LEASE NUMBER																	
Grayburg Jackson - Eddy																	
Skelly Unit No. I Section 276																	
3 D 22 17 31	P	690	117	21	0	30	-0-										
11 I 21 17 31	P	210	151	17	118	30	781										
17 B 15 17 31	P	1080	1045	52	6	30	6										
18 D 15 17 31	P	180	123	0	7	30	57										
19 F 15 17 31	I		Water	Injection Well													
20 G 15 17 31	P	1470	1445	87	27	30	19										
21 H 15 17 31	I		Water	Injection Well													
22 J 14 17 31	I		Water	Injection Well													
23 K 14 17 31	P	480	308	86	41	30	133										
24 L 14 17 31	I		Water	Injection Well													
25 I 15 17 31	P	150	92	2	7	30	76										
26 J 15 17 31	I		Water	Injection Well													
Totals this page		4260	3281	265	206												

STATUS CODE

P - PRODUCING
D - DRILLING
C - GAS LIFT
S - SHUT-IN
T - TEMP. ADJUSTED
I - INJECTION

"OTHER" GAS DISPOSITION CODE

X - USED OFF LEASE
D - USED FOR DRILLING
G - GAS LIFT
L - LOST (GAS ESTIMATED)
E - EXPLANATION ATTACHED
R - REPRESSURING OR PRESSURE MAINTENANCE

"OTHER" OIL DISPOSITION CODE

C - CIRCULATING OIL
L - LOST
S - SEDIMENTATION (LEAK)
E - EXPLANATION ATTACHED

I HEREBY CERTIFY THAT THE INFORMATION GIVEN IS TRUE AND COMPLETE TO THE BEST OF MY KNOWLEDGE.

[Signature] MAY 24 1972

District Administrative Coordinator

(POSITION)

EXHIBIT 5

Submitted in Lieu of Form No. 9-329

NEW MEXICO OIL CONSERVATION COMMISSION BOX 2038 SANTA FE, NEW MEXICO OPERATOR'S MONTHLY REPORT

STATE OF NEW MEXICO
 SUBMIT ORIGINAL TO: SANTA FE
 ONE COPY TO SEC. OF STATE
 ONE COPY TO LAND DEPT.

4-1-1966

Company or
 Operator:

(Address)

FOR MONTH

Page

WELL NO. UNIT SEC. TWP. RND.	WELL STATUS	TOTAL LIQUIDS PRODUCED			GAS PRODUCED MCF	DAYS PROD.	DISPOSITION OF GAS					OIL ON HAND BEG. OF MONTH	DISPOSITION OF OIL			OIL ON HAND END OF MONTH
		MONTHLY OIL ALLOWABLE	ACTUAL BARRELS PRODUCED	BARRELS OF WATER PRODUCED			VENTED	USED ON LEASE	SOLD	PURCH.	OTHER		BARRELS TO TRANS-PORTER	OTHER	TRANS-PORTER	
LEASE NAME AND STATE LAND LEASE NUMBER OR FEDERAL LEASE NUMBER																
100	P	140	132	0	68	28										
20	P	158	158	0	218	1										
30	P	84	79	1	190	1										
40	P	84	79	3	177	1										
50	P	84	79	3	218	1										
60	P	112	105	1	476	1										
70	P	84	79	2	463	1										
80	P	86	53	1	190	1										
90	P	84	79	2	571	1										
100	P	84	79	0	1102	1										
110	P	112	105	2	1714	1										
120	P	84	79	2	939	1										
130	P	176	1106	14	6326	1										

OFFSET NO. 10 UNIT 10.

STATUS CODE
 F - FLOWING
 P - PUMPING
 G - GAS LIFT
 S - SHUT IN
 T - TEMP. ABANDONED
 I - INJECTION

"OTHER" GAS DISPOSITION CODE
 1 - USED OFF LEASE
 D - USED FOR DRILLING
 G - GAS LIFT
 L - LOST (MCF ESTIMATED)
 E - EXPLANATION ATTACHED
 R - REPRESSURING OR PRESSURE MAINTENANCE

"OTHER" OIL DISPOSITION CODE
 C - CIRCULATING OIL
 L - LOST
 S - SEDIMENTATION (SEMI)
 E - EXPLANATION ATTACHED

I HEREBY CERTIFY THAT THE INFORMATION GIVEN IS TRUE
 COMPLETE TO THE BEST OF MY KNOWLEDGE.

Submitted in form of Form No. 9-309

DATE: 3-20-66

EXHIBIT 5

NEW MEXICO OIL CONSERVATION COMMISSION

BOX 2066 SANTA FE, NEW MEXICO

OPERATOR'S MONTHLY REPORT

STATE OF FORM C-11-REV. 10-1-68
SUBMIT ORIGINAL TO OCC SANTA FE
ONE COPY TO OIC DIST. OFF.
ONE COPY TO TRANSPORTATION

Company of
Operator

Skelly Oil Company

Address P. O. Box 1351 Midland, Texas

FOR MONTH

MAY 1971

Page 38

WELL NO. UNIT SEC. TWP. RND.	WELL STATUS	TOTAL LIQUIDS PRODUCED			GAS PRODUCED MCF	DAYS PROD.	DISPOSITION OF GAS					DISPOSITION OF OIL				
		MONTHLY OIL ALLOWABLE	ACTUAL BARRELS PRODUCED	BARRELS OF WATER PRODUCED			VENTED	USED ON LEASE	SOLO	PURCH.	OTHER	C O D E	OIL ON HAND SEC. OF MONTH	BARRELS TO TRANS-PORTER	OTHER	C O D E
LEASE NAME AND STATE LAND LEASE NUMBER OR FEDERAL LEASE NUMBER																
Grayburg Jackson - Eddy - (Continued)																
§ Well Unit No. I - Section 276 (Continued)																
107 E 27 17 31	P	1767	1239	3379	677	31										
108 A 15 17 31	P	744	532	798	2967	31										
Total this Page		2511	1771	4177	3644											
Pool Total	-	45725	35519	30664	12737				12737	CON			3142	35915		TNM 274

STATUS CODE
F - FLOWING
D - DRY
G - GAS LIFT
S - SHUT IN
T - TEMP. ABANDONED
I - INJECTION

"OTHER" GAS DISPOSITION CODE
A - USED OFF LEASE
D - USED FOR DRILLING
G - GAS LIFT
L - LOST (MCF ESTIMATED)
E - EXPLANATION ATTACHED
R - REPRESSURING OR PRESSURE MAINTENANCE

"OTHER" OIL DISPOSITION CODE
C - CIRCULATING OIL
L - LOST
S - SEDIMENTATION (BEAN)
E - EXPLANATION ATTACHED

I HEREBY CERTIFY THAT THE INFORMATION GIVEN IS TRUE AND COMPLETE TO THE BEST OF MY KNOWLEDGE

[Signature] JUN 21 1971
District Administrative Coordinator

Submitted in Lieu of Form No. 9-329

EXHIBIT 5

SANTA FE, NEW MEXICO
APPLICATION FOR MULTIPLE COMPLETION

Operator Skelly Oil Company County Eddy Date 7/24/72
Address P. O. Box 1351, Midland, Texas 79701 Lease Skelly Unit Well No. 31E
Location of Well Unit Section 79701 Township Skelly Unit Well

1. Has the New Mexico Oil Conservation Commission heretofore authorized the multiple completion of a well in these same pools or in the same zones within one mile of the subject well? YES ☒ NO ☐
2. If answer is yes, identify one such instance: Order No. R-2406 Also NC-1287; Operator Lease, and Well No.: Skelly Unit Well

3. The following facts are submitted:

	Upper Zone	Intermediate Zone	Lower Zone
a. Name of Pool and Formation	<u>Fren Seven Rivers</u>		<u>Grayburg-San Andres</u>
b. Top and Bottom of Pay Section (Perforations)	<u>2289' to 2468'</u>		<u>3373' to 3772'</u>
c. Type of production (Oil or Gas)	<u>Oil</u>		<u>Oil</u>
d. Method of Production (Flowing or Artificial Lift)	<u>Art-Lift</u>		<u>Art-Lift</u>

4. The following are attached. (Please check YES or NO)
- | | | |
|---|---|---|
| Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> | a. Diagrammatic Sketch of the Multiple Completion, showing all casing strings, including diameters and setting depths, centralizers and/or turbolizers and location thereof, quantities used and top of cement, perforated intervals, tubing strings, including diameters and setting depth, location and type of packers and side door chokes, and such other information as may be pertinent. |
| Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> | b. Plat showing the location of all wells on applicant's lease, all offset wells on offset leases, and the names and addresses of operators of all leases offsetting applicant's lease. |
| No <input type="checkbox"/> | Yes <input checked="" type="checkbox"/> | c. Waivers consenting to such multiple completion from each offset operator, or in lieu thereof, evidence that said offset operators have been furnished copies of the application. |
| Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> | d. Electrical log of the well or other acceptable log with tops and bottoms of producing zones and intervals of perforation indicated thereon. (If such log is not available at the time application is filed it shall be submitted as provided by Rule 112-A.) |

5. List all offset operators to the lease on which this well is located together with their correct mailing address.
- Atlantic-Richfield, Box 1610, Midland, Texas 79701
 - Getty Oil Company, Box 1231, Midland, Texas 79701
 - Hanagan Oil Company, Box 1737, Roswell, New Mexico 88201
 - Hudson and Hudson 1510 1st. Nat'l Bank Bldg., Ft. Worth, Texas 76100
 - Kersey and Company, 803 West Grand, Artesia, New Mexico 88210
 - Murchison and Closuit, 1019 Fort Worth Nat'l Bank Bldg., Fort Worth 2, Texas 76100

6. Were all operators listed in Item 5 above notified and furnished a copy of this application? YES ☒ NO ☐. If answer is yes, give date of such notification July 24, 1972 of the Production

CERTIFICATE: I, the undersigned, state that I am the Manager of the Skelly Oil Company (company), and that I am authorized by said company to make this report; and that this report was prepared under my supervision and direction and that the facts stated therein are true, correct and complete to the best of my knowledge.

4808
Skelly
68-4-72
Mr. C. J. Love
Should waivers from all offset operators not accompany an application for administrative approval, the New Mexico Oil Conservation Commission will hold the application for a period of twenty (20) days from date of receipt by the Commission's Santa Fe office. If, after said twenty-day period, no protest or request for hearing is received by the Santa Fe office, the application will then be processed.
NOTE: If the proposed multiple completion will result in an unorthodox well location and/or a non-standard perforation unit in one or more of the producing zones, then separate application for approval of the same should be filed simultaneously with this application.

EXHIBIT 6

NEW MEXICO OIL CONSERVATION COMMISSION BOX 2088 SANTA FE, NEW MEXICO

OPERATOR'S MONTHLY REPORT

Corrected Report

SKELLY OIL COMPANY

P. O. Box 1351 Midland, Texas

FOR MONTH

June, 1972 Page *28*

WELL NO. UNIT SEC. TWP. RMO.	WELL STATUS	TOTAL LIQUIDS PRODUCED			GAS PRODUCED MCF	DAYS PROD.	DISPOSITION OF GAS						OIL ON HAND BEG. OF MONTH	BARRELS TO TRANS-PORTER	OTHER	C O D E	TRANS-PORTER	OIL ON HAND END OF MONTH
		MONTHLY OIL ALLOWABLE	ACTUAL BARRELS PRODUCED	BARRELS OF WATER PRODUCED			VENTED	USED ON LEASE	SOLD	PURCH.	OTHER							
Fren - Eddy - (Continued)																		
Skelly Unit - No. Section 276 - (Continued)																		
13 K 21 17 31	P	150	92	0	105	30												
14 L 21 17 31	P	150	61	0	104	30												
15 M 21 17 31	P	150	92	0	105	30												
16 N 21 17 31	P	150	92	0	105	30												
* 114 D 14 17 31	P	0	8	18	60	3	60											
Total this page			600	345	18	479												
Pool Total			1920	1297	96	1997	60			1937	CON			580	1282			587
<p><i>** To add well no 114 to this report.</i></p> <p><i>60 - FIRST REPORT TESTING well.</i></p> <p><i>* 0 * 0</i></p> <p><i>* TEST TANK SERVING Well No. 12</i></p>																		

OTHER GAS DISPOSITION CODE
 C - CIRCULATING OIL
 L - LOST
 S - SEDIMENTATION LOSS
 E - EXPLANATION ATTACHED

I HEREBY CERTIFY THAT THE INFORMATION GIVEN IS TRUE AND COMPLETE TO THE BEST OF MY KNOWLEDGE.

