

Box 38, Hobbs, New Mexico
January 7, 1957

NSP-347

Jan 12/8/57

New Mexico Oil Conservation Commission
P. O. Box 871
Sante Fe, New Mexico

Re: IN THE MATTER OF SKELLY OIL COMPANY
APPLYING FOR THE ESTABLISHMENT OF AN
80 ACRE NON - STANDARD GAS PRORATION
UNIT IN THE EUMONT GAS POOL, LEA
COUNTY, NEW MEXICO.

Gentlemen:

With this letter, SKELLY OIL COMPANY is applying to the Secretary of the New Mexico Oil Conservation Commission for the establishment of an 80 acre non-standard gas proration unit to be later increased to a 160 acre non-standard gas proration unit in the Eumont Gas Pool, Lea County, New Mexico, and in support thereof does state:

1. That the applicant is the owner and operator of an 80 acre oil and gas lease, consisting of contiguous quarter-quarter sections, confined by the W/2 , NW/4 of Section 25, Township 20 South, Range 36 East, Lea County, New Mexico. Said lease being known as the State "H" .
2. That the Atlantic Refining Company is the owner and operator of an 80 acre tract consisting of the E/2 , NW/4 of Section 25, Township 20 South, Range 36 East, Lea County, New Mexico. Said lease being known as the Atlantic State "P" .
3. That the applicants State "H" No. 1 is located 1980' from the north line and 990' from the west line of the section and has been dual completed as a Eunice-Monument Oil Well and a Eumont Gas Well; in accordance with, previously obtained, Order No. DC-369 .
4. That unitization negotiations are underway whereby the Skelly State "H" Lease and the Atlantic State "P" Lease will be unitized to form a 160 acre Eumont Gas Unit to be comprised of the NW/4 of Section 25, Township 20 South, Range 36 East, Lea County, New Mexico. Applicants State "H" No. 1 to be the unit gas well.
5. That a diagramatic sketch showing the producing intervals and the physical equipment used in dualling this well is hereto attached.

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6. That the entire NW/4 of Section 25, Township 20 South, Range 36 East may be reasonably presumed to be productive of gas.

7. That a plat showing the above described lands and all offset properties, indicating well locations and lease ownership to the best of our knowledge, is hereto attached.

8. That all offset operators are hereby notified by a copy of this application.

WHEREFORE, the applicant requests that, in the interest of conservation and the protection of correlative rights, the Secretary of the Commission grant an order pursuant to Rule (5a), Order No. R-520 by which the applicant may establish a non-standard 30 acre gas proration unit at this time consisting of the W/2, NW/4 of Section 25, Township 20 South, Range 36 East and a 160 acre non-standard gas proration unit at such time that unitization has been completed.

I hereby certify that the information given above is true and complete to the best of my knowledge.

Respectfully submitted

SKELLY OIL COMPANY

J. N. Dunlavey
J. N. Dunlavey
District Superintendent

JND/JA

Sworn and Subscribed to before me this 7th day of January, 1957.

