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IN THE MATTER OF THE APPLICATION OF SKELLY OIL) COMPANY FOR APPROVAL OF A UNIT AGREEMENT FOR) THE LOVINGTON PADDCCK UNIT IN THE LOVINGTON PADDOCK PCOL, LEA COUNTY, NEW MEXICO.

CASE NO.	3466
FILED	
HEARING	9/28/66

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APPLICATION

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

1. That it is an owner and operator of wells in the Lovington Paddock Unit Area of the Lovington Paddock Pool, Lea 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 Lovington Paddock Unit in the Lovington Paddock Pool be established and approved.

3. That the area to be included in this Unit is described as follows:

Township 16 South, Range 36 East SE/4 and S/2 SW/4 of Section 25, E/2 E/2 and SW/4 SE/4 of Section 35, All of Section 36,

Township 16 South, Range 37 East SE/4 SW/4 and Lots 3 and 4 of Section 30, N/2 NE/4, SE/4, E/2 W/2, and Lots 1, 2, 3 and 4 of Section 31,

Township 17 South, Range 36 East S/2, S/2 N/2, and Lots 1, 2, 3 and 4 of Section 1, E/2 SE/4 and Lot 1 of Section 2, NE/4 and E/2 NW/4 of Section 12,

Township 17 South, Range 37 East S/2 NE/4, SE/4 NW/4, NE/4 SW/4, NW/4 SE/4 and Lots 1, 2, 3, 4, 5, 6 and 7 of Section 6, Lot 1 of Section 7, All in Lea County, New Mexico,

and containing 3,32,.63 acres, more or less, of fee, federal and state lands.

4. That the formation sought to be unitized is the Lovington Glorieta (Paddock) Formation underlying the Unit Area, the same being the heretofore established underground reservoir which has been found to occur between the depths of 6010 feet and 683° feet in Skelly Oil Company's State "O" No. 12 well (1650' FSL, 2310' FEL Section 31-T16S-R37E, Lea County, New Mexico) as indicated by Schlumberger's E. S. Gamma Ray log, run No. 1, taken August 9, 1952, said log being measured from a derrick floor elevation of 3829 feet above sea level.

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 Lovington Paddock Unit, and that contained in said Agreement as Exhibit A is a map showing the Unit Area, and as Exhibit B is a schedule of tracts.

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 adduced approve the Unit Agreement for the Lovington Paddock Unit, and for such other orders, rules and regulations as may be necessary in the premises.

Respectfully submitted,

DOCKET MAILED

9-15-16

SKELLY OF COMPANY AN um. Geor Selinger Ronald J.

Its Attor

Of Counsel: L. C. Mhite White, Gilbert, Koch & Kelly P- 0. Box 787 Santa Fe, New Mexico