[Signature] 7-25-72
 District Administrative Coordinator

Submitted in Lieu of Form No. 9-329

STATUS CODE
 F - FLOWING
 P - PUMPING
 G - GAS LIFT
 S - SHUT IN
 T - TEMP. ABANDONED
 I - INJECTION

OTHER GAS DISPOSITION CODE
 X - USED OFF LEASE
 D - USED FOR DRILLING
 G - GAS LIFT
 L - LOST (GAS ESTIMATED)
 E - EXPLANATION ATTACHED
 R - REPRESSURING OR PRESSURE MAINTENANCE

STATEWIDE FORM C-113 2-74 1511-4
 SUBMIT: ORIGINAL TO OCC SANTA FE
 ONE COPY TO OCC DIST. OFFICE
 ONE COPY TO TRANSPORTER

NEW MEXICO OIL CONSERVATION COMMISSION BOX 2088 SANTA FE, NEW MEXICO OPERATOR'S MONTHLY REPORT

Corrected Report

FOR MONTH July 1972 Page 28

(Company or Operator)

SKELLY OIL COMPANY

(Address)

P. O. Box 1351 Midland, Texas

SKELLY OIL COMPANY																								
(Company or Operator)				WELL STATUS	TOTAL LIQUIDS PRODUCED			GAS PRODUCED MCF	DAYS PROD.	VENTED	USED ON LEASE	SOLD	PURCH.	OTHER	C O D E	HAND BEG. OF MONTH	BARRELS TRANS- PORTER	OTHER	D E	PORTER	END OF MONTH			
WELL NO.	UNIT	SEC.	TWP. RND.		MONTHLY OIL ALLOWABLE	ACTUAL BARRELS PRODUCED	BARRELS OF WATER PRODUCED																	
POOL NAME (UNDERLINE)																								
LEASE NAME AND STATE LAND LEASE NUMBER OR FEDERAL LEASE NUMBER																								
Fren - Eddy - (Continued)																								
Skelly Unit - No. Section 276 - (Continued)																								
13 K 21 17 31	P	155	92	0	101	31																		
14 L 21 17 31	P	155	61	0	102	31																		
15 M 21 17 31	P	155	92	0	101	31																		
16 N 21 17 31	P	155	92	0	102	31																		
** 114 D 14 17 31	P	0	47	48	160	8	160 - testing well										*8	*0						*55
Total this page			620	384	48	566				1885	CON					587	1276				TNM 552			
Pool Total			2201	1288	126	2045			160							* Test TANK serving Well No. 114.								
** To add Well No. 114 to the report.																								
I HEREBY CERTIFY THAT THE INFORMATION GIVEN IS TRUE AND COMPLETE TO THE BEST OF MY KNOWLEDGE.																								
RETURN TO OIL DISPOSITION CODE C - CIRCULATING POOL																								
9-25-7																								

** To add Well No. 114 to the report.

STATUS CODE
 F - FLOWING
 P - PLUGGING
 G - GAS LIFT
 S - SHUT IN
 T - TEMP. ABANDONED
 I - INJECTION

"OTHER" GAS DISPOSITION CODE
 A - USED OFF LEASE
 D - USED FOR DRILLING
 G - GAS LIFT
 L - LOST
 E - EXPLANATION ATTACHED
 R - REPRESSURING OR PRESSURE MAINTENANCE

"OTHER" OIL DISPOSITION CODE
 C - CIRCULATING OIL
 L - LOST
 S - SEDIMENTATION (BSR)
 E - EXPLANATION ATTACHED

Submitted in Lieu of Form No. 9-329

I HEREBY CERTIFY THAT THE INFORMATION GIVEN IS TRUE AND COMPLETE TO THE BEST OF MY KNOWLEDGE.

[Signature] 9-25-72
 District Administrative Coordinator

NEW MEXICO OIL CONSERVATION COMMISSION

BOX 2038 SANTA FE, NEW MEXICO

OPERATOR'S MONTHLY REPORT

STATE OF NEW MEXICO
SUBMIT ORIGINAL TO OCC SANTA FE
ONE COPY TO OCC DIST. OFFICE
ONE COPY TO TRANSPORTER

(Company or Operator) SKELLY OIL COMPANY (Address) P. O. Box 1351 Midland, Texas FOR MONTH Aug. 1972 Page 22

WELL NO. UNIT SEC. TWP. RNO.	WELL STATUS	TOTAL LIQUIDS PRODUCED			GAS PRODUCED MCF	DAYS PROD.	DISPOSITION OF GAS					C O D E	DISPOSITION OF OIL				
		MONTHLY OIL ALLOWABLE	ACTUAL BARRELS PRODUCED	BARRELS OF WATER PRODUCED			VENTED	USED ON LEASE	SOLD	PURCH.	OTHER		OIL ON HAND BEG. OF MONTH	BARRELS TO TRANS-PORTER	OTHER	C O D E	TRANS-PORTER
LEASE NAME AND STATE LAND LEASE NUMBER OR FEDERAL LEASE NUMBER																	
Fren - Eddy - (Continued)																	
Skelly Unit - No. Section 276 - (Continued)																	
13 K 21 17 31	P	155	91	0	107	31											
14 L 21 17 31	P	155	61	0	106	31											
15 M 21 17 31	P	155	91	0	107	31											
16 N 21 17 31	P	155	91	0	107	31											
114 D 14 17 31	S	0	14	36	120	6	120	- Testing well - shut down Aug. 6, 1972.									
Total this page		620	348	36	427							*55	*0				*69
Pool Total		2201	1260	96	2063		120		1943	CON		552	1496			TNM	302
* Test Tank serving well No. 114																	

STATUS CODE
F - FLOWING
P - PUMPING
C - GAS LIFT
S - SHUT IN
T - TEMP. ABANDONED
I - INJECTION

"OTHER" GAS DISPOSITION CODE
X - USED OFF LEASE
D - USED FOR DRILLING
O - GAS LIFT
L - LOST (NCF ESTIMATED)
E - EXPLANATION ATTACHED
R - REPRESSURING OR PRESSURE MAINTENANCE

"OTHER" OIL DISPOSITION CODE
C - CIRCULATING OIL
L - LOST
S - SEDIMENTATION (SEPA)
E - EXPLANATION ATTACHED

I HEREBY CERTIFY THAT THE INFORMATION GIVEN IS TRUE AND COMPLETE TO THE BEST OF MY KNOWLEDGE.

J. J. J. J. SEP 22 1972
District Administrative Coordinator

Submitted in Lieu of Form No. 9-329

July 24, 1972

NEW MEXICO OIL & GAS
OIL CONSERVATION COMMISSION

EXHIBIT NO. 8

CASE NO. 4808

FILED BY Skelly

FILED DATE 10-4-72

File: Skelly Unit
Lease No. 73617
Grayburg-Jackson Pool
Eddy County, New Mexico

Re: Application for waterflood expansion

New Mexico Oil Conservation Commission
State Land Office Building
P. O. Box 2088
Santa Fe, New Mexico 87501

Attention: Mr. Secretary-Director

Gentlemen:

Skelly Oil Company respectfully requests administrative approval to expand its Skelly Unit waterflood in the Grayburg-Jackson Pool, Eddy County, New Mexico. The Skelly Unit waterflood project was authorized by order R-2900 issued May 4, 1965 and amended by order R-3214 dated April 7, 1967.

The Skelly Unit waterflood has been expanded as follows:

1. Initial injection Wells 42, 44, 46, 52, 54, and 56 in 1965 by R-2900.
2. Expand and convert Wells 24 and 34 in July, 1967 by R-3214.
3. Expand and convert Well 98 in December, 1967 by WFX278.
4. Expand and convert Wells 19, 21, 22, 24, 26, 30, 32, 38, 40, 48, 58, 71, 73, 83, 85, 86, and 105 in March, 1968 by R-3214.
5. Expand and convert Wells 64, 66, 67, 75, 77, 89, 93, and 95 in August, 1968 by WFX290.
6. Expand and convert Wells 79 and 81 in August, 1970 by WFX327.
7. Expand and convert Wells 59, 91, and 100 in December, 1970 by WFX354.
8. Expand and convert Wells 87 and 102 in May, 1971 by WFX357.
9. This application for Well No. 114.

DISTRICT OFFICE
FILE COPY

COPIES TO:

Atlantic Richfield, P. O. Box 1610, Midland, Texas 79701
Gatty Oil Company, P. O. Box 1231, Midland, Texas 79701
Hanagan & Hanagan, P. O. Box 1737, Roswell, New Mexico 88201
William A. & Edward R. Hudson, 1510 1st Nat'l Bank Bldg., Ft. Worth, Texas 76100
Kersey and Company, 808 West Grand, Artesia, New Mexico 88210
Murchison & Closuit & Mr. Ernest Closuit, 1019 Ft. Worth Nat'l Bank Bldg.,
Ft. Worth 2, Texas 76100
State Land Office, P. O. Box 2088, Santa Fe, New Mexico 87501
New Mexico Oil Conservation Commission, Drawer DD, Artesia, New Mexico 88201
United States Geological Survey, P. O. Drawer "U", Artesia, New Mexico 88201

Skelly Unit
Page No. 2
July 24, 1972

The subject waterflood as governed by the provisions of Rule 701, 702, and 703 of the Oil Conservation Commission rules and regulations; provided that the Secretary-Director of the Commission may approve expansion of the Grayburg-Jackson Skelly Unit waterflood project to include additional wells, within said unit area, on water injection as may be necessary to complete an efficient waterflood pattern. We consider this application to be included under this provision.

Skelly Oil Company desires to expand the waterflood and requests administrative approval to convert the following well to water injection:

Township 17 South, Range 31 East
Skelly Unit Well No. 114, Unit Letter D, Section 14

Under order 2-3214 Skelly Oil Company was authorized to effect a waterflood project in the Grayburg-Jackson Pool in the Skelly Unit by the selective injection of water into various zones throughout the Grayburg-Jackson vertical producing interval. Skelly Oil Company requests approval to inject into the Grayburg-Jackson interval in the subject well. It is our intention to equip the proposed injector as an injector in the Grayburg-Jackson interval and also a producer in the Seven Rivers zone. Application for dual completion of this well has already been submitted.

Attached is a map showing all wells within a two mile radius, a unit plat showing the present and proposed injection wells, schematic diagram and log sections of the proposed well, an analysis of the water to be injected, and duplicate copy of C-115 on offsets.

Limited response has been noted in the area of Well No. 114; although less than desired magnitude for this area due to the limited volumes of water which have been injected into this portion of the unit. The proposed injection well's producing capacity and other producing wells which directly offset the proposed injection well are shown by the following tabulation:

Skelly Ut. Well No.	Daily Production			Daily Production		
	Date	Oil	Water	Date	Oil	Water
133	Feb., 1966	2.7	24.0	April, 1972	3.6	7.1
108	April, 1971	17.0	25.7	April, 1972	18.4	26.8
114 (Prop. WIW)	Jan., 1972	New Well		April, 1972	4.0	0.2
102	April, 1971	1.0	0.6	April, 1972	3.0	2.0

Injection water will be purchased from Double Eagle Water Company. The water is fresh and taken from the Ogallala formation as shown by the water analysis. Anticipated injection rate is 300 to 600 BPD at pressure of 1,500 to 2,000 psig.

This proposed expansion is in line with our plan of operation for the Skelly Unit.

Skelly Unit
Page No. 3
July 24, 1972

Offset operators are being notified by a copy of this application in accordance with the attached mailing list.

