BEFORE THE OIL CONSERVATION COMMISSION SANTA FE, NEW MEXICO AUGUST 30, 1961

EXAMINER HEARING

IN THE MATTER OF: CASE 2367

TRANSCRIPT OF HEARING



CH 3-6691

ALBUQUERQUE, NEW MEXICO

BEFORE THE

OIL CONSERVATION COMMISSION SANTA FE, NEW MEXICO August 30, 1961 9:00 A.M.

IN THE MATTER OF:

Application of Skelly Oil Company for an unorthodox gas proration unit in the Jalmat Gas Pool, Lea County, New Mexico. Applicant in the above-styled cause, seeks the establishment of a 320-acre non-standard gas proration unit in the Jalmat Gas Pool, consisting of the NE/4, NW/4 SE/4, N/2 SW/4 and SW/4 SW/4 of Section 17, Township 23 South, Range 37 East, Lea County, New Mexico; said unit is to be dedicated to the E. L. Steeler Well No. 7, located 1980 feet from the South line and 660 feet from the West line of said Section 17.

Case 2367

BEFORE:

Elvis A. Utz, Examiner

EXAMINER HEARING

EXAMINER UTZ: The first case on the docket will be Case 2367.

MR. MORRIS: Application of Skelly Oil Company for an unorthodox gas proration unit in the Jalmat Gas Pool.

Mr. Examiner, the Applicant in this case has requested a continuation for at least 30 days. The Protestant in the case concurs in the Applicant's request for a continuance.

MR. UTZ: Is there any objection to the Applicant's motion for continuance for a 30-day period? If there is no objection, Case 2367 will be cotinued to the first Examiner



Hearing in the month of October.

STATE OF NEW MEXICO)
) ss.
COUNTY OF BERNALILLO)

I, MICHAEL P. HALL, Court Reporter do hereby certify that the foregoing and attached transcript of proceedings before the New Mexico Oil Conservation Commission at Santa Fe, New Mexico, is a true and correct record to the best of my knowledge, skill, and ability.

IN WITNESS WHEREOF, I have affixed my hand and notary seal this 30th Day of August, 1961.

Court Reporter - Notary Public

My Commission expires: June 20, 1961

I do hereby certify that the foregoing is a complete record of the proceedings in the Examiner hearing of (100 00.2362), heard by me on 260

New Mexico Oil Conservation

Examiner mission



PHONE CH 3-6691

BEFORE THE

OIL CONSERVATION COMMISSION Santa Fe, New Mexico October 4, 1961

EXAMINER HEARING

IN THE MATTER OF:

Application of Skelly Oil Company for an unorthodox gas proration unit in the Jalmat Gas Pool, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the establishment of a 320-acre non-standard gas proration unit in the Jalmat Gas Pool, consisting of the NE/4, NW/4 SE/4, N/2 SW/4 and SW/4 SW/4 of Section 17, Township 23 South, Range 37 East, Lea County, New Mexico; said unit to be dedicated to the E. L. Steeler Well No. 7, located 1980 feet from the South line and 660 feet from the West line of said Section 17.

CASE NO. 2367

BEFORE: Elvis A. Utz, Examiner

TRANSCRIPT OF HEARING

EXAMINER UTZ: The hearing will come to order, please.

The first case will be Case No. 2367.

MR. MORRIS: Application of Skelly Oil Company for an unorthodox gas proration unit in the Jalmat Gas Pool, Lea County, New Mexico.

The Applicant, Skelly Oil Company, has requested that this case be dismissed.

EXAMINER UTZ: Is there objection to the Applicant's motion for dismissal of Case No. 2367?



There being no objections, Case No. 2367 will be dismissed.

FARMINGTON, N. M. PHONE 325-1182

STATE OF NEW MEXICO SS COUNTY OF SAN JUAN

I, THOMAS F. HORNE, Court Reporter, do hereby certify that the foregoing and attached transcript of proceedings before the New Mexico Oil Conservation Commission at Santa Fe, New Mexico, is a true and correct record to the best of my knowledge, skill and ability.

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My Commission Expires:

I do hereby certify that the foregoing is a co ရုပ်သည်။ သည်။ မြောင်းမှ မေသမှ မေါ့သည်။ ကြွေးများ the Examiner housing of tage No. 23.62,





AREALOANION ON SHELLY OLD.

COMPANY TO DESCRIP AN UNCREMENT
GAS PROBATION UNIT, TO COMSIST
OF 320 CONTIGUOUS AGRES IN THE
JAIMAT CAS FOOL, INA COUNTY,
NEW MEXICO.

