THE FRONTIER REFINING COMPANY

4040 EAST LOUISIANA AVENUE • DENVER 22, COLORADO • SKyline 6-1511

March 8, 1962

New Mexico Oil Conservation Commission P. O. Box 871

Santa Fe, New Mexico

Re: / Proposed Gallegos-Gallup Sand Unit - San Juan County, New

Gentlemen:

Please be advised that The Frontier Refining Company has, on numerous occasions, notified Skelly Oil Company that Frontier leases producing from the Gallegos-Gallup Pool will not be committed to the proposed Gallegos-Gallup Sand Unit. However, Skelly continues to include these leases within the proposed unit.

Frontier has further informed Skelly that, in our opinion, the formula used for determining percentage participation in the proposed unit is not equitable.

A copy of our most recent notification to Skelly Oil Company is attached for your information.

Yours very truly,

THE FRONTIER REFINING COMPANY

E. F. Drawil

E. B. Granville Superintendent of

Drilling and Production

DBM:ak

Att

Carbon copies to:

Skelly Oil Company - Tulsa, Oklahoma

New Mexico Oil Conservation Commission - Aztec, N.M.

Skelly Oil Company Production Department Tulsa, Oklahoma

Attention: Mr. Kenneth E. Jones

Although you were notified by telegram October 13, 1961, that we have elected to commit none of our leases to the proposed Gallegos Gallup Unit, San Juan County, New Maxico, we note that both the Unit Agreement, and the Unit Operating Agreement for the Development and Operation of the Gallegos Gallup Sand Unit Area as submitted to

- (1) Area Director, Gallup Area Office Bureau of Indian Affairs,
- (2) Director, United States Geological Survey,
- (3) Commissioner of Public Lands of the State of New Mexico, include within both the "unit area" and the "initial participating area", our producing leases listed below:

Morgan Lease: W/2 and SE/4 Section 31, T27H, R12W (SF-080238-A)

Walker Lease: E/2 Section 5, T27N, R12W (SF-081102)

Chartier Lease: 8/2 Section 4, 127H, R12W (SF-081101)

Mr. Kenneth E. Jones Page 2 February 14, 1962

Again, please be advised that The Frontier Refining Company has elected to commit none of these leases to the Gallegos Gallup Sand Unit Area.

Yours very truly,

THE FRONTIER REFINING COMPANY

E. B. Granville

Drilling & Production Superintendent

DEM:dn

cc: Director, United States Geological Survey

Commissioner of Public Lands of the State of New Mexico

BEFORE THE NEW MEXICO OIL CONSERVATION COMMISSION

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

Case No. 2512

APPEARANCE

Comes now L. C. WHITE of Gilbert, White and Gilbert, Santa Fe, New Mexico and herewith enters his formal appearance as local counsel for SKELLY OIL COMPANY in the above-captioned matter.

GILBERT, WHITE AND GILBERT ATTORNEYS AT LAW SANTA FE, NEW MEXICO



HAM OFFICE OCC

SKELLY OIL COMPANY M 82 21

P. 0. Box 1650 TULSA 2.OKLAHOMA

PRODUCTION DEPARTMENT

C. L. BLACKSHER, VICE PRESIDENT

W. P. WHITMORE, MGR. PRODUCTION
W. D. CARSON, MGR. TECHNICAL SERVICES
ROBERT G. HILTZ, MGR. JOINT OPERATIONS
GEORGE W. SELINGER, MGR. CONSERVATION

February 12, 1962

Re: Gallegos-Gallup Sand Unit San Juan County, New Mexico

Mr. A. L. Porter, Jr., Secretary-Director Oil Conservation Commission P. O. Box 871 Santa Fe, New Mexico

Dear Mr. Porter:

Attached is an application in triplicate for approval of a Unit Agreement for the Gallegos-Gallup Sand Unit, San Juan County, New Mexico.

We are attaching, for your information, a list of the names and addresses of the working interest owners within the unit area, as well as a list of the names and addresses of the royalty interest owners within the unit area.

Will you please set this application for an Examiner Hearing in March.