Very truly yours,
SKELLY OIL COMPANY

(Signed) C. J. LOVE

C. J. Love
District Production Manager

HED/re

Attachments

Area 2 mile Radius Map
Lease Plat
Schematic Diagram
Log Section
Water Analysis
C-115 forms

HED

BOP 7/31

n.d.n 7/1

J. H. H.

PS 8/1/72

COPIES TO:

Atlantic-Richfield, Box 1610, Midland, Texas 79701
Getty Oil Company, Box 1231, Midland, Texas 79701
Hannagan Oil Company, Box 1737, Roswell, New Mexico 88201
Hudson and Hudson, 1510 1st, Nat'l Bank Bldg., Fort Worth, Texas 76100
Kersey and Company, 808 West Grand, Artesia, New Mexico 88210
Murchison & Cloosuit, 1019 Fort Worth Nat'l Bank Bldg., Fort Worth 2, Texas 76100
U.S.G.S (for approval-two copies) Drawer "U", Artesia, New Mexico 88210

9-25

July 24, 1972

BEFORE EXAMINER UTZ OIL CONSERVATION COMMISSION	
EXHIBIT NO.	9
ASE NO.	4808
Submitted by	Skelly
Submitting Date	10-4-72

File: Skelly Unit Well No. 114
Lease No. 736172

Re: Application for Administrative
Approval of a Dual Completion

New Mexico Oil Conservation Commission
State Land Office Building
P. O. Box 2088
Santa Fe, New Mexico 87501

Gentlemen:

In the matter of application of Skelly Oil Company seeking administrative approval to dual complete its Skelly Unit Well No. 114 located in unit D of Section 14-17S-31E in the Fren Seven Rivers Pool and the Grayburg-Jackson San Andres Pool, Eddy County, New Mexico, and in support thereof does state:

- A. Skelly Oil Company is the sole owner of oil and gas lease consisting all Sec. 11, all Sec. 14, all Sec. 15, all Sec. 21, all Sec. 22, all Sec. 23, all Sec. 26, all Sec. 27, all Sec. 28, and all Sec. 33, Township 17South, Range 31East, N.M.P.M., Eddy, County, New Mexico.
- B. That Skelly Unit Well No. 114 is located 660 FWL and 660 FWL of Section 14-17S-31E.
- C. That the applicant has prior duals on lease (Wells No. 3 and 11). Applicant does plan to dual complete subject Well No. 114 in the following manner.
 1. Set Baker Model "D" packer at 3,300' to segregate the two zones.
 2. Perforate 5-1/2" Csg. in the Seven Rivers section between 2289 and 2468', also perforated Grayburg-San Andres section between 3373 to 3772'.
 3. Produce by pumping Seven Rivers oil from the upper zone and injecting water into the Grayburg-San Andres thru parallel

DISTRICT OFFICE
FILE COPY

Skelly Unit Well No. 114
Page No. 2
July 24, 1972

strings of tubing; injection side will be internally coated for protection.

- D. 1. Diagrammatic sketch of the proposed multiple completion showing all down hole conditions.
2. Plat showing location of all wells on applicant's lease also offset wells on offset leases.
3. That all offset operators are hereby notified by a copy of this application.
4. Electric log of subject well with all tops and bottoms of producing zones and intervals of perforations.
5. All of above submitted complete and accurate to the best of our knowledge.

Therefore, applicant prays that Secretary of the Commission grant permission to dual complete the above well in the interest of conservation and protection of correlative rights.

Respectfully submitted,
SKELLY OIL COMPANY

(Signed) C. J. LOVE

C. J. Love
District Production Manager

HED/re

Attachments:

Lease Plat
Area Map
Down Hole Schematic
Section of Electric-Log
C-107 Application for Dual

AER

LOP

7/26



Bill's copy

United States Department of the Interior

GEOLOGICAL SURVEY

P. O. Drawer U
Artesia, New Mexico 88210

September 21, 1972

Skelly Oil Company
Post Office Box 1351
Midland, Texas 79701

Gentlemen:

Your letter of September 7, 1972 requests approval to dually complete the Skelly Unit well No. 114 on oil and gas lease Las Cruces 029418(b) located 660/N&W sec. 14, T. 17 S., R. 31 E., N.M.P.M., Eddy County, New Mexico, by producing from the Seven Rivers formation and injecting into the San Andres formation.

The dual completion and operation of this well as outlined in your application is satisfactory to this office and hereby approved subject to approval by the New Mexico Oil Conservation Commission.

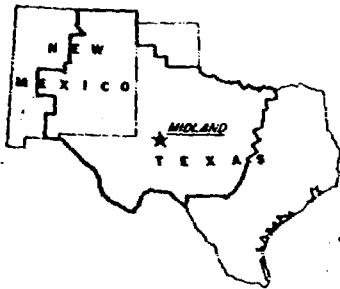
Sincerely yours,

Robert L. Beekman

Robert L. Beekman
Assistant District Engineer

cc:
Roswell

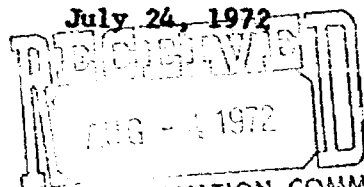
RECORD	10
OIL CONSERVATION	10
4800	
Skelly	
10-4-72	



SKELLY OIL COMPANY

EXPLORATION & PRODUCTION DEPARTMENT
WEST CENTRAL DISTRICT

A. B. CARY, EXPLORATION & PRODUCTION MANAGER
V. E. BARTLETT, EXPLORATION MANAGER
C. J. LOVE, PRODUCTION MANAGER
J. R. AVENT, ADMINISTRATIVE COORDINATOR



ADDRESS REPLY TO:
P. O. BOX 1351
MIDLAND, TEXAS 79701

OIL CONSERVATION COMM.

File: ^{Santa Fe} Skelly Unit Well No. 114
Lease No. 73617

Case 4808

Re: Application for Administrative
Approval of a Dual Completion

New Mexico Oil Conservation Commission
State Land Office Building
P. O. Box 2088
Santa Fe, New Mexico 87501

Gentlemen:

In the matter of application of Skelly Oil Company seeking administrative approval to dual complete its Skelly Unit Well No. 114 located in unit D of Section 14-17S-31E in the Fren Seven Rivers Pool and the Grayburg-Jackson San Andres Pool, Eddy County, New Mexico, and in support thereof does state:

- A. Skelly Oil Company is the sole owner of oil and gas lease consisting all Sec. 11, all Sec. 14, all Sec. 15, all Sec. 21, all Sec. 22, all Sec. 23, all Sec. 26, all Sec. 27, all Sec. 28, and all Sec. 33, Township 17South, Range 31East, N.M.P.M., Eddy, County, New Mexico.
- B. That Skelly Unit Well No. 114 is located 660 FNL and 660 FWL of Section 14-17S-R31E.
- C. That the applicant has prior duals on lease (Wells No. 3 and 11). Applicant does plan to dual complete subject Well No. 114 in the following manner.
 1. Set Baker Model "D" packer at 3,300' to segregate the two zones.
 2. Perforate 5-1/2" Csg. in the Seven Rivers section between 2289 and 2468', also perforated Grayburg-San Andres section between 3373 to 3772'.
 3. Produce by pumping Seven Rivers oil from the upper zone and injecting water into the Grayburg-San Andres thru parallel

Skelly Unit Well No. 114
Page No. 2
July 24, 1972

strings of tubing; injection side will be internally coated for protection.

- D. 1. Diagrammatic sketch of the proposed multiple completion showing all down hole conditions.
2. Plat showing location of all wells on applicant's lease also offset wells on offset leases.
3. That all offset operators are hereby notified by a copy of this application.
4. Electric log of subject well with all tops and bottoms of producing zones and intervals of perforations.
5. All of above submitted complete and accurate to the best of our knowledge.

Therefore, applicant prays that Secretary of the Commission grant permission to dual complete the above well in the interest of conservation and protection of correlative rights.

Respectfully submitted,
SKELLY OIL COMPANY

C. J. Love

C. J. Love
District Production Manager

HED/rc

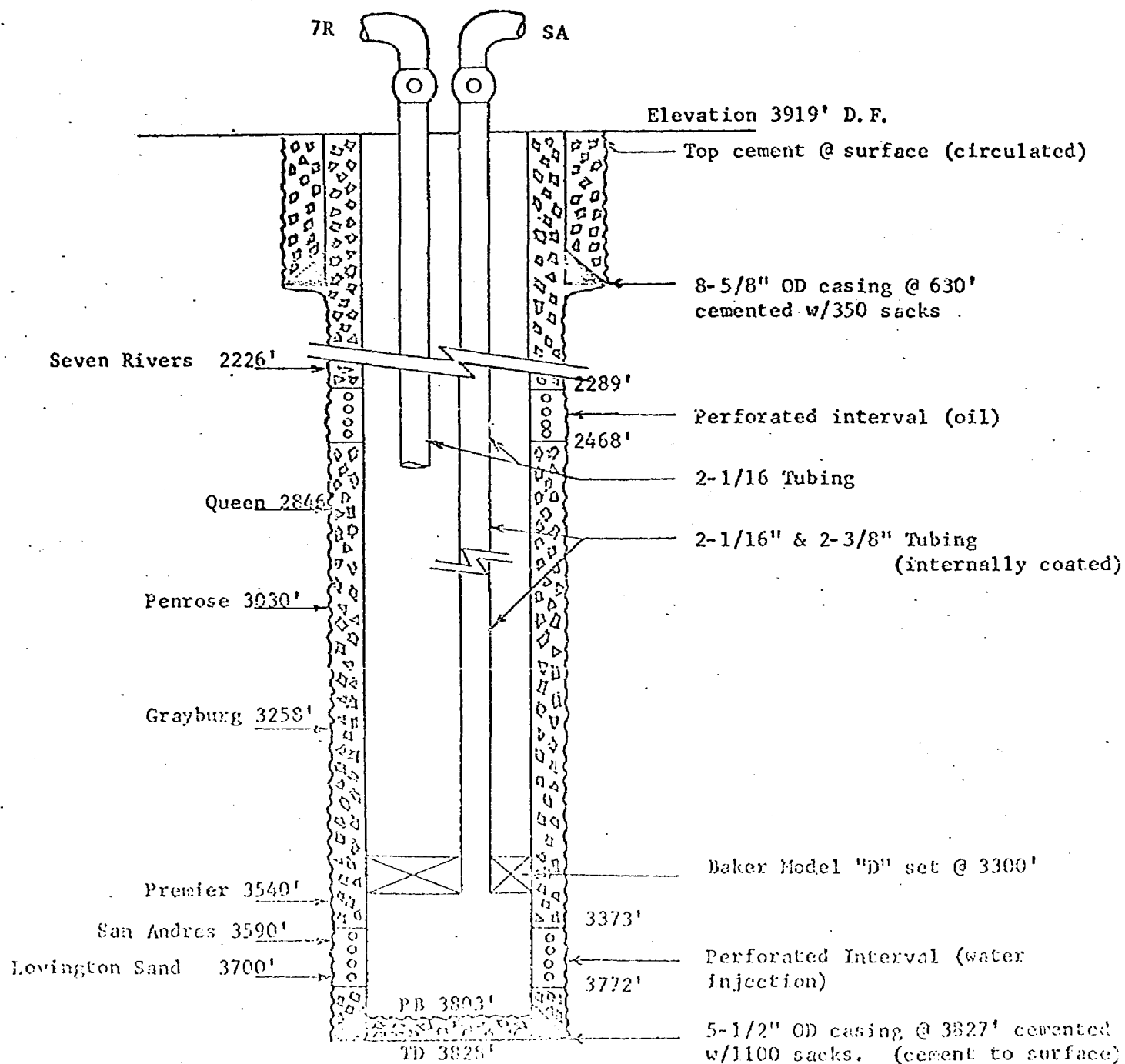
Attachments:

Lease Plat
Area Map
Down Hole Schematic
Section of Electric-Log
C-107 Application for Dual

COPIES TO:

Atlantic Richfield, P. O. Box 1610, Midland, Texas 79701
Getty Oil Company, P. O. Box 1231, Midland, Texas 79701
Hanagan & Hanagan, P. O. Box 1737, Roswell, New Mexico 88201
William A. & Edward R. Hudson, 1510 1st Nat'l Bank Bldg., Ft. Worth, Texas 76100
Kersey and Company, 808 West Grand, Artesia, New Mexico 88210
Murchison & Closuit & Mr. Ernest Closuit, 1019 Ft. Worth Nat'l Bank Bldg.
Ft. Worth 2, Texas 76100
State Land Office, P. O. Box 2088, Santa Fe, New Mexico 37501
New Mexico Oil Conservation Commission, Drawer DD, Artesia, New Mexico 88201
United States Geological Survey, P. O. Drawer "U", Artesia, New Mexico 88201

