



SKELLY OIL COMPANY

1860 Lincoln Street
Denver, Colorado 80203

April 17, 1970

File: Jicarilla "B" #5
Jicarilla "B" #6
Rio Arriba County, New Mexico

New Mexico Oil Conservation Commission
P. O. Box 2088
Santa Fe, New Mexico

Gentlemen:

The captioned lease was approved for waterflooding the Otero Gallup zone under Commission Order No. R-3503 entered in Case No. 3856 dated September 17, 1968.

This lease has not responded to the waterflooding, therefore, we plan to discontinue waterflood operations and shut down injection wells No. 5 and No. 6 and Water Supply Well No. 17 effective April 17, 1970. The cumulative injection to March 1, 1970 was 458,681 bbls. of water. Plans are to continue operations of the wells on the lease and recover the remaining primary oil therefrom.

Yours very truly,

A. H. Hurley
District Operations Superintendent

AHH:vs

cc: New Mexico Oil Conservation Commission, Aztec, New Mexico
U. S. Geological Survey, P. O. Box 959, Farmington, N.M.

OIL CONSERVATION COMMISSION

P. O. BOX 2088

SANTA FE, NEW MEXICO 87501

September 17, 1968

C
Mr. Ronald Jacobs
Skelly Oil Company
Post Office Box 1650
Tulsa, Oklahoma 74102

O
Dear Sir:

Enclosed herewith are two copies of Commission Order No. R-3503 entered in Case No. 3856, approving the Skelly Jicarilla Otero Waterflood Project.

P
Injection is to be into the two authorized water injection wells, each of which shall be equipped with tubing set in a packer within 50 feet of the uppermost perforation. The casing-tubing annulus shall be loaded with an inhibited fluid and either left open or equipped with a pressure gauge to facilitate detection of leakage in the tubing, casing or packer.

Y
As to allowable, our calculations indicate that when all of the authorized injection wells have been placed on active injection, the maximum allowable which this project will be eligible to receive under the provisions of Rule 701-E-3 is 560 barrels per day when the Northwest New Mexico normal unit allowable is 70 barrels per day or less.

Please report any error in this calculated maximum allowable immediately, both to the Santa Fe office of the Commission and the appropriate district proration office.

In order that the allowable assigned to the project may be kept current, and in order that the operator may fully benefit from the allowable provisions of Rule 701, it behooves him to promptly notify both of the aforementioned Commission offices by letter of any change in the status of wells in the project area, i.e., when active injection

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**Mr. Ronald Jacobs
Skelly Oil Company
Post Office Box 1650
Tulsa, Oklahoma 74102**

C commences, when additional injection or producing wells are drilled, when additional wells are acquired through purchase or unitization, when wells have received a response to water injection, etc.

O Your cooperation in keeping the Commission so informed as to the status of the project and the wells therein will be appreciated.

P Very truly yours,

**A. L. PORTER, Jr.
Secretary-Director**

P Enclosures
ALP/DSM/ir

Y cc: Oil Conservation Commission Offices in Hobbs and Aztec, N.M.
Mr. D. E. Gray, State Engineer Office, Santa Fe, New Mexico.
U. S. Geological Survey, P. O. Box 959, Farmington, N. Mex.

WHITE, GILBERT, KOCH & KELLY
(GILBERT, WHITE AND GILBERT)

ATTORNEYS AND COUNSELORS AT LAW
LINCOLN BUILDING

SANTA FE, NEW MEXICO 87501

CARL H. GILBERT (1891-1963)

L. C. WHITE

WILLIAM W. GILBERT

SUMNER S. KOCH

WILLIAM BOOKER KELLY

JOHN F. MCCARTHY, JR.

August 8, 1968

Case 3856

POST OFFICE BOX 787

TELEPHONE 982-4301

(AREA CODE 505)

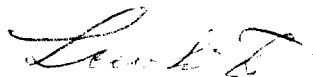
Mr. A. L. Porter, Jr.
Secretary Director
New Mexico Oil Conservation Commission
P. O. Box 2088
Santa Fe, New Mexico

Re: Skelly Oil Company, Waterflood Project
Jicarillo "B" Lease, Rio Arriba County

Dear Mr. Porter:

Will you please note on your records in the above matter that the undersigned appears as resident counsel for the applicant.

Very truly yours,



L. C. WHITE

LCW:Le

CC: Mr. George Selinger
Skelly Oil Company
Tulsa, Oklahoma 74102

DOCKET MAILED

Date 8/22/68



SKELLY OIL COMPANY

P. O. BOX 1650

PRODUCTION DEPARTMENT

TULSA, OKLAHOMA 74102

C. L. BLACKSHER, VICE PRESIDENT

August 6, 1968

W. P. WHITMORE, MGR. PRODUCTION

W. D. CARSON, MGR. