



Exhibit 1
7-2-58
Doc 1402

SKELLY OIL COMPANY

Eunice, New Mexico
May 26, 1958

Neville G. Penrose, Inc.
Fair Building
Fort Worth 2, Texas

Att: Mr. Glen G. Neill

Gentlemen:

Our tests on your McCallister #1, Sec. 7-22S-38E, conducted in March, indicated a considerable reduction in gas and oil production since our previous test in July of 1957.

The volume of gas presently available will not justify the expenditure required to connect to our gas gathering system. However, in event of any change in this well or any additional development in this area, we will be very glad to take another look at it.

Yours very truly,

Skelly Oil Company

R. E. J. Dodd
District Superintendent

REJD/bn

BEFORE EXAMINER NUTTER	
OIL CONSERVATION COMMISSION	
<i>Appl</i>	EXHIBIT NO. <u>1</u>
CASE NO.	<u>1402</u>

7-2-58