SKELLY OIL COMPANY
 Skelly Unit No. 114
 660 FNL & 660 FWL Sec. 14-17S-31E



Case 4808

NEW MEXICO OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO
APPLICATION FOR MULTIPLE COMPLETION

Form C-107
5-1-61

Case 4808

Operator Skelly Oil Company		County Eddy		Date 7/24/72
Address P. O. Box 1351, Midland, Texas 79701		Lease Skelly Unit		Well No. 31E
Location of Well	Unit	Section	Township	Range

1. Has the New Mexico Oil Conservation Commission heretofore authorized the multiple completion of a well in these same pools or in the same zones within one mile of the subject well? YES ☒ NO ☐

2. If answer is yes, identify one such instance: Order No. **R-2406** Also **MC-1287**; Operator Lease, and Well No.: **Skelly Unit Well No. 3 and Skelly Unit Well No. 11**

3. The following facts are submitted:	Upper Zone	Intermediate Zone	Lower Zone
a. Name of Pool and Formation	Fren Seven Rivers		Grayburg-San Andres
b. Top and Bottom of Pay Section (Perforations)	2289' to 2468'		3373' to 3772'
c. Type of production (Oil or Gas)	Oil		Oil
d. Method of Production (Flowing or Artificial Lift)	Art-Lift		Art-Lift

4. The following are attached. (Please check YES or NO)

- | | | |
|-------------------------------------|-------------------------------------|---|
| Yes | No | |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | a. Diagrammatic Sketch of the Multiple Completion, showing all casing strings, including diameters and setting depths, centralizers and/or turbolizers and location thereof, quantities used and top of cement, perforated intervals, tubing strings, including diameters and setting depth, location and type of packers and side door chokes, and such other information as may be pertinent. |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | b. Plat showing the location of all wells on applicant's lease, all offset wells on offset leases, and the names and addresses of operators of all leases offsetting applicant's lease. |
| <input type="checkbox"/> | <input checked="" type="checkbox"/> | c. Waivers consenting to such multiple completion from each offset operator, or in lieu thereof, evidence that said offset operators have been furnished copies of the application.* |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | d. Electrical log of the well or other acceptable log with tops and bottoms of producing zones and intervals of perforation indicated thereon. (If such log is not available at the time application is filed it shall be submitted as provided by Rule 112-A.) |

5. List all offset operators to the lease on which this well is located together with their correct mailing address.

Atlantic-Richfield, Box 1610, Midland, Texas 79701

Getty Oil Company, Box 1231, Midland, Texas 79701

Hanagan Oil Company, Box 1737, Roswell, New Mexico 88201

Hudson and Hudson 1510 1st. Nat'l Bank Bldg., Ft. Worth, Texas 76100

Kersey and Company, 808 West Grand, Artesia, New Mexico 88210

Murchison and Closuit, 1019 Fort Worth Nat'l Bank Bldg., Fort Worth 2, Texas 76100

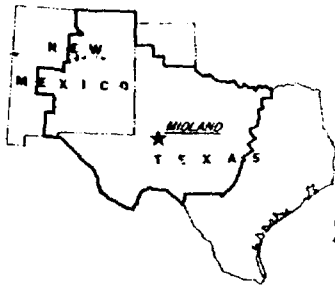
6. Were all operators listed in Item 5 above notified and furnished a copy of this application? YES ☒ NO ☐. If answer is yes, give date of such notification **July 24, 1972**.

CERTIFICATE: I, the undersigned, state that I am the **Manager** of the **Production** **Skelly Oil Company** (company), and that I am authorized by said company to make this report; and that this report was prepared under my supervision and direction and that the facts stated therein are true, correct and complete to the best of my knowledge.

C. J. Love
Mr. C. J. Love Signature

*Should waivers from all offset operators not accompany an application for administrative approval, the New Mexico Oil Conservation Commission will hold the application for a period of twenty (20) days from date of receipt by the Commission's Santa Fe office. If, after said twenty-day period, no protest nor request for hearing is received by the Santa Fe office, the application will then be processed.

NOTE: If the proposed multiple completion will result in an unorthodox well location and/or a non-standard proration unit in one or more of the producing zones, then separate application for approval of the same should be filed simultaneously with this application.

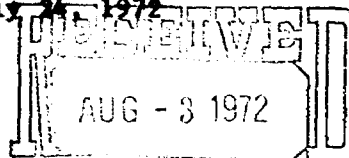


SKELLY OIL COMPANY

EXPLORATION & PRODUCTION DEPARTMENT
WEST CENTRAL DISTRICT

A. B. CARY, EXPLORATION & PRODUCTION MANAGER
V. E. BARTLETT, EXPLORATION MANAGER
C. J. LOVE, PRODUCTION MANAGER
J. R. AVENT, ADMINISTRATIVE COORDINATOR

July 24, 1972



ADDRESS REPLY TO:
P. O. BOX 1351
MIDLAND, TEXAS 79701

OIL CONSERVATION COMM.

File: Skelly Unit
Lease No. 73617
Grayburg-Jackson Pool
Eddy County, New Mexico

Re: Application for waterflood expansion

New Mexico Oil Conservation Commission
State Land Office Building
P. O. Box 2088
Santa Fe, New Mexico 87501

Attention: Mr. Secretary-Director

Gentlemen:

Skelly Oil Company respectfully requests administrative approval to expand its Skelly Unit waterflood in the Grayburg-Jackson Pool, Eddy County, New Mexico. The Skelly Unit waterflood project was authorized by order R-2900 issued May 4, 1965 and amended by order R-3214 dated April 7, 1967.

The Skelly Unit waterflood has been expanded as follows:

1. Initial injection wells 42, 44, 46, 52, 54, and 56 in 1965 by R-2900.
2. Expand and convert Wells 24 and 34 in July, 1967 by R-3214.
3. Expand and convert Well 98 in December, 1967 by WFX278.
4. Expand and convert Wells 19, 21, 22, 24, 26, 30, 32, 38, 40, 48, 58, 71, 73, 83, 85, 86, and 105 in March, 1968 by R-3214.
5. Expand and convert Wells 64, 66, 67, 75, 77, 89, 93, and 95 in August, 1968 by WFX290.
6. Expand and convert Wells 79 and 81 in August, 1970 by WFX327.
7. Expand and convert Wells 69, 91, and 100 in December, 1970 by WFX354.
8. Expand and convert Wells 87 and 102 in May, 1971 by WFX357.
9. This application for Well No. 114.

Skelly Unit
Page No. 2
July 24, 1972

The subject waterflood as governed by the provisions of Rule 701, 702, and 703 of the Oil Conservation Commission rules and regulations; provided that the Secretary-Director of the Commission may approve expansion of the Grayburg-Jackson Skelly Unit waterflood project to include additional wells, within said unit area, on water injection as may be necessary to complete an efficient waterflood pattern. We consider this application to be included under this provision.

Skelly Oil Company desires to expand the waterflood and requests administrative approval to convert the following well to water injection:

Township 17 South, Range 31 East
Skelly Unit Well No. 114, Unit Letter D, Section 14

Under order R-3214 Skelly Oil Company was authorized to effect a waterflood project in the Grayburg-Jackson Pool in the Skelly Unit by the selective injection of water into various zones throughout the Grayburg-Jackson vertical producing interval. Skelly Oil Company requests approval to inject into the Grayburg-Jackson interval in the subject well. It is our intention to equip the proposed injector as an injector in the Grayburg-Jackson interval and also a producer in the Seven Rivers zone. Application for dual completion of this well has already been submitted.

Attached is a map showing all wells within a two mile radius, a unit plat showing the present and proposed injection wells, schematic diagram and log sections of the proposed well, an analysis of the water to be injected, and duplicate copy of C-115 on offsets.

Limited response has been noted in the area of Well No. 114; although less than desired magnitude for this area due to the limited volumes of water which have been injected into this portion of the unit. The proposed injection well's producing capacity and other producing wells which directly offset the proposed injection well are shown by the following tabulation:

Skelly Ut. Well No.	Daily Production			Daily Production		
	Date	Oil	Water	Date	Oil	Water
103	Feb., 1966	2.7	24.0	April, 1972	3.6	7.1
108	April, 1971	17.0	25.7	April, 1972	18.4	26.8
114 (Prop. WIW)	Jan., 1972	New Well		April, 1972	4.0	0.2
102	April, 1971	1.0	0.6	April, 1972	3.0	2.0

Injection water will be purchased from Double Eagle Water Company. The water is fresh and taken from the Ogallala formation as shown by the water analysis. Anticipated injection rate is 300 to 600 BPD at pressure of 1,500 to 2,000 psig.

This proposed expansion is in line with our plan of operation for the Skelly Unit.

Skelly Unit
Page No. 3
July 24, 1972

Offset operators are being notified by a copy of this application in accordance with the attached mailing list.

Very truly yours,
SKELLY OIL COMPANY

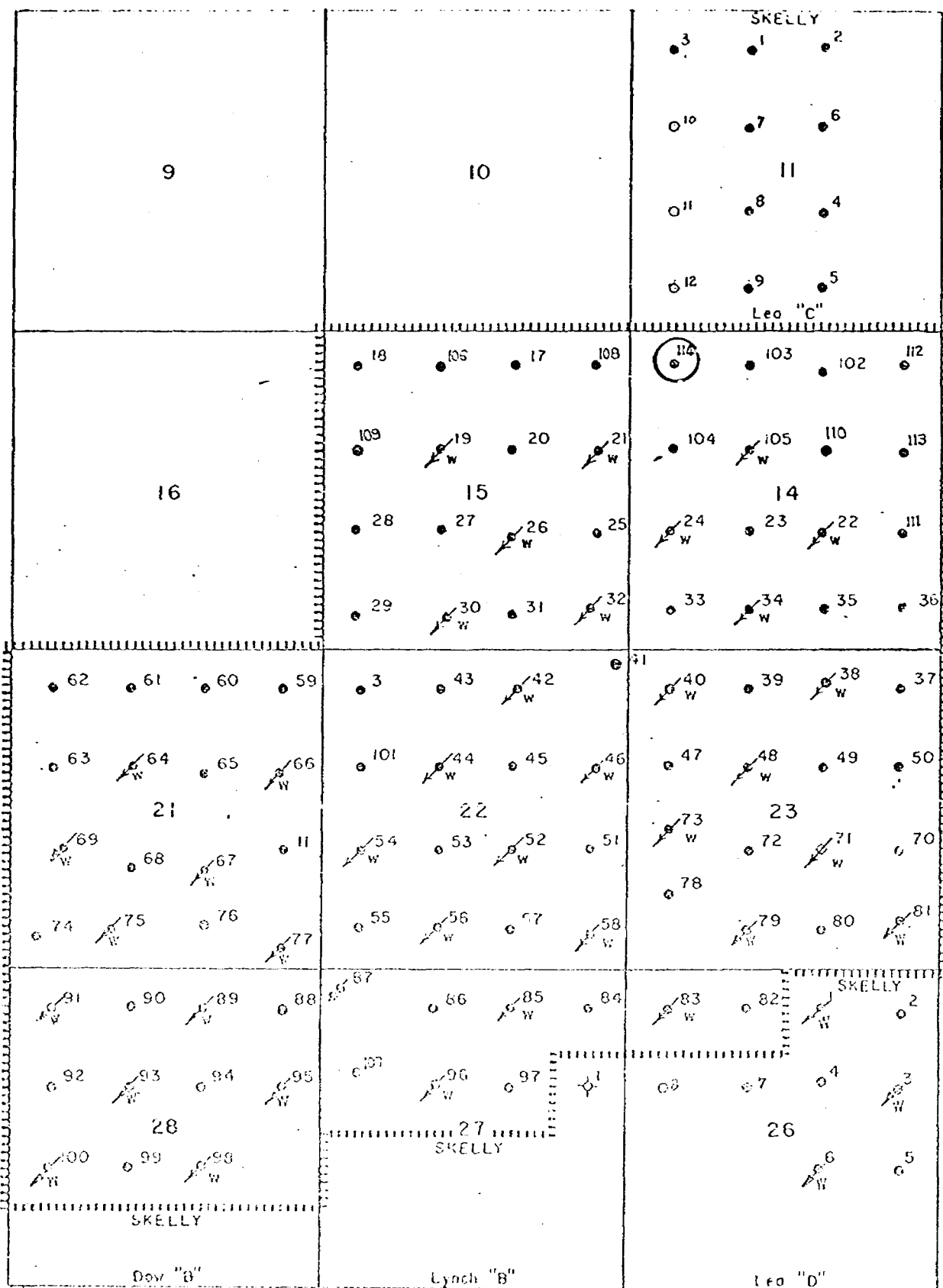
C. J. Love

C. J. Love
District Production Manager

HED/rc
Attachments
Area 2 mile Radius Map
Lease Plat
Schematic Diagram
Log Section
Water Analysis
C-115 forms