We are, also, enclosing a letter from Mr. L. C. White of Gilbert, White and Gilbert, Santa Fe, New Mexico, stating that they are resident counsel in this application.

Very truly yours,

Learge W Lelinger

RJJ:br Attach.

cc: Mr. L. C. White
Gilbert, White and Gilbert
Bishop Building
Santa Fe, New Mexico



SKELLY OIL COMPANY 25/2

TULSA 2, OKLAHOMA

PRODUCTION DEPARTMENT

C. L. BLACKSHER, VICE PRESIDENT

W. P. WHITMORE, MGR. PRODUCTION W D. CARSON, MGR. TECHNICAL SERVICES ROBERT G. HILTZ, MGR. JOINT OPERATIONS GEORGE W. SELINGER, MGR. CONSERVATION April 26, 1963

Re: Gallegos Gallup Unit

San Juan County, New Mexico

New Mexico Oil Conservation Commission Santa Fe, New Mexico

Gentlemen:

In compliance with Article 2, Paragraph 2 of the Unit Agreement for the Development and Operation of the Gallegos Gallup Sand Unit Area, we have enclosed revised copies of Exhibits "A", "B", and "C" to the Agreement.

Very truly yours,

HRW: sw Attach. My commission expires:

My Commission Expires May 31, 1363

CERTIFICATE

RELATING TO FIRST REVISION OF
EXHIBITS "A", "B", AND "C" ATTACHED TO
UNIT AGREEMENT - GALLEGOS GALLUP SAND UNIT
SAN JUAN COUNTY, NEW MEXICO

THE STATE OF NEW MEXI	(00)		
COUNTY OF SAN JUAN	(CO)) SS	know all men by the	PCP DDFGFFFC.
COUNTY OF SAN SUAN	,	ANOW MALE THE DI IE	DOM ESTADUSTO:
above described unit Agreement of record in Clerk of San Juan Cou	and pursuant to in Book 515, Pag inty, New Mexico	in its capacity as Unit Operations of the terms and provisions of 124, of the Records of the reference to such agreement all purposes, does hereby	of said Unit the County ment and the
Exhibits "A", "B", an	d "C" attached	iance with said agreement, thereto, each of said rev the provisions thereof;	
		copies of said Exhibits ". to and by reference made a	
the said revised Exhi of 7:00 A.M., Februar "B", and "C" and each	bits "A", "B", y 1, 1963, in l of said revise force and effec	th the provisions of said to and "C" are each to become lieu of each of the preceded Exhibits "A", "B", and to tuntil again revised purpose to the precedent.	e effective as ing Exhibits "A", 'C" shall there-
Unit Operator, has on	this <u>3nd</u>	day of Company, acting in indicated the ough its Vice President the	1963,
ATTEST:		SKELLY OIL COMPANY	form,
IJ. Garden			
Assistant Secretary		By 6 K Sass	Koher !
STATE OF OKLAHOMA)	S \$		
COUNTY OF TULSA)			А
day of Chril	, 1963, by	vas acknowledged before me	her. Vice
President of SKELLY Corporation.	IL COMPANY, a D	elaware corporation, on be	chalf of said
corporacion,			

GILBERT, WHITE AND GILBERT

ATTORNEYS AND COUNSELORS AT LAW
BISHOP BUILDING

SANTA FE, NEW MEXICO

WILLIAM W, GILBERT
SUMNER S. KOCH

WILLIAM B, KELLY

GILBERT, WHITE AND GILBERT
ATTORNEYS AND COUNSELORS AT LAW
BISHOP BUILDING

SANTA FE, NEW MEXICO

February 7, 1962

New Mexico Oil Conservation Commission P. O. Box 871 Santa Fe, New Mexico

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

Re: Gallegos-Gallup Unit and Secondary Recovery Project, San Juan County, New Mexico

Gentlemen:

The undersigned herewith enters his appearance as resident counsel for Skelly Oil Company in its application for approval of the Gallegos-Gallup Unit and Secondary Recovery Project, San Juan County, New Mexico, as more fully appears from their application filed herewith.

Very truly yours,

L. C. WHITE

P. O. Box 787

Santa Fe, New Mexico

LCW/ab