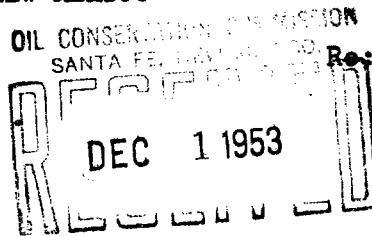


Case 63-4

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



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

Gentlemen:

Comes now SKELLY OIL COMPANY, a Delaware corporation with offices in Tulsa, Oklahoma, hereby petitioning the New Mexico Oil Conservation Commission for approval of an unorthodox gas proration unit lying wholly within the limits of the Eumont Gas Pool, namely the NW $\frac{1}{4}$, SE $\frac{1}{4}$ of Section 30, T20S, R37E., N.M.P.M., Lea County, New Mexico, and in support thereof does state:

1. That the petitioner is the sole owner of all leases on the 40 acres confined by the boundaries of the NW $\frac{1}{4}$, SE $\frac{1}{4}$ of Section 30, T20S, R37E., N.M.P.M., and concerns but a single royalty owner, namely the State of New Mexico.
2. That the petitioner's State "G" well No. 1 is located 660' from each the South and East boundaries of the lease and is completed within the vertical limits of the Eumont Gas Pool as defined by the New Mexico Oil Conservation Commission.
3. That the petitioner's lease is capable of production by virtue of its past production.
4. That a plat showing the above described lands and all offset properties indicating well locations and lease ownership to the best of our knowledge is hereto attached.
5. That all lands described above, and contained within the limits of the proposed proration unit, lie within a single legal subdivision (quarter section) of the U. S. Public Land Survey.

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

Respectfully submitted
SKELLY OIL COMPANY

J. N. Danlavy
J. N. Danlavy

SKELLY OIL COMPA NY

Case No.

638

Exhibit No.

STANOLIND	SINCLAIR	TEXAS	GULF	PHILLIPS	TEXAS	
U S	White	State	State	State	State	
STANOLIND	GULF	PHILLIPS	MID CONTINENT			
U S		AMERADA "W"			GULF	
		REPALLO	GULF	#30 SKELLY "State G" State 660'	CITIES SERVICE "F"	
White		State		Reeves		
SHELL "K"		HUMBLE "D"		State		
State		State		ATLANTIC	FIELDS	
				0-2	2	
				0-1		
				State		



SKELLY OIL COMPANY

PRODUCTION DEPARTMENT

J. S. FREEMAN
VICE PRESIDENT

E. A. JENKINS
GENERAL SUPERINTENDENT

TULSA 2, OKLAHOMA

W. P. WHITMORE
CHIEF PETROLEUM ENGINEER

G. W. SELINGER
PRORATION ATTORNEY

J. H. MCCULLOCH
CHIEF CLERK

February 5, 1954.

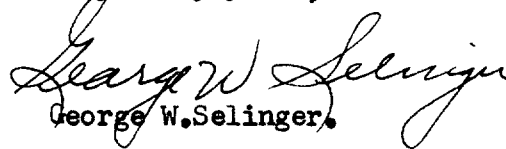
New Mexico Oil Conservation Commission
Mabry Hall
Santa Fe, New Mexico

Gentlemen:-

Re: Case No. 638 Sec 30-20S-37E
Eumont Gas Field.

At the January 20th hearing of our application Cities Service Oil Company representative inquired as to whether or not we had any objection to their 120 acre gas unit in the same quarter section as the subject well involved in Case No. 638 and we stated in open hearing that since there were two gas wells in the same quarter section we would have no objection to the granting of acreage assignment to both wells. This is in answer to another inquiry we have received from Cities Service and our reply herein is to be considered by the Commission in granting relief to the Cities Service Oil Co. in its State F Well No. 2 gas in Section 30-20S-37E Eumont Gas Field.

Very truly yours,


George W. Selinger.

C.C. To Cities Service Oil Co.
Box 97
Roswell, New Mexico

J.N. Dunlavey.

Case No. 638

Exhibit No. 2

SKELLY OIL COMPANY
State "G" #1
Sec. 30, T20S, R37E.

C O M P L E T I O N D A T A

SKELLY OIL COMPANY'S State "G" #1 well was completed in January, 1937, in the Grayburg formation in open hole between the 7" OD casing set at 3707' and total depth of 3840' for an initial potential of 384 BOPD.

In September, 1951, this well was perforated from 3360 - 3370', 3399 - 3405', 3408 - 3415', 3422 - 3432', 3456 - 3466' and 3485 - 3525', all in the vertical limits of the Eumont Gas Pool opposite the Queen formation. The oil and gas zones were segregated by a Lane-Wells production packer set at 3688'.

Case No. 638

Exhibit No. 1

SKELLY OIL COMPANY
State "G" #1
Sec. 30, T20S, R37E.

C O M P L E T I O N D A T A

SKELLY OIL COMPANY'S State "G" #1 well was completed in January, 1937, in the Grayburg formation in open hole between the 7" OD casing set at 3707' and total depth of 3840' for an initial potential of 384 BOPD.

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CITIES SERVICE OIL COMPANY

PRODUCERS-REFINERS-MARKETERS OF PETROLEUM PRODUCTS

BOX 97

HOBBS, NEW MEXICO

D. D. Bodie

Division Superintendent

January 13, 1954

Skelly Oil Company
Box 38
Hobbs, New Mexico

Attn: Mr. J. N. Dunlavey, Dist. Supt.