COPIES TO:

Atlantic-Richfield, Box 1610, Midland, Texas 79701
Getty Oil Company, Box 1231, Midland, Texas 79701
Hanagan Oil Company, Box 1737, Roswell, New Mexico 88201
Hudson and Hudson, 1510 1st, Nat'l Bank Bldg., Fort Worth, Texas 76100
Kersey and Company, 808 West Grand, Artesia, New Mexico 88210
Murchison & Closuit, 1019 Fort Worth Nat'l Bank Bldg., Fort Worth 2, Texas 76100
U.S.G.S (for approval-two copies) Drawer "U", Artesia, New Mexico 88210

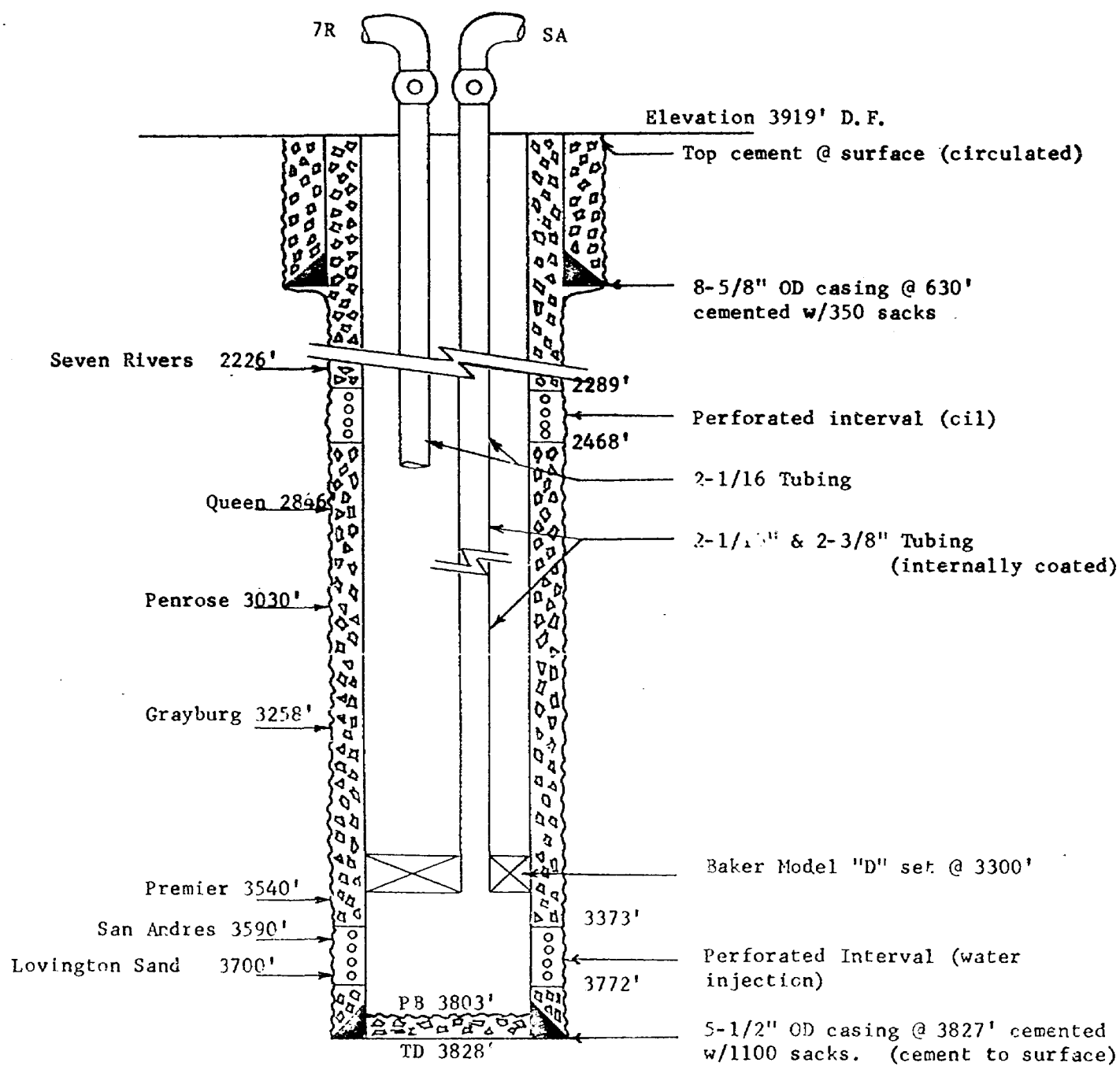


SKELLY OIL COMPANY
 SKELLY UNIT
 EDLEY COUNTY, NEW MEXICO
 TOWNSHIP 17-S, RANGE 31-E
 SCALE: 1"=200'

LEGEND
 ○ GRAYBURG-SAN ANDRES
 OIL WELL
 ⊕ DRY HOLE
 --- SKELLY UNIT
 ⊙ REWORK WELL WITH PRODUCTION WELL
 ○ WELL TO BE REWORKED

Case 4808

SKELLY OIL COMPANY
 Skelly Unit No. 114
 660 FNL & 660 FWL Sec. 14-17S-31E



Case 4808

Case 4808

Grayburg Jackson Waterflood

	<u>Water Source</u>	<u>Injection Well</u>
Dissolved Oxygen	6.1	
pH	7.1	2.6
Bicarbonate (HCO_3)	160	7.1
Chlorides (Cl)	2350	150
Total Hardness (CaCO_3)	2675	2350
Calcium (Ca)	760	2725
Magnesium (Mg)	780	760
Sulfate (SO_4)	2030	820
Iron (Total)	0.7	2030
		4.5

Results in ppm

STATEWIDE FORM C-115 REV. 12-1-61
 SUBMIT: ORIGINAL TO NEW MEXICO OIL & GAS COMMISSION
 ONE COPY TO DIST. OFFICE
 ONE COPY TO OPERATOR

NEW MEXICO OIL CO. CONSERVATION COMMISSION BOX 2088 SANTA FE, NEW MEXICO OPERATOR'S MONTHLY REPORT

Feb-1966

WELL NO.	UNIT	SEC.	TWP.	RNG.	WELL STATUS	TOTAL LIQUIDS PRODUCED			GAS PRODUCED MCF	DAYS PROD.	DISPOSITION OF GAS					CODE	DISPOSITION OF OIL				ON HAND END OF MONTH
						MONTHLY OIL ALLOWABLE	ACTUAL BARRELS PRODUCED	BARRELS OF WATER PRODUCED			VENTED	USED ON LEASE	SOLD	PURCH.	OTHER		OIL ON HAND BEG. OF MONTH	BARRELS TO TRANSPORTER	OTHER	CODE	
POOL NAME (UNDERLINE)																					
LEASE NAME AND STATE LAND LEASE NUMBER OR FEDERAL LEASE NUMBER																					
						196	160	0	110	28											
						196	160	0	61	✓											
						196	160	10	60	✓											
						168	139	4	177	✓											
						168	139	0	293	✓											
						168	139	0	635	✓											
						168	139	0	585	✓											
						308	252	0	304	✓											
						168	139	0	2010	✓											
						336	276	97	1287	✓											
						476	391	0	5522	✓											
						3380	1955	111	127	28											
						140	97	0	67	✓											
						84	58	0	932	✓											
						112	78	0	845	✓											
						112	78	0	1771	✓											
						448	311	0													

STATUS CODE
 F-----FLOWING
 P-----PUMPING
 G-----GAS LIFT
 S-----SHUT IN
 T-----TEMP. ABANDONED
 I-----INJECTION

"OTHER" GAS DISPOSITION CODE
 X-----USED OFF LEASE
 D-----USED FOR DRILLING
 G-----GAS LIFT
 L-----LOST (MCF ESTIMATED)
 E-----EXPLANATION ATTACHED
 R-----REPRESSURING OR PRESSURE MAINTENANCE

"OTHER" OIL DISPOSITION CODE
 C-----CIRCULATING OIL
 L-----LOST
 S-----SEDIMENTATION, STAY
 E-----EXPLANATION ATTACHED

I HEREBY CERTIFY THAT THE INFORMATION GIVEN IS TRUE AND COMPLETE TO THE BEST OF MY KNOWLEDGE.
 (DATE) 3-20-66

(SIGNATURE)

(POSITION)

NEW MEXICO OIL CONSERVATION COMMISSION

BOX 2038 SANTA FE, NEW MEXICO

OPERATOR'S MONTHLY REPORT

STATE FORM 604-C-113 REV. 10-1-65
SUBMIT ORIGINAL TO OGC SANTA FE
ONE COPY TO OGC DIST. OFFICE
ONE COPY TO TRANSPORTER

(Company or Operator)

SKELLY OIL COMPANY

(Address)

P. O. Box 1351, Midland, Texas

FOR MONTH

APR

1972

Page 38

WELL NO. UNIT SEC. TWP. RND.	WELL STATUS	TOTAL LIQUIDS PRODUCED			GAS PRODUCED ACF	DAYS PROD.	DISPOSITION OF GAS					C O D E	DISPOSITION OF OIL					OIL ON HAND END OF MONTH	
		MONTHLY OIL ALLOWABLE	ACTUAL BARRELS PRODUCED	BARRELS OF WATER PRODUCED			VENTED	USED ON LEASE	SOLD	PURCH.	OTHER		OIL ON HAND BEG. OF MONTH	BARRELS TO TRANS-PORTER	OTHER	C O D E	TRANS-PORTER		
POOL NAME (UNDERLINE)		LEASE NAME AND STATE LAND LEASE NUMBER OR FEDERAL LEASE NUMBER																	
Grayburg Jackson - Eddy - (Continued)																			
Skelly Unit No. I - Section 276 (Continued)																			
95 H 28 17 31	I		Water Injection Well																
96 F 27 17 31	I		Water Injection Well																
97 G 27 17 31	P	210	150	1350	108	30	720												
98 J 28 17 31	I		Water Injection Well																
99 K 28 17 31	T		Temporarily Abandoned																
100 L 28 17 31	I		WATER INJECTION WELL																
101 E 22 17 31	P	90	23	0	0	21	-0-												
102 B 14 17 31	P	180	90	60	11	30	122												
103 C 14 17 31	P	210	111	215	18	30	162	✓											
104 E 14 17 31	P	150	60	42	9	30	150												
105 F 14 17 31	I		Water Injection Well																
106 C 15 17 31	P	210	153	0	480	30	3137												
Totals this page		1050	587	1667	626														

STATUS CODE

F - FLOWING
P - PLUMPING
G - GAS LIFT
S - SUTIN
T - TEMP. ABANDONED
I - INJECTION

"OTHER" GAS DISPOSITION CODE

A - USED OFF LEASE
D - USED FOR DRILLING
O - GAS LIFT
L - LOST (NOT ESTIMATED)
E - EXPLANATION ATTACHED
R - REPRESSURING OR PRESSURE MAINTENANCE

"OTHER" OIL DISPOSITION CODE

C - CIRCULATING OIL
L - LOST
S - SEDIMENTATION (ONLY)
E - EXPLANATION ATTACHED

I HEREBY CERTIFY THAT THE INFORMATION GIVEN IS TRUE AND COMPLETE TO THE BEST OF MY KNOWLEDGE.