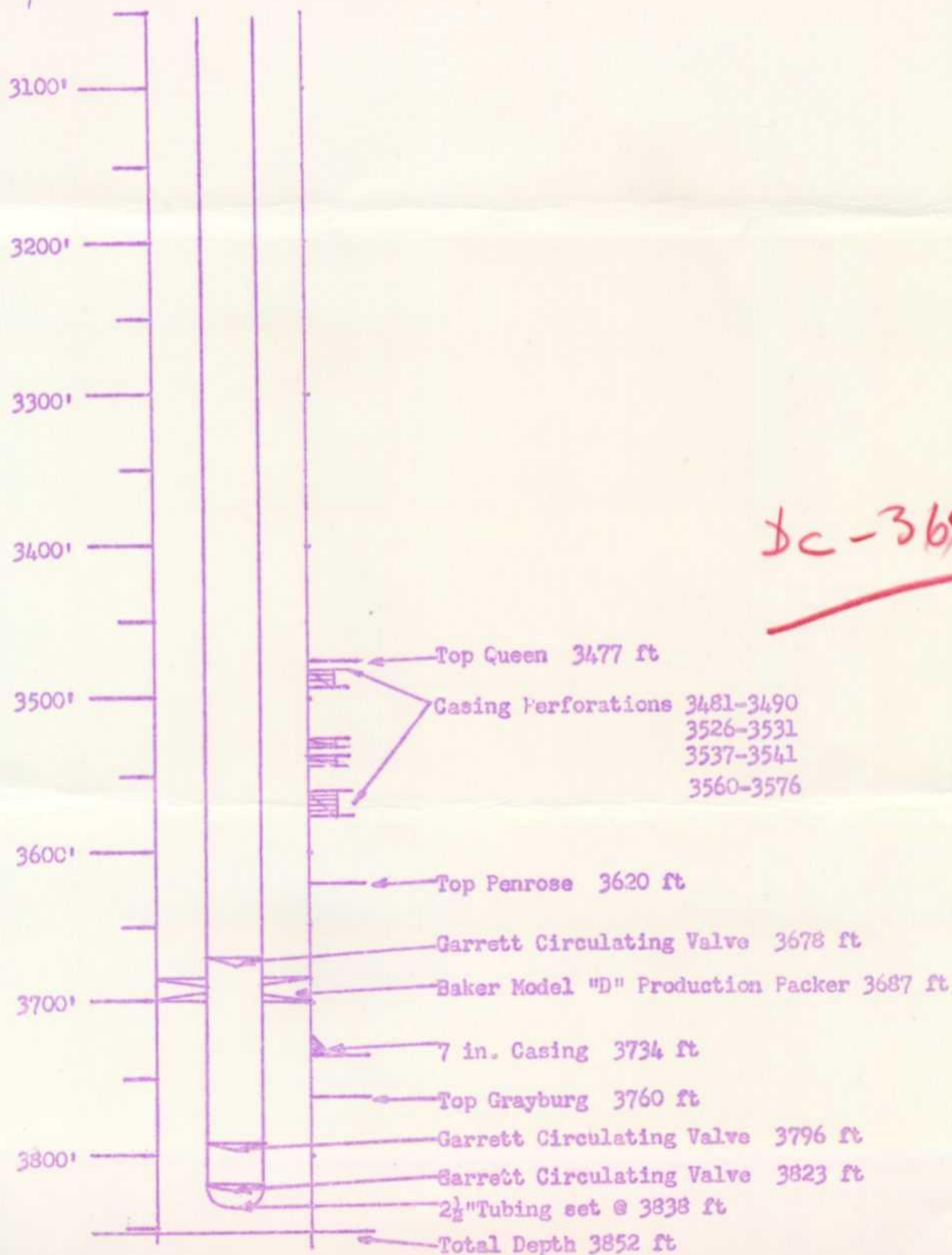
AKB Lux
Notary Public

My Commission Expires Aug. 19, 1957

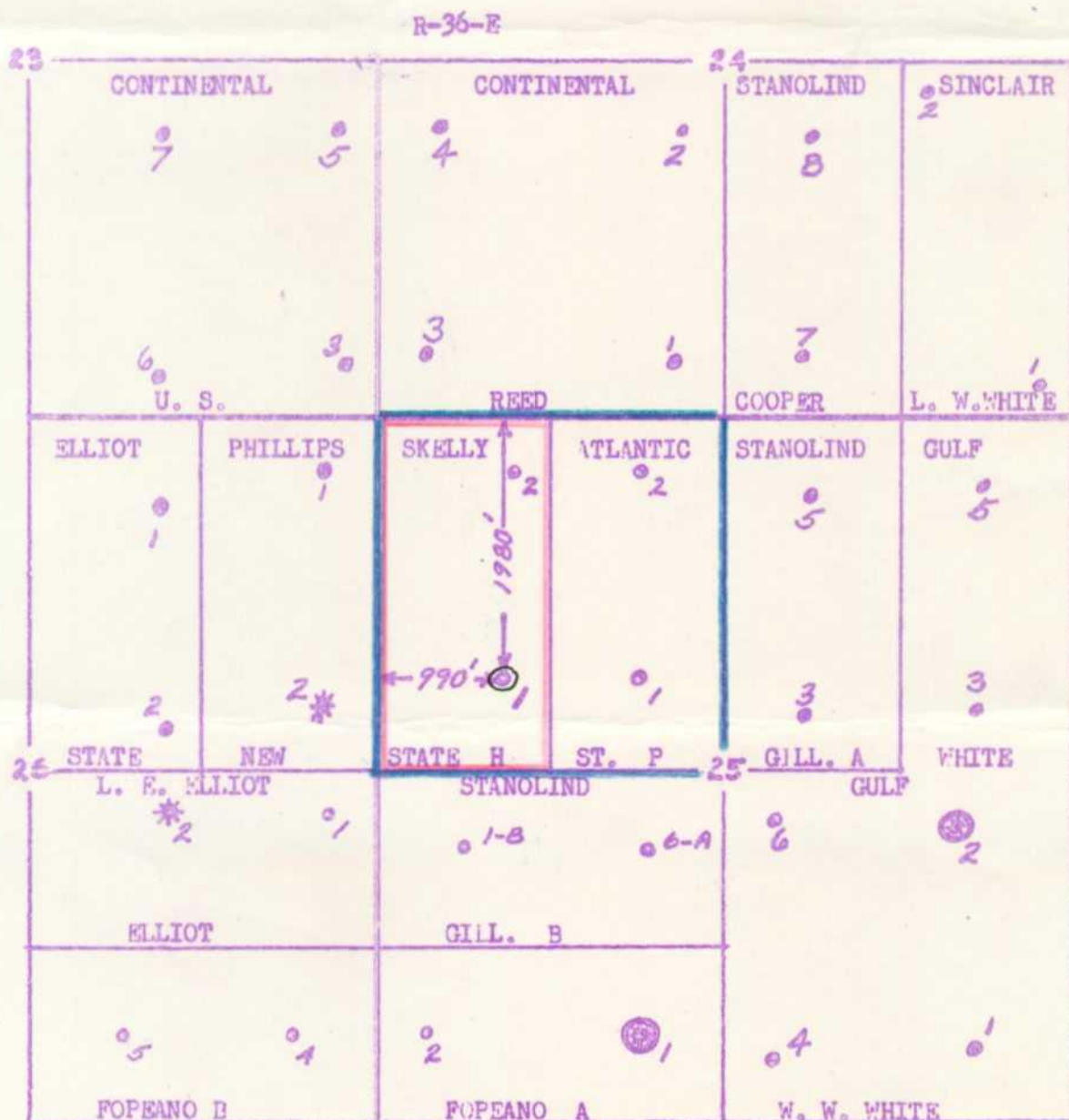
cc:

Continental Oil Company, Box 427, Hobbs, New Mexico
The Atlantic Refining Company, Box 871, Midland, Texas
Stanolind Oil & Gas Company, Box 899, Roswell, New Mexico
N. M. Oil Conservation Commission, Box 2045, Hobbs, New Mexico
L. E. Elliott, Box 703, Roswell, New Mexico
Phillips Petroleum Company, Box 2105, Hobbs, New Mexico
Mr. George Melinger, Skelly Oil Company, Tulsa, Oklahoma

SKELLY OIL COMPANY
State "H" Lease
Sec. 25, T-20S, R-36E
Lea County, New Mexico



SKELLY OIL COMPANY
STATE H LEASE
Sec 25, T-20S, R-36E
LEA COUNTY, NEW MEXICO



- OIL WELL
- ⊗ DUAL COMPLETION
- * GAS WELL
- DEDICATED ACREAGE
- PROPOSED 160 ACRE UNIT