Dear Sir:

Cities Service Oil Company will apply to the New Mexico Oil Conservation Commission for an exception to Rule 7 (a) of Commission Order No. R-370-A on its State "F" No. 2 well completed in the Eumont Gas Pool, Lea County, New Mexico.

Attached is a plat showing the proposed assigned acreage.

Under Rule 7 (b) the Secretary of the Commission has the authority to grant exception to Rule 7 (a) of Order No. R-370-A without Notice and Hearing when certain provisions are complied with, one of these provisions being that the operator obtain the written consent in the form of a waiver from offset operators.

After a study of this area, it will be noted we stay within the legal quarter section and the other 40 acres belongs to the Skelly Oil Company, upon which they have a dual gas-oil well completed in the Eumont Gas and Eunice Oil Pools.

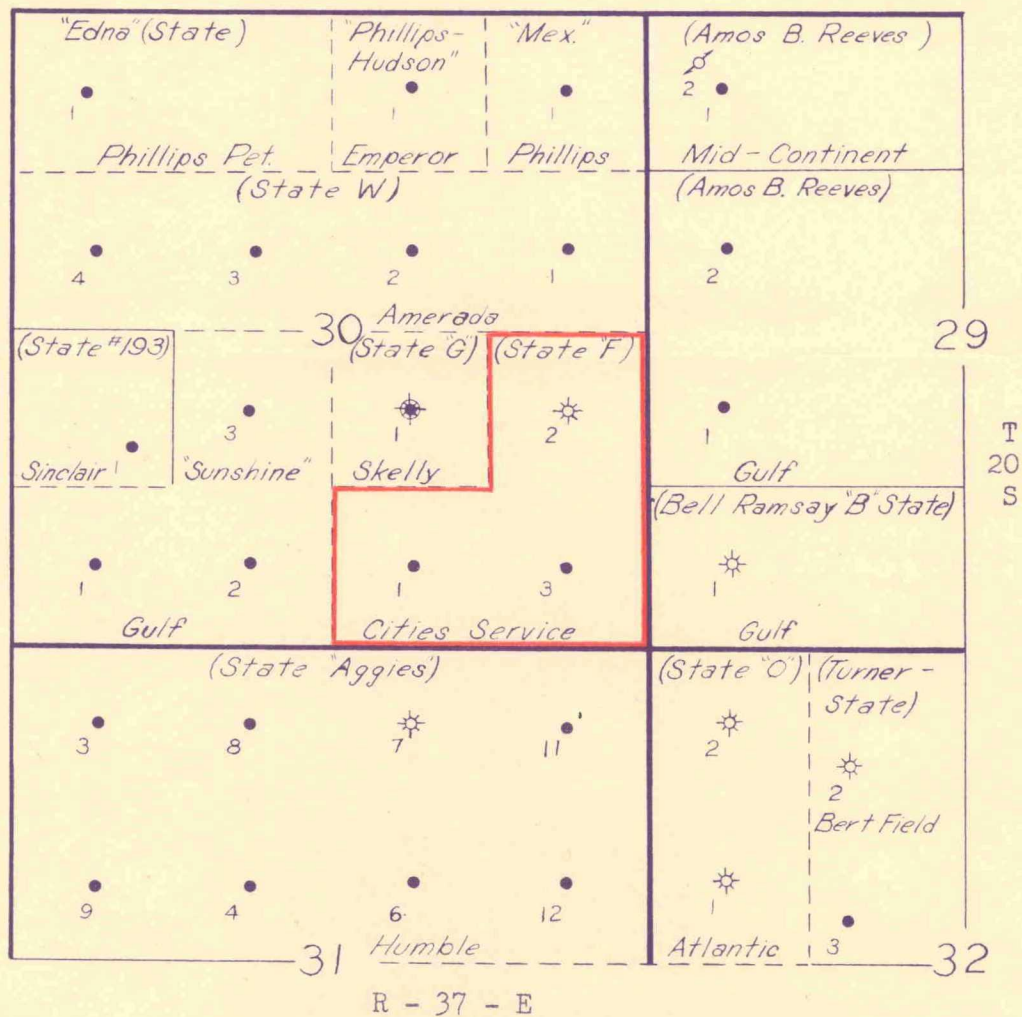
Please give this your consideration and it is hoped you will be able to give your approval to this non-standard unit.

Yours very truly,

D. D. Bodie
Division Superintendent

HEM/bjs
Attach.

PLAT SHOWING LOCATION
OF ASSIGNED ACREAGE



- Eunice Oil Pool Well
- ☼ Eumont Gas Pool Well
- ☼ Dual Eunice Oil and Eumont Gas Pool Well

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

Re: IN THE MATTER OF SKELLY OIL COMPANY) CASE
FOR APPROVAL OF AN UNORTHODOX GAS (NO
UNIT EMBRACING 40 CONTIGUOUS ACRES) 638
IN THE EUMONT GAS POOL, LEA COUNTY, ()
NEW MEXICO.

Gentlemen:

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

Respectfully submitted
SKELLY OIL COMPANY

(SGD) J. N. Dunlavey

(The above described plat
on file in office of Oil
Conservation Commission in Santa Fe, New Mexico)

New Mexico Oil & Gas Eng. Comm.
Hobbs, New Mexico.
Jan. 4, 1954