[Signature]

MAY 24 1972

District Administrative Coordinator

(POSITION)

Submitted in Lieu of Form No. 9-329

NEW MEXICO OIL CONSERVATION COMMISSION
BOX 2038 SANTA FE, NEW MEXICO
OPERATOR'S MONTHLY REPORT

STATEWIDE FORM C-113 REV. 10-1-61
 SUBMIT ORIGINAL TO OCC SANTA FE
 ONE COPY TO OCC DIST. OFFICE
 ONE COPY TO TRANSPORTER

(Company or Operator)

SKELLY OIL COMPANY

8

P. O. Box 1351, Midland, Texas

FOR MONTH

APR

1972

Page **38**

WELL NO. UNIT SEC. TWP. RNO.	WELL STATUS	TOTAL LIQUIDS PRODUCED			GAS PRODUCED ACF	DAYS PROD.	DISPOSITION OF GAS					DISPOSITION OF OIL					
		MONTHLY OIL ALLOWABLE	ACTUAL BARRELS PRODUCED	BARRELS OF WATER PRODUCED			VENTED	USED ON LEASE	SOLD	PURCH.	OTHER	C O D E	OIL ON HAND BEG. OF MONTH	BARRELS TO TRANS-PORTER	OTHER	C O D E	TRANS-PORTER
POOL NAME (UNDERLINE)																	
LEASE NAME AND STATE LAND LEASE NUMBER OR FEDERAL LEASE NUMBER																	
Grayburg Jackson - Liddy - (Continued)																	
Skelly Unit No. I - Section 276 (Continued)																	
95 H 28 17 31	I		Water Injection Well														
96 F 27 17 31	I		Water Injection Well														
97 G 27 17 31	P	210	150	1350	108	30	710										
98 J 28 17 31	I		Water Injection Well														
99 K 28 17 31	T		Temporarily Abandoned														
100 L 28 17 31	I		WATER INJECTION Well														
101 E 22 17 31	P	90	23	0	0	21	-0-										
102 B 14 17 31	P	180	90	60	11	30	122										
103 C 14 17 31	P	210	111	215	18	30	162										
104 E 14 17 31	P	150	60	42	9	30	150										
105 F 14 17 31	I		Water Injection Well														
106 C 15 17 31	P	210	153	0	480	30	317										
Totals this page		1050	587	1667	626												

STATUS CODE
 F - FLOODING
 P - PUMPING
 G - GAS LIFT
 S - SURFACE
 T - TEMPORARILY ABANDONED
 I - INJECTION

OTHER GAS DISPOSITION CODE
 A - USED OFF LEASE
 D - USED FOR DRILLING
 G - GAS LIFT
 L - LOST - MCF ESTIMATED
 E - EXPLANATION ATTACHED
 R - REPRESSURING OR PRESSURE MAINTENANCE

OTHER OIL DISPOSITION CODE
 C - CIRCULATING OIL
 L - LOST
 S - SEDIMENTATION LOSS
 E - EXPLANATION ATTACHED

EXCESS CERTIFY THAT THE ABOVE IS TRUE AND COMPLETE TO THE BEST OF MY KNOWLEDGE

[Signature]
 District Administrative Coordinator

MAY 24 1972

Submitted in Lieu of Form No. 9-329

NEW MEXICO OIL CONSERVATION COMMISSION

BOX 2088 SANTA FE, NEW MEXICO

OPERATOR'S MONTHLY REPORT

APR 1972

Skelly Oil Company

8

P. O. Box 1351, Midland, Texas

FOR MONTH

Page 32

WELL NO. UNIT SEC. TWP. RNO.		WELL STATUS	TOTAL LIQUIDS PRODUCED			GAS PRODUCED ACF	DAYS PROD.	DISPOSITION OF GAS						OIL ON HAND BEG. OF MONTH	BARRELS TO TRANS-PORTER	OTHER	C U D E	TRANS-PORTER	OIL ON HAND END OF MONTH	
POOL NAME (UNDERLINE)			MONTHLY OIL ALLOWABLE	ACTUAL BARRELS PRODUCED	BARRELS OF WATER PRODUCED			VENTED	USED ON LEASE	SOLD	PURCH.	OTHER	C O D E							
LEASE NAME AND STATE LAND LEASE NUMBER OR FEDERAL LEASE NUMBER																				
Grayburg-Jackson - Eddy (Continued)																				
Skelly Unit No. I - Section 276 (Continued)																				
1	E 27 17 31	P	810	513	56	612	30	1193												
108	A 15 17 31	P	600	554	831	2011	30	3630												
109	E 15 17 31	P	1620	1137	558	942	30	728												
110	G 14 17 31	P	1650	482	24	377	30	762												
111	I 14 17 31	P	510	308	9	1802	30	551												
112	A 14 17 31	P	1050	120	13	794	30	8283												
113	H 14 17 31	P	1050	120	13	852	30	711												
114	D 14 17 31	P	150	121	7	12	30	71	SUBJECT 11411 COMPLETED 1-9-72 AS CONTINUATION OF F											
Total this page			7470	3356	1511	7602														
Lease Total			4778	3304	24263	14452			14452	CON			2593	32644			TRM	29		

EXPLANATION
 F - FILLING
 D - DRAINING
 G - GAS LIFT
 S - SURFACE
 A - ABANDONED
 I - INJECTION

OTHER GAS DISPOSITION CODE
 X - USED OFF LEASE
 D - USED FOR DRILLING
 C - GAS LIFT
 L - LOST ACF EST. ATTACHED
 E - EXPLANATION ATTACHED
 R - REPRESS. KIND OF PRESSURE MAINTENANCE

OTHER GAS DISPOSITION CODE
 C - CIRCULATING OIL
 L - LOSS
 S - SEDIMENTATION LOSS
 E - EXPLANATION ATTACHED

I HEREBY CERTIFY THAT THE INFORMATION GIVEN IS TRUE
 COMPLETE TO THE BEST OF MY KNOWLEDGE.

R. L. Lewis

MAY 24 1972

(SIGNATURE)

(DATE)

Lead Clerk

(POSITION)

Submitted in Lieu of Form No. 9-329

NEW MEXICO OIL CONSERVATION COMMISSION

BOX 2038 SANTA FE, NEW MEXICO

OPERATOR'S MONTHLY REPORT

STATEWIDE FORM C-115 REV. 10-1-61
SUBMIT ORIGINAL TO OCC SANTA FE
ONE COPY TO OCC DIST. OFFICE
ONE COPY TO TRANSPORTER

MAY 1971

(Company or Operator) **SKELLY OIL COMPANY** 8 (Address) **P. O. Box 1351, Midland, Texas** FOR MONTH **37**

WELL NO. UNIT SEC. TWP. RNS.	WELL STATUS	TOTAL LIQUIDS PRODUCED			GAS PRODUCED MCF	DAYS PROD.	DISPOSITION OF GAS					DISPOSITION OF OIL					
		MONTHLY OIL ALLOWABLE	ACTUAL BARRELS PRODUCED	BARRELS OF WATER PRODUCED			VENTED	USED ON LEASE	SOLD	PURCH.	OTHER	C O D E	OIL ON HAND BEG. OF MONTH	BARRELS TO TRANS-PORTER	OTHER	C O D E	TRANS-PORTER
POOL NAME (UNDERLINE)		LEASE NAME AND STATE LAND LEASE NUMBER OR FEDERAL LEASE NUMBER															
Grayburg Jackson - Eddy - (Continued)																	
Skelly Unit No. I - Section 276 (Continued)																	
H 28 17 31	I			Water Injection Well													
96 F 27 17 31	I			Water Injection Well													
97 G 27 17 31	P	217	155	233	117	31											
98 J 28 17 31	I			Water Injection Well													
99 K 28 17 31	T			Temporarily Abandoned													
100 L 28 17 31	I			WATER INJECTION WELL													
101 E 22 17 31	P	186	81	0	0	27											
102 B 14 17 31	P	155	29	19	96	31											
103 C 14 17 31	P	155	59	114	127	31											
104 E 14 17 31	P	217	151	106	77	31											
105 F 14 17 31	I			Water Injection Well													
106 C 15 17 31	P	1209	1241	0	707	31											
Totals this page		2139	1716	472	1124												

STATUS CODE
F - FLOWING
P - PUMPING
G - GAS LIFT
S - SHUT IN
T - TEMP. ABANDONED
I - INJECTION

OTHER GAS DISPOSITION CODE
A - USED OFF LEASE
D - USED FOR DRILLING
G - GAS LIFT
L - LOST (ACF ESTIMATED)
E - EXPLANATION ATTACHED
R - REPRESSURING OR PRESSURE MAINTENANCE

DISPOSITION OF GAS CODE
C - CIRCULATING C.
L - LOST
S - SEGMENTATION LOSS
E - EXPLANATION ATTACHED

I HEREBY CERTIFY THAT THE INFORMATION GIVEN IS TRUE AND COMPLETE TO THE BEST OF MY KNOWLEDGE.

[Signature] JUN 21 1971
District Administrative Coordinator

Submitted in Lieu of Form No. 9-329

NEW MEXICO OIL CONSERVATION COMMISSION
 BOX 2088 SANTA FE, NEW MEXICO
OPERATOR'S MONTHLY REPORT

STATEWIDE FORM C-115 REV. 11-60
 SUBMIT: ORIGINAL TO OCC SANTA FE
 ONE COPY TO OCC DIST. OFFICE
 ONE COPY TO TRANSPORTER

(Company or Operator) Skelly Oil Company (Address) P. O. Box 1351, Midland, Texas FOR MONTH MAY 1971 Page 38

WELL NO. UNIT SEC. TWP. RNO.	WELL STATUS	TOTAL LIQUIDS PRODUCED			GAS PRODUCED MCF	DAYS PROD.	DISPOSITION OF GAS					C O D E	DISPOSITION OF OIL				
		MONTHLY OIL ALLOWABLE	ACTUAL BARRELS PRODUCED	BARRELS OF WATER PRODUCED			VENTED	USED ON LEASE	SOLD	PURCH.	OTHER		OIL ON HAND BEG. OF MONTH	BARRELS TO TRANSPORTER	OTHER	C O D E	TRANS. PORTER
LEASE NAME AND STATE LAND LEASE NUMBER OR FEDERAL LEASE NUMBER																	
Grayburg Jackson - Eddy - (Continued)																	
Eddy Unit No. I - Section 276 (Continued)																	
107 E 27 17 31	P	1767	1239	3379	677	31											
108 A 15 17 31	P	744	532	798	2967	31											
Total this Page		2511	1771	4177	3644												
Pool Total	✓	45725	35519	30664	12737				12737	CON			3142	35915		TNM	2746

STATUS CODE

F-----FLOWING
 P-----PUMPING
 C-----CYS LIFT
 S-----SHUT IN
 T-----TEMP. ABANDONED
 I-----INJECTION

"OTHER" GAS DISPOSITION CODE

X-----USED OFF LEASE
 D-----USED FOR DRILLING
 G-----GAS LIFT
 L-----LOST (MCF ESTIMATED)
 E-----EXPLANATION ATTACHED
 R-----REPRESSURING OR PRESSURE MAINTENANCE

"OTHER" OIL DISPOSITION CODE

C-----CIRCULATING OIL
 L-----LOST
 S-----SEGMENTATION (BSLW)
 E-----EXPLANATION ATTACHED

I HEREBY CERTIFY THAT THE INFORMATION GIVEN IS TRUE AND COMPLETE TO THE BEST OF MY KNOWLEDGE.

[Signature] JUN 21 1971
 District Administrative Coordinator
 (POSITION)

Submitted in Lieu of Form No. 9-329

STATEWIDE FORM C-115 REV. 11-1-81
SUBMIT: ORIGINAL TO CIO SANTA FE
ONE COPY TO OCC DIST. OFF.
ONE COPY - TRANSPORTER

4-1866

OFFSET	NO. OF UNITS
0	1
1	1
2	1
3	1
4	1
5	1
6	1
7	1
8	1
9	1
10	1
11	1
12	1
13	1
14	1
15	1
16	1
17	1
18	1
19	1
20	1
21	1
22	1
23	1
24	1
25	1
26	1
27	1
28	1
29	1
30	1
31	1
32	1
33	1
34	1
35	1
36	1
37	1
38	1
39	1
40	1
41	1
42	1
43	1
44	1
45	1
46	1
47	1
48	1
49	1
50	1
51	1
52	1
53	1
54	1
55	1
56	1
57	1
58	1
59	1
60	1
61	1
62	1
63	1
64	1
65	1
66	1
67	1
68	1
69	1
70	1
71	1
72	1
73	1
74	1
75	1
76	1
77	1
78	1
79	1
80	1
81	1
82	1
83	1
84	1
85	1
86	1
87	1
88	1
89	1
90	1
91	1
92	1
93	1
94	1
95	1
96	1
97	1
98	1
99	1

I HEREBY CERTIFY THAT THE INFORMATION GIVEN IS TRUE AND COMPLETE TO THE BEST OF MY KNOWLEDGE.

