

Skelly Oil Company

MAIN OFFICE OCC

SUBJECT

June 30, 1958

1958 JUL 29 AM 8:13

Mr. George W. Selinger (2)
B U I L D I N GRe: Otero - Gallup Pool
Townships 24-25N, Range 5W,
Rio Arriba County, New Mexico.

Dear Sir:

We are now negotiating for the sale of casinghead gas from Skelly wells in the captioned field. I am of the opinion that contract arrangements will be completed within the next four to six weeks. Unfortunately, however, the sale will be in interstate commerce, which means that the contract will be subject to approval by the Federal Power Commission. I use the word "unfortunately" solely because of the time lag which necessarily will be involved. If we are successful in securing expeditious handling by the Commission, I am of the opinion we can be delivering gas within three to four months. If we're not, then the date by which deliveries can be accomplished is solely one of conjecture.

All I can assure you -- and you the Commission -- is that we shall exert every effort to be marketing the gas at the earliest possible date.

Yours very truly,



L. L. Byars

LLB:ms

