

BEFORE THE OIL CONSERVATION COMMISSION  
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING  
CALLED BY THE OIL CONSERVATION  
COMMISSION OF NEW MEXICO FOR  
THE PURPOSE OF CONSIDERING:

CASE NO. 1686  
Order No. R-1426

APPLICATION OF SKELLY OIL  
COMPANY FOR THE ESTABLISHMENT  
OF A NEW GAS POOL FOR ATOKA  
PRODUCTION IN LEA COUNTY, NEW  
MEXICO AND FOR THE ESTABLISHMENT  
OF 640-ACRE SPACING FOR SAID POOL

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on June 3, 1959, at Santa Fe, New Mexico, before Daniel S. Nutter, Examiner duly appointed by the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission," in accordance with Rule 1214 of the Commission Rules and Regulations.

NOW, on this 25<sup>th</sup> day of June, 1959, the Commission, a quorum being present, having considered the application, the evidence adduced, and the recommendations of the Examiner, Daniel S. Nutter, and being fully advised in the premises,

FINDS:

- (1) That due public notice having been given as required by law, the Commission has jurisdiction of this cause and the subject matter thereof.
- (2) That the applicant, Skelly Oil Company, is the operator of the Sombrero Unit consisting of the E/2 of Section 11 and the W/2 of Section 12, both in Township 16 South, Range 33 East, Lea County, New Mexico.
- (3) That the applicant is the operator of the Sombrero Unit Well No. 1, located in the SW/4 NW/4 of said Section 12.
- (4) That the applicant proposes the establishment of a new gas pool for Atoka production consisting of the above-described 640 acres.
- (5) That the applicant further proposes the establishment of 640-acre spacing in said pool.

-2-

Case No. 1686  
Order No. R-1426

(6) That the applicant has failed to prove that the said Sombrero Unit Well No. 1 can efficiently drain 640 acres and has further failed to prove that the pool from which said well is producing covers the 640 acres which applicant proposes to dedicate to the well.

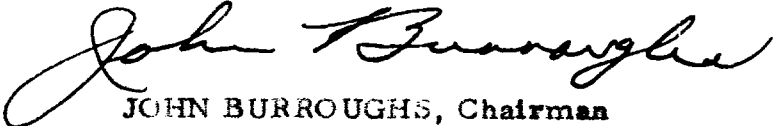
(7) That the subject application should be denied.

IT IS THEREFORE ORDERED:

That the application of Skelly Oil Company for the establishment of a new gas pool for Atoka production consisting of the E/2 of Section 11 and the W/2 of Section 12, Township 16 South, Range 33 East, Lea County, New Mexico, and for the establishment of 640-acre spacing for said pool be and the same is hereby denied.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO  
OIL CONSERVATION COMMISSION

  
JOHN BURROUGHS, Chairman

  
MURRAY E. MORGAN, Member

  
A. L. PORTER, Jr., Member & Secretary