DATE _____

Shooting in Case of Trouble 9-9-99

1. **POSITION**

NEW MEXICO OIL CONSERVATION COMMISSION

BOX 2088 SANTA FE, NEW MEXICO

OPERATOR'S MONTHLY REPORT

STATE OF NEW MEXICO
SUBMIT ORIGINAL TO OCC DISTRICT OFFICE
ONE COPY TO OCC DIST. OFFICE
ONE COPY TO TRANSFER

(Company or Operator) **SKELLY OIL COMPANY** (Address) **P. O. Box 1351 Midland, Texas** FOR MONTH **APR 1972** Page **31**

WELL NO. UNIT SEC. TWP. RND.	WELL STATUS	TOTAL LIQUIDS PRODUCED			GAS PRODUCED MCF	DAYS PROD.	DISPOSITION OF GAS					DISPOSITION OF OIL					
		MONTHLY OIL ALLOWABLE	ACTUAL BARRELS PRODUCED	BARRELS OF WATER PRODUCED			VENTED	USED ON LEASE	SOLD	PURCH.	OTHER	C O D E	OIL ON HAND BEG. OF MONTH	BARRELS TO TRANS-PORTER	OTHER	C O D E	TRANS-PORTER
LEASE NAME AND STATE LAND LEASE NUMBER OR FEDERAL LEASE NUMBER																	
Grayburg Jackson - Eddy																	
Skelly Unit No. I Section 276																	
3 D 22 17 31	P	690	117	21	0	30	-0-										
11 I 21 17 31	P	210	151	17	118	30	781										
17 B 15 17 31	P	1080	1045	52	6	30	6										
18 D 15 17 31	P	180	123	0	7	30	57										
19 F 15 17 31	I		Water Injection Well														
20 G 15 17 31	P	1470	1445	87	27	30	19										
21 H 15 17 31	I		Water Injection Well														
22 J 14 17 31	I		Water Injection Well														
23 K 14 17 31	P	480	358	86	41	30	133										
24 L 14 17 31	I		Water Injection Well														
25 I 15 17 31	P	150	92	2	7	30	76										
26 J 15 17 31	I		Water Injection Well														
Totals this page		4260	3281	265	206												

STATUS CODE
 F-----FLOWING
 P-----PUMPING
 C-----GAS LIFT
 S-----SHUT IN
 T-----TEMP. ABANDONED
 I-----INJECTION

OTHER GAS PRODUCTION CODE
 A-----USED OFF LEASE
 D-----USED FOR DRILLING
 G-----GAS LIFT
 L-----LOST
 E-----EXPLANATION ATTACHED
 R-----REPRESSURING OR PRESSURE MAINTENANCE

DISPOSITION OF GAS CODE
 C-----CIRCULATING OIL
 L-----LOST
 S-----SEGMENTATION LOSS
 E-----EXPLANATION ATTACHED

I HEREBY CERTIFY THAT THE INFORMATION GIVEN IS TRUE AND COMPLETE TO THE BEST OF MY KNOWLEDGE.

[Signature] MAY 24 1972
 District Administrative Coordinator

Submitted in Lieu of Form No. 9-329

NEW MEXICO OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO
APPLICATION FOR MULTIPLE COMPLETION

Form C-107
5-1-61

Case 4808

SI for hearing

Operator Skelly Oil Company		County Eddy	Date 7/24/72
Address P. O. Box 1351, Midland, Texas 79701		Lease Skelly Unit	Well No. 318 114
Location of Well D	Unit 14	Township 17 South	Range 31 East

1. Has the New Mexico Oil Conservation Commission heretofore authorized the multiple completion of a well in these same pools or in the same zones within one mile of the subject well? YES ☒ NO ☐

2. If answer is yes, identify one such instance: Order No. **R-2406** Also **MC-1287**; Operator Lease, and Well No.: **Skelly Unit Well No. 3 and Skelly Unit Well No. 11**

3. The following facts are submitted:	Upper Zone	Intermediate Zone	Lower Zone
a. Name of Pool and Formation	Fren Seven Rivers		Grayburg-San Andres
b. Top and Bottom of Pay Section (Perforations)	2289' to 2468'		3373' to 3772'
c. Type of production (Oil or Gas)	Oil		Oil
d. Method of Production (Flowing or Artificial Lift)	Art-Lift		Art-Lift

4. The following are attached. (Please check YES or NO)

Yes	No	
<input checked="" type="checkbox"/>	<input type="checkbox"/>	a. Diagrammatic Sketch of the Multiple Completion, showing all casing strings, including diameters and setting depths, centralizers and/or turbolizers and location thereof, quantities used and top of cement, perforated intervals, tubing strings, including diameters and setting depth, location and type of packers and side door chokes, and such other information as may be pertinent.
<input checked="" type="checkbox"/>	<input type="checkbox"/>	b. Plat showing the location of all wells on applicant's lease, all offset wells on offset leases, and the names and addresses of operators of all leases offsetting applicant's lease.
<input type="checkbox"/>	<input checked="" type="checkbox"/>	c. Waivers consenting to such multiple completion from each offset operator, or in lieu thereof, evidence that said offset operators have been furnished copies of the application.*
<input checked="" type="checkbox"/>	<input type="checkbox"/>	d. Electrical log of the well or other acceptable log with tops and bottoms of producing zones and intervals of perforation indicated thereon. (If such log is not available at the time application is filed it shall be submitted as provided by Rule 112-A.)

5. List all offset operators to the lease on which this well is located together with their correct mailing address.

Atlantic-Richfield, Box 1610, Midland, Texas 79701

Getty Oil Company, Box 1231, Midland, Texas 79701

Hanagan Oil Company, Box 1737, Roswell, New Mexico 88201

Hudson and Hudson 1510 1st. Nat'l Bank Bldg., Ft. Worth, Texas 76100

Kersey and Company, 808 West Grand, Artesia, New Mexico 88210

Murchison and Closuit, 1019 Fort Worth Nat'l Bank Bldg., Fort Worth 2, Texas 76100

6. Were all operators listed in Item 5 above notified and furnished a copy of this application? YES ☒ NO ☐ If answer is yes, give date of such notification **July 24, 1972**

CERTIFICATE: I, the undersigned, state that I am the **Manager** of the **Production** **Skelly Oil Company** (company), and that I am authorized by said company to make this report; and that this report was prepared under my supervision and direction and that the facts stated therein are true, correct and complete to the best of my knowledge.

