

## BEFORE THE NEW MEXICO OIL CONSERVATION COMMISSION

1962 FEB 14 AM 8:21

IN THE MATTER OF THE APPLICATION OF)  
 SKELLY OIL COMPANY FOR APPROVAL OF )  
 A UNIT AGREEMENT FOR THE GALLEGOS- )  
 GALLUP SAND UNIT, SAN JUAN COUNTY, )  
 NEW MEXICO. )

CASE NO. 2512

FILED \_\_\_\_\_

HEARING 3:28  
/A P P L I C A T I O N

Comes now Skelly Oil Company on behalf of itself and others and respectfully states as follows:

1. That it is an owner and operator of wells in the Gallegos-Gallup Sand Unit Area, San Juan County, New Mexico.
2. That in order to conduct secondary recovery operations and to increase the amount of ultimate recovery and thereby aid in the conservation of oil and gas, and in order to protect the correlative rights of all parties in the unit area, it is necessary and advisable that the Gallegos-Gallup Sand Unit be established and approved.
3. That the area to be included in this unit is described as follows:

Township 27 North, Range 13 West  
 S/2 Sec. 25, S/2 Sec. 26, N/2 Sec. 35, and Sec. 36,

Township 27 North, Range 12 West  
 S/2 Sec. 30, Secs. 31, 32, 33, and S/2 Sec. 34,

Township 26 North, Range 13 West  
 NE/4 Sec. 1,

Township 26 North, Range 12 West  
 Secs. 1, 2, 3, 4, 5, N/2 and SE/4 Sec. 6,  
 Secs. 8, 9, 10, 11, 12, 13, 14, 15, N/2 Sec. 16,  
 NE/4 Sec. 17, N/2 Sec. 22, Secs. 23 and 24, and  
 NE/4 Sec. 25,

Township 26 North, Range 11 West  
 S/2 Sec. 5, Secs. 6, 7, 8, 9, 16, 17, 18, 19,  
 20 and 21, N/2 Sec. 28, N/2 Sec. 29, and  
 N/2 Sec. 30,

and contains 22,997.51 acres more or less.

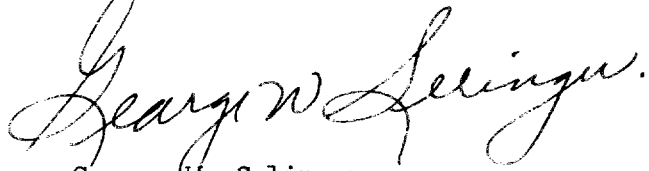
4. That the formation sought to be unitized is the Gallegos-Gallup Sand, and that sand shall be construed to mean the sand and reservoir encountered in drilling by Skelly Oil Company in its Navajo "F" No. 2 well between the depths 4,815 feet and 5,096 feet as shown by the Schlumberger Electric Log of said well, which well is located in the SW/4 of the NW/4 of Section 12, Township 26 North, Range 12 West, San Juan County, New Mexico.

5. That attached hereto and made a part hereof by reference is a copy of the Unit Agreement for the development and operation of the Gallegos-Gallup Sand Unit Area, and that contained in said Agreement as Exhibit "A" is a map showing the unit area and participating area for this unit.

WHEREFORE, PREMISES CONSIDERED, applicant prays that this Commission, after the giving of notice as required by law, set this application down for hearing, and that at the conclusion of said hearing, based on the evidence produced, that it approve the Unit Agreement for the Gallegos-Gallup Sand Unit, and for other rules and regulations as may be necessary in the premises.

Respectfully submitted,

SKELLY OIL COMPANY

A handwritten signature in cursive script, reading "George W. Selinger".

George W. Selinger  
Its Attorney

Of Counsel  
L. C. White  
Gilbert, White and Gilbert  
Santa Fe, New Mexico