



*April 18 reg. hearing*

MAIN OFFICE OCC  
1956 MAR 12 AM 8:36  
**SKELLY OIL COMPANY**

PRODUCTION DEPARTMENT  
J. S. FREEMAN, VICE PRESIDENT

TULSA 2, OKLAHOMA

March 9, 1956

*Put at top of docket.*

Mr. W. B. Macey  
New Mexico Oil Conservation Commission  
Mabry Hall  
Santa Fe, New Mexico

Dear Sir:

We are herewith attaching original and two copies of application seeking exception to Order No. R-565-C for unorthodox locations and unorthodox gas units in the Fulcher Kutz-Pictured Cliffs and/or South Blanco-Pictured Cliffs gas pools in San Juan and Rio Arriba Counties, New Mexico.

We would appreciate it if this application could be set for your next series of hearings in Santa Fe on Wednesday, April 18, 1956, as early on the docket as possible, since the undersigned has several hearings in Austin, Texas, on the next day.

Yours very truly,

*George W. Selinger*  
George W. Selinger

GWS:zmr

cc-Mr. P. E. Cosper  
Mr. W. J. Stewart

MAIN OFFICE

BEFORE THE OIL CONSERVATION COMMISSION OF THE STATE OF NEW MEXICO

1955 MAR 12 AM 8:36

IN THE MATTER OF THE APPLICATION OF SKELLY OIL COMPANY  
FOR AN EXCEPTION TO ORDER NO. R-565-C, SAN JUAN AND  
RIO ARRIBA COUNTIES, NEW MEXICO, AS TO LOCATION OF TWO  
WELLS AND AN UNORTHODOX 160-ACRE UNIT IN THE FULCHER  
KUTZ-PICTURED CLIFFS GAS POOL AND/OR SOUTH BLANCO-  
PICTURED CLIFFS GAS POOL.

APPLICATION

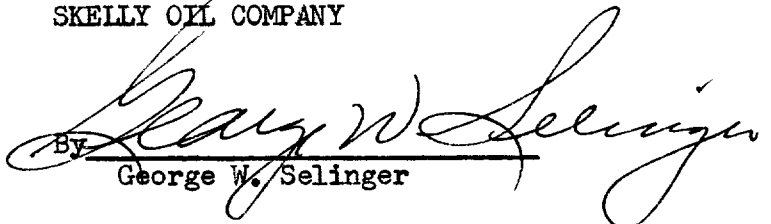
Comes now Skelly Oil Company and alleges and states:

1. That it is a producer and operator of wells in Pictured Cliffs reservoirs in the various classified fields in San Juan and Rio Arriba Counties, New Mexico, and, more specifically in and around Section 15-27N-9W.
2. That heretofore on October 13, 1955, this Commission issued its Order No. R-565-C in consolidated cases 729, 859, 860 and 941 establishing special rules and regulations for the Fulcher Kutz-Pictured Cliffs and South Blanco-Pictured Cliffs gas pools in San Juan and Rio Arriba Counties, New Mexico. That by such rules in both fields the Commission established location of wells to be at least 990' from the outer boundaries of each governmental quarter section with a tolerance of 200' and established a drilling unit of 160 acres in the form of a square which shall be a legal quarter section subdivision of the U. S. Public Land Survey.
3. That Applicant owns all of Section 15, Township 27 North, Range 9 West, insofar as leases are concerned, and with respect to the S/2 of said Section 15-27N-9W, Applicant has a lease on the N/2 of the S/2 of said Section 15 and another and separate lease on the S/2 of the S/2 of said Section 15. That it will be an undue burden on Applicant to attempt to unitize portions of these separate leases into two gas units following governmental quarter sections; whereas, Applicant can form two 160-acre units composed of the N/2 of the S/2 of Section 15 and the S/2 of the S/2 of Section 15.
4. That in the formation of such unorthodox 160-acre gas units, Applicant proposes to locate the well for the N/2 of the S/2 of said Section 15, 1320' West of the East line and 990' South of the North line of the N/2 of the S/2 of Section 15 and proposes to locate the well for the S/2 of the S/2 of Section 15, 1320' East of the West line and 990' North of the South line of the S/2 of the S/2 of Section 15.
5. That such exception to the location of said two wells and the formation of two such unorthodox 160-acre gas units will not cause waste and is not in violation of correlative rights of any interested party.

WHEREFORE, PREMISES CONSIDERED, Applicant requests and exception for its two wells as above described and an exception to the 160-acre governmental quarter section unit to permit two 160-acre unorthodox gas units, all of which is located in the S/2 Section 15, Township 27 North, Range 9 West, San Juan County, New Mexico.

Respectfully submitted,

SKELLY OIL COMPANY

By   
George W. Selinger

BEFORE THE OIL CONSERVATION COMMISSION OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE APPLICATION OF SKELLY OIL COMPANY  
FOR AN EXCEPTION TO ORDER NO. R-565-C, SAN JUAN AND  
RIO ARriba COUNTIES, NEW MEXICO, AS TO LOCATION OF TWO  
WELLS AND AN UNORTHODOX 160-ACRE UNIT IN THE FULCHER  
KUTZ-PICTURED CLIFFS GAS POOL AND/OR SOUTH BLANCO-  
PICTURED CLIFFS GAS POOL.

APPLICATION

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3. That Applicant owns all of Section 15, Township 27 North, Range 9 West, insofar as leases are concerned, and with respect to the S/2 of said Section 15-27N-9W, Applicant has a lease on the N/2 of the S/2 of said Section 15 and another and separate lease on the S/2 of the S/2 of said Section 15. That it will be an undue burden on Applicant to attempt to unitize portions of these separate leases into two gas units following governmental quarter sections; whereas, Applicant can form two 160-acre units composed of the N/2 of the S/2 of Section 15 and the S/2 of the S/2 of Section 15.

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WHEREFORE, PREMISES CONSIDERED, Applicant requests and exception for its two wells as above described and an exception to the 160-acre governmental quarter section unit to permit two 160-acre unorthodox gas units, all of which is located in the S/2 Section 15, Township 27 North, Range 9 West, San Juan County, New Mexico.

Respectfully submitted,

SKELLY OIL COMPANY

(Signed) GEORGE W. SELINGER  
By \_\_\_\_\_  
George W. Selinger