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Je Jeans SKELLY OIL COMPANY

TULSA 2.OKLAHOMA

PRODUCTION DEPARTMENT C. L. BLACKSHER, VICE PRESIDENT

December 21, 1959

Re: Gallegos Field

AIR-MAIL

Oil Conservation Commission Post Office Box 871 Santa Fe, New Mexico

ATTENTION: Mr. A. L. Porter, Jr.

Gentlemen:

On June 25, 1959, the Oil Conservation Commission in Case No. 1569, issued its Order No. R-1427 prohibiting the flaring of casinghead gas from oil wells in the Gallegos - Gallup oil pool after December 31, 1959. Said order further provides that any operator who desires to obtain an exception shall submit to the Secretary-Director an application for such exception, and further that he is authorized to grant same.

Request is respectfully made for such administrative approval by the Secretary-Director on the following circumstances:

Skelly Oil Company had on August 11, 1959, consumated a contract with the El Paso Natural Gas Company to purchase all of the casinghead gas from its oil wells in the Gallegos Field. That thereafter El Paso files request with the FPC for permit to install such facilities, and such request was caught in a maelstrom of details in which the FPC finds it is mired in, and since time was fleeting, El Paso secured a temporary permit from FPC necessitating Skelly Oil Company to sign an amendment so as to permit the installation of the facilities under a termporary permit, and that El Paso is now in the process of installing such facilities.

As late as December 11, El Paso Natural Gas Company has advised Skelly that such facilities will be installed on or about January 1, 1960, but that it is now becoming apparent that such facilities will not be completely installed in order to permit El Paso to proceed to take casinghead gas after 7 O'clock A.M., January 1, 1960, and there-

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fore it is incumbent upon Skelly Oil Company to file this request for an extension of time not later than 30 days, or until 7 O'clock A.M., February 1, 1960, in order for it to continue to produce its wells in the Gallegos Field, same being as follows:

Goddard, J. W.	ll Wells
Navajo "B"	l Well
Navajo "C"	l Well 🕶
Navajo "D"	l Well .
Navajo "E"	l Well - 7//
Navajo "F"	2 Wells -
Navajo "G"	l Well - '
Navajo "H"	l Well -
Navajo "J"	2 Wells -
Navajo "L"	l Well -
Randle, O. H.	l Well 🦟
Saunders, W. P.	l Well -

Applicant further states that an additional time is necessary for the purchaser, El Paso to install additional facilities due to volumes of casinghead gas exceeding capacity of El Paso's gathering system, which applicant understands will be installed and hence necessitating additional time beyond December 31.

Request is respectfully made therefore for an extension of time by an exception from the Secretary-Director until February 1, 1960, to Order No. R-1427.

Respectfully submitted,

George W. Selinger

GWS/gl

cc: Mr. P. E. Cosper Mr. L. L. Byers