



*Chris
Please
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SKELLY OIL COMPANY

PRODUCTION DEPARTMENT
J. S. FREEMAN, VICE PRESIDENT

TULSA 2, OKLAHOMA

August 3, 1955

Mr. W. B. Macey
New Mexico Oil Conservation Commission
Box 871
Santa Fe, New Mexico

Dear Sir:

On August 17, among the cases set for hearing that day is Case 944, which is a nomenclature case involving Northwestern New Mexico. We wish to call your attention to paragraph "D" applicable to the South Blanco Pictured Cliffs and more particularly to that portion referring to Township 27 North, Range 9 West involving the NE/4 of Section 36, and also to paragraph "E", Ballard Pictured Cliffs, to that portion applicable to Township 26 North, Range 9 West, the SE/4 of Section 1.

Both of these matters are involved and affected by Case 908 held May 18, 20, 1955, involving the designation of the Huerfanito Unit into two separate pools wherein we contended, and trust to the satisfaction of the Commission, that it is one pool. Nevertheless we feel that Case 944, paragraphs "D" and "E" as to the NE/4 of Section 36-27N-9W and the SE/4 of Section 1-26N-9W should not be heard at the August 17 hearing but should be deferred until Case 908 is decided by the Commission.

We therefore respectfully request that those portions of paragraphs "D" and "E" in Case 944 be continued. Please advise.

Yours very truly,

George W. Selinger
George W. Selinger
ss

GWS:dd
cc-Mr. T. F. Thompson
Mr. G. W. Morrow

CLASS OF SERVICE

This is a fast message unless its deferred character is indicated by the proper symbol.

WESTERN UNION TELEGRAM

W. P. MARSHALL, PRESIDENT

SYMBOLS

DL=Day Letter

NL=Night Letter

LT=International Letter Telegram

(40)...

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K TUA190 PD=TULSA OKLA 12 932AMC=

W B MACEY=NEW MEXICO OIL CONSERVATION COMMISSION

MABRY HALL SANTA FE NMEX=

RELET AUGUST 3 REQUESTING CONTINUATION IN CASE 944 SET
FOR HEARING AUGUST 17 PARAGRAPH D SOUTH BLANCO PICTURED
CLIFFS SECTION 36-27N-9W AND PARAGRAPH E BALLARD
PICTURED CLIFFS SECTION 1-26N-9W PLEASE ADVISE IF MATTER
WILL BE CONTINUED=

:GEORGE W SELINGER SKELLY OIL CO=

3 944 17 36-27N-9W 1-26N-9W=

THE COMPANY WILL APPRECIATE SUGGESTIONS FROM ITS PATRONS CONCERNING ITS SERVICE

STANOLIND OIL AND GAS COMPANY

OIL AND GAS BUILDING

FORT WORTH, TEXAS

July 12, 1955

File: RGH-4348-986.510

Subject: Reclassification of
Hogback Pennsylvanian Pool

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

Attention: Mr. W. B. Macey

Gentlemen:

In October 1952, Stanolind completed its USG Section 19 Well No. 13 in Section 19, T-29-N, R-16-W, San Juan County, New Mexico. After drilling to a total depth of 7453 feet, the well was completed in the Mississippian at a plugged back total depth of 7080 feet through perforations from 6930 to 7030 feet. On initial potential, the well produced 147 barrels of oil with a gravity of 69.5° API and 14,900 MCF of gas in 24 hours. Although the characteristics of the produced fluid indicated it to be gas distillate, the gas contained a high percentage of inert materials and was found to be non-combustible.

As a result of subsequent excessive water production in the Mississippian, the well was plugged back to 6743 feet and recompleted in March 1954 in the Pennsylvanian formation through various perforations from 6166 to 6632 feet. Initial testing in the Pennsylvanian formation resulted in the production of 145 barrels of 57° gravity oil and 6650 MCF of gas in 24 hours. Analysis of the gas produced in the Pennsylvanian also indicated a high content of inert materials, including helium, with the resultant effect of this gas also being non-combustible.

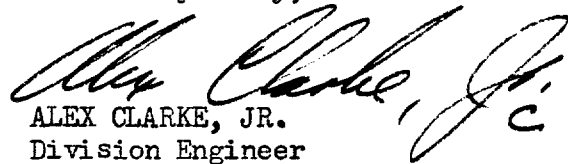
Originally, this pool was designated the Hogback Pennsylvanian Pool and classified as a gas pool. On November 17, 1954, the Commission issued its Order No. R-542, redesignating it as an oil pool.

In accordance with our analysis of the information available to date, we are of the opinion that this pool should be properly classified as a gas reservoir, and we respectfully request that the

July 12, 1955

Commission set a hearing on our request for this purpose. Based on the helium content of this gas, a market has been developed for its sale to the U. S. Bureau of Mines Plant at Shiprock, New Mexico. Since all of the produced gas and oil will be diverted to legal usage, we believe that such reclassification of the Hogback Pennsylvanian Pool will prevent waste and will protect correlative rights.

Yours very truly,



ALEX CLARKE, JR.
Division Engineer

RGH:cp