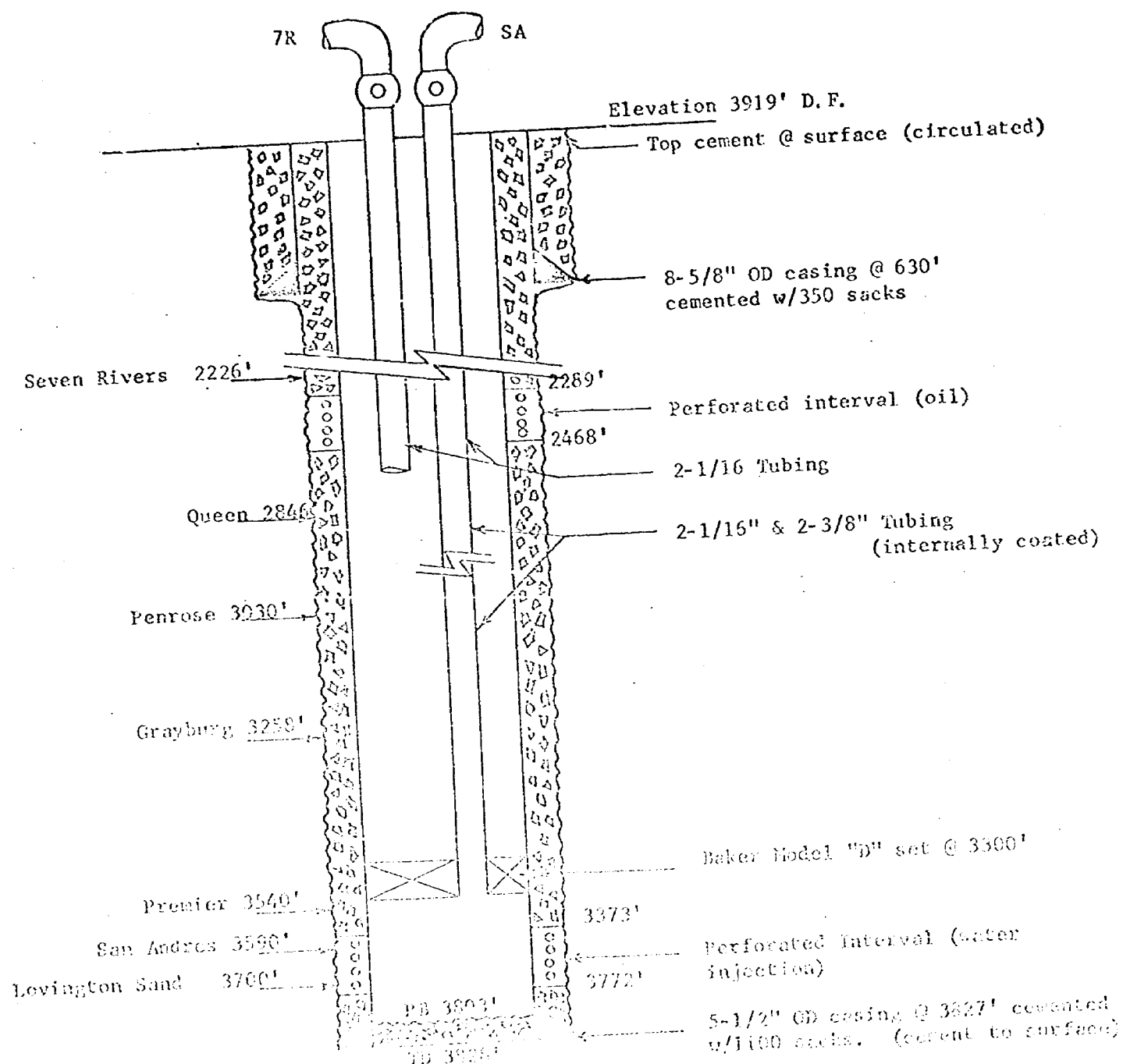
Mr. C. J. Love

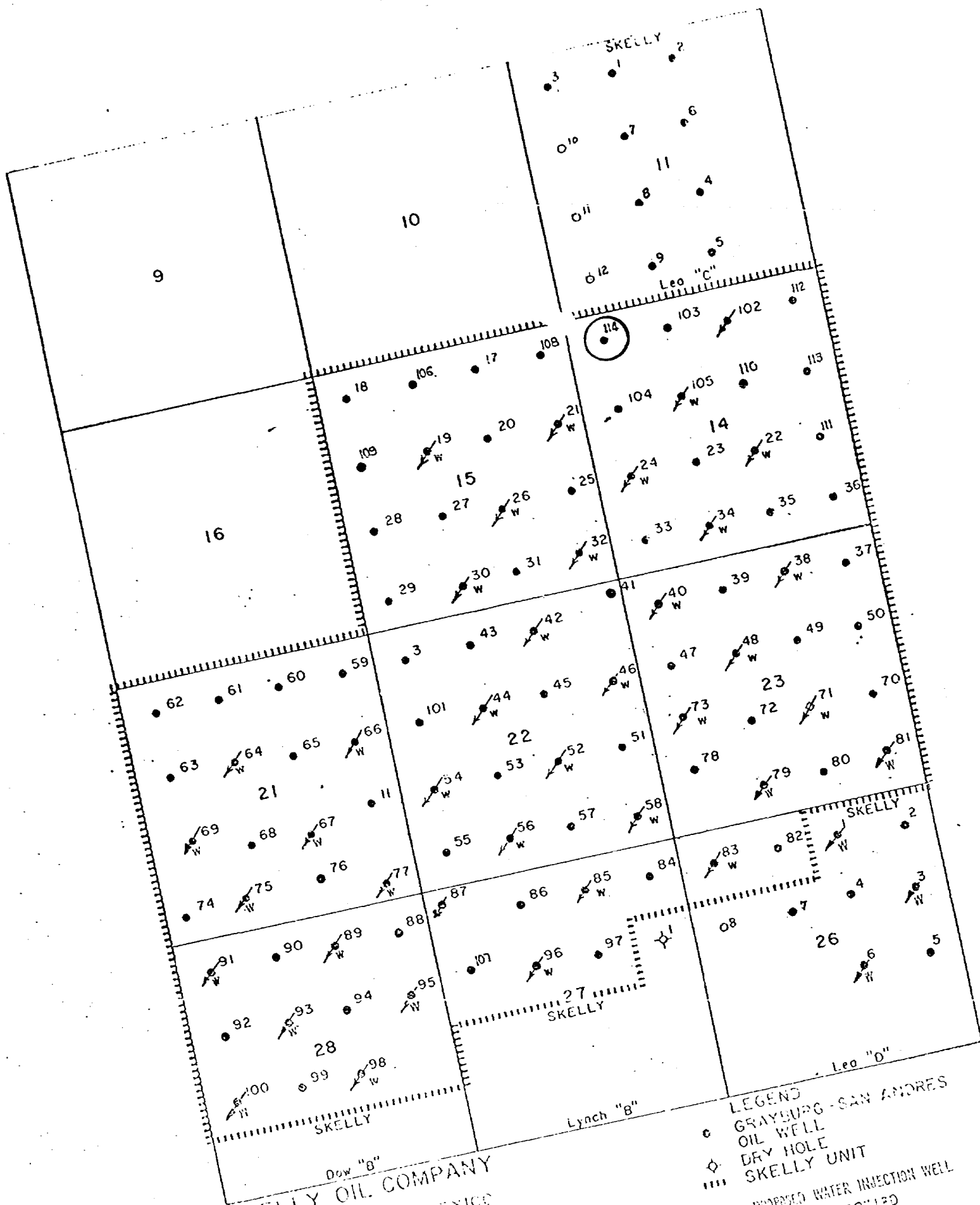
Signature *C. J. Love* **8-31-72**

*Should waivers from all offset operators not accompany an application for administrative approval, the New Mexico Oil Conservation Commission will hold the application for a period of twenty (20) days from date of receipt by the Commission's Santa Fe office. If, after said twenty-day period, no protest nor request for hearing is received by the Santa Fe office, the application will then be processed.

NOTE: If the proposed multiple completion will result in an unorthodox well location and/or a non-standard perforation unit in one or more of the producing zones, then separate application for approval of the same should be filed simultaneously with this application.

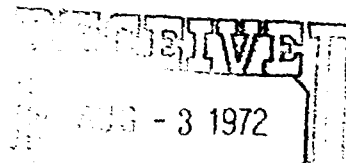
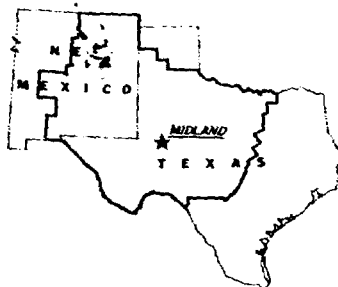
SKELLY OIL COMPANY
 Skelly Unit No. 114
 660 FNL & 660 FWL Sec. 14-17S-31E





SKELLY OIL COMPANY
 SKELLY UNIT
 EDDY COUNTY, NEW MEXICO
 TOWNSHIP 17 S, RANGE 31 E
 SCALE: 1" = 2400'

LEGEND
 ○ GRAYBURG-SAN ANDRES
 ○ OIL WELL
 ○ DRY HOLE
 ○ SKELLY UNIT
 ○ PROPOSED WATER INJECTION WELL
 ○ WELLS TO BE DRILLED



SKELLY OIL COMPANY

July 24, 1972

EXPLORATION & PRODUCTION DEPARTMENT
WEST CENTRAL DISTRICT

A. B. CARY, EXPLORATION & PRODUCTION MANAGER
V. E. BARTLETT, EXPLORATION MANAGER
C. J. LOVE, PRODUCTION MANAGER
J. R. AVENT, ADMINISTRATIVE COORDINATOR

ADDRESS REPLY TO:
P. O. BOX 1351
MIDLAND, TEXAS 79701

Case 4808

File: Skelly Unit Well No. 114
Lease No. 73617

Re: Application for Administrative
Approval of a Dual Completion

New Mexico Oil Conservation Commission
State Land Office Building
P. O. Box 2088
Santa Fe, New Mexico 87501

Gentlemen:

In the matter of application of Skelly Oil Company seeking administrative approval to dual complete its Skelly Unit Well No. 114 located in unit D of Section 14-17S-31E in the Fren Seven Rivers Pool and the Grayburg-Jackson San Andres Pool, Eddy County, New Mexico, and in support thereof does state:

- A. Skelly Oil Company is the sole owner of oil and gas lease consisting all Sec. 11, all Sec. 14, all Sec. 15, all Sec. 21, all Sec. 22, all Sec. 23, all Sec. 26, all Sec. 27, all Sec. 28, and all Sec. 33, Township 17South, Range 31East, N.M.P.M., Eddy, County, New Mexico.
- B. That Skelly Unit Well No. 114 is located 660 FNL and 660 FWL of Section 14-17S-R31E.
- C. That the applicant has prior duals on lease (Wells No. 3 and 11). Applicant does plan to dual complete subject Well No. 114 in the following manner.
 1. Set Baker Model "D" packer at 3,300' to segregate the two zones.
 2. Perforate 5-1/2" Csg. in the Seven Rivers section between 2289 and 2468', also perforated Grayburg-San Andres section between 3373 to 3772'.
 3. Produce by pumping Seven Rivers oil from the upper zone and injecting water into the Grayburg-San Andres thru parallel

Skelly Unit Well No. 114
Page No. 2
July 24, 1972

strings of tubing; injection side will be internally coated for protection.

- D. 1. Diagrammatic sketch of the proposed multiple completion showing all down hole conditions.
2. Plat showing location of all wells on applicant's lease also offset wells on offset leases.
3. That all offset operators are hereby notified by a copy of this application.
4. Electric log of subject well with all tops and bottoms of producing zones and intervals of perforations.
5. All of above submitted complete and accurate to the best of our knowledge.

Therefore, applicant prays that Secretary of the Commission grant permission to dual complete the above well in the interest of conservation and protection of correlative rights.

Respectfully submitted,
SKELLY OIL COMPANY

C. J. Love

C. J. Love
District Production Manager

HED/rc
Attachments:
Lease Plat
Area Map
Down Hole Schematic
Section of Electric-Log
C-107 Application for Dual

COPIES TO:

Atlantic Richfield, P. O. Box 1610, Midland, Texas 79701
Getty Oil Company, P. O. Box 1231, Midland, Texas 79701
Hanagan & Hanagan, P. O. Box 1737, Roswell, New Mexico 88201
William A. & Edward R. Hudson, 1510 1st Nat'l Bank Bldg., Ft. Worth, Texas 76100
Kersey and Company, 808 West Grand, Artesia, New Mexico 88210
Murchison & Closuit & Mr. Ernest Closuit, 1019 Ft. Worth Nat'l Bank Bldg.
Ft. Worth 2, Texas 76100
State Land Office, P. O. Box 2088, Santa Fe, New Mexico 87501
New Mexico Oil Conservation Commission, Drawer DD, Artesia, New Mexico 88201
United States Geological Survey, P. O. Drawer "U", Artesia, New Mexico 88201

DRAFT

GMH/dr

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

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

CASE NO. 4808

Order No. R- 4419

APPLICATION OF SKELLY OIL
COMPANY FOR A WATERFLOOD
EXPANSION AND DUAL COMPLETION,
EDDY COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on October 4, 1972,
at Santa Fe, New Mexico, before Examiner Elvis A. Utz.

NOW, on this day of October, 1972, the Commission,
a quorum being present, having considered the testimony, the record,
and the recommendations of the Examiner, and being fully advised
in the premises,

FINDS:

(1) That due public notice having been given as required by
law, the Commission has jurisdiction of this cause and the subject
matter thereof.

(2) That the applicant, Skelly Oil Company, seeks permission
to expand its Grayburg-Jackson Skelly ^{Unit} waterflood Project in the
Grayburg-Jackson Pool, by the injection of water through its
Unit Well No. 114 located in Unit D of Section 14, Township 17
South, Range 31 East, NMPM, Eddy County, New Mexico.

(3) That the applicant further seeks authority to complete its Well No. 114 in such a manner as to permit the production of oil from the Fren-Seven Rivers Pool ^{through 2 1/2-inch tubing} and the injection of water into the Grayburg-Jackson Pool through ^{a parallel string of 2 1/2-inch} tubing with separation of zones by a packer set at approximately 3300 feet.

(4) That the well in the project is in an advanced state of depletion and should properly be classified as a "stripper" well.

(5) That the proposed waterflood expansion and dual completion are feasible and should result in the recovery of otherwise unrecoverable oil, thereby preventing waste.

(6) That the subject application should be approved and the project should be governed by the provisions of Rules 701, 702, and 703 of the Commission Rules and Regulations; provided however, that the showing of well response as required by Rule 701 E-5 shall not be necessary before obtaining administrative approval for the conversion of additional wells to water injection ^{as single completions or as dual completions.}

IT IS THEREFORE ORDERED:

(1) That the applicant, Skelly Oil Company, is hereby authorized to expand its Grayburg-Jackson Skelly ^{Unit} Waterflood Project in the Grayburg-Jackson Pool by the injection of water through its Unit Well No. 114 located in Unit D of Section 14, ^{Township 17 South, Range 31 East, NMPM, Eddy County, New Mexico.} in such a manner as to permit the production of oil from the Fren-Seven Rivers Pool ^{through 2 1/2-inch tubing} and the injection of water into the Grayburg-Jackson Pool ^{through a parallel string of 2 1/2-inch tubing} with separating zones by a packer set at approximately 3300 feet.

PROVIDED HOWEVER, that the water shall be continuously treated prior to injection and coupon corrosion tests shall be conducted continuously on said well and the results thereof filed quarterly with the Commission until further notice from the Secretary-Director of the Commission.

(4) That the applicant, within a reasonable procedure, is authorized to expand the project to include the conversion of additional wells to water injection without the necessity for notice and hearing.

19 South, Range 31 East, NMPM, Eddy County, New Mexico.

-3-
CASE NO. 4808
Order No. R-

(3) That Order (2) of Order No. R-3214 is hereby amended to read in its entirety as follows:

"(2) That the subject waterflood ^{project is hereby designated the} expansion shall be ~~governed by the provisions of Rules 701, 702, and 703 of the~~ ^{Grayburg-Jackson Wells, Unit Waterflood Project and shall be} governed by the provisions of Rules 701, 702, and 703 of the Commission Rules and Regulations;

PROVIDED FURTHER, that the applicant shall complete, operate, and produce said well in accordance with the provisions of Rule 112-A of the Commission Rules and Regulations insofar as said rule is not inconsistent with this order;

PROVIDED FURTHER, that the applicant shall take packer-leakage tests upon completion and annually thereafter during the Annual Shut-in Test Period for the ~~Jackson~~ Grayburg-Jackson Pool.

(4) ~~That~~ That monthly progress reports of the waterflood expansion authorized shall be submitted to the Commission in accordance with Rules 704 and 1120 of the Commission Rules and Regulations.

(5) ~~That~~ That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

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

Provided However, that the Secretary-Director of the Commission may approve expansion of the above-described waterflood project to include such additional ~~well~~ injection wells in the area of said project as may be necessary to complete an efficient injection pattern; that ~~the above~~ ^{well} ~~reference~~ that said wells may be approved as dual completions for injection into the Grayburg-Jackson Pool and production from the Ten-Sixteen River Pool. "