1907 CHO E DEDITATED CALL CORSESSIVATEDE CURALISSION OF THE STATE OF NEW MERICO

Caron now Civilly (1% Company, requesting approval of extending a 160 mayor eventhedom of a greation unit to the Salint Cas Ravia Mar Sunday, New Monico, there the standard gas provetion with the fill oction. The applicant respectfully alleges and states as follows:

- I. There has in somes and operator of its E. I. Stocker leads, equalistic g of 320 cardiguous ceros, described as the MM/A and HM/A SM/A and SM/A SM/A of Section 17, 7-23-5, R-37-3, lea deunty, Now Morieo, and that no diversity of regular according is devolved.
- 2. That in is ist case out opension of the E. L. Steeler Wall No. 7, issuid 1980? Then the seath boundary and 660° from the rest boundary of the Isane and seation, and is completed this is the vertical limits of the Jalmat Cas pool as dealers if by the Nowice Oil Conservation Commission.
- 3. Tank the present was the say proved an unit constate of 160 moves, forcribed as the SV/A SS/A; S/2 SM/A; and Sk/A SK/A, Sestion 17, T-22-S, S-37-No lon Crunty, New Dyrice.
- the That who applied the requests extension of the uncerthoden good production whit so insinde the S. L. Steeler leads in entirety, as issurited in then the (1) above.
- 5. Then the proposed adension, 2, 4, the MB/A of Service 17, 5-13-5, 3-37-5, can reparably be prosumed to be productive of gas from the Johnst gas production
- 6. (a) then production tosts imments the R. L. Stocker light for 7 is supplied of a modifying gas production of The The English who registed mentily allowable captered in dwing the provides year use 6.818 105.
 - (b) Postinos are, that the will be deputed of prefecting in success of the expected all newspa, should oppose provide to granted this applicables.
- 7. That a plat chealing the above described lands and all offset properties, buildeding well boundeds and lease emership to the less of our knowledge, is herote attached.
- 3. That all oract operators have been notified with a copy of this implication by registered mail.

Therefore, in the interest of conservation, protection of carrelative rights, and to prove at unive herdship, the applicant requests that the Secretary of the Commission addinistratively great approval of this application, enabling said applicant to operate the above described lands as a single unit.

Respectfully submitted,

J. E. leab

RE: APPLICATION OF SKELLY OIL
COMPANY TO EXTEND AN UNORTHODOX
GAS PRORATION UNIT, TO CONSIST
OF 320 CONTIGUOUS ACRES IN THE
JALMAT GAS POOL, IEA COUNTY,
NEW MEXICO.

TO: THE HONORABLE OIL CONSERVATION COMMISSION OF THE STATE OF NEW MEXICO

Comes now Stolly Cil Company, requesting approval of extending a 160 acre unorthodox gas preration unit to a 320 acre unorthodox gas proration unit in the Jalmat Gas Pool, Les County, New Mexico, where the standard gas proration unit is 640 acres. The applicant respectfully alleges and states as follows:

- 1. That it is the owner and operator of its E. L. Steeler lease, consisting of 320 contiguous acres, described as the NE/4 and NW/4 SE/4 and N/2 SW/4 and SW/4 SW/4 of Section 17, T-23-S, R-37-E, lea County, Now Maxico, and that no diversity of royalty ownership is involved.
- 2. That it is the camer and operator of the E. L. Steeler Well No. 7, located 1980' from the south boundary and 660' from the west boundary of the lease and section, and is completed within the vertical limits of the Jalmat Gas pool as defined by the New Mexico Oil Conservation Commission.
- 3. That the present unorthodox gas provation unit consists of 160 acres, described as the NW/4 SE/4; N/2 SW/4; and SW/4 SW/4. Section 17, T-23-S, R-37-E, Lea County, New Mexico.
- 4. That the applicant requests extension of the unorthodox gas promation unit to include its E. L. Steeler lease in entirety, as described in item one (1) above.
- 5. That the proposed extension, i. e., the NE/4 of Section 17, T-23-S, R-37-E, can reasonably be presumed to be productive of gas from the Jalmat gas pool.
- 6. (a) That production tests indicate the E. L. Steeler Well No. 7 is capable of a monthly gas production of 13,901 MCF, whereas the highest monthly allowable assigned it during the previous year was 6,848 MCF.
 - (b) Furthermore, that the well is capable of producing in excess of the expected allocation, should approval be granted this application.
- 7. That a plat showing the above described lands and all offset properties, indicating well locations and lease ownership to the best of our knowledge, is hereto attached.
- 8. That all offset operators have been notified with a copy of this application by registered sail.

Therefore, in the interest of conservation, protection of correlative rights, and to prevent undue hardship, the applicant requests that the Secretary of the Commission administratively grant approval of this application, enabling said applicant to operate the above described lands as a single unit.

Respectfully submitted,

E. leat

Skelly oil company

H. E. Asb Dist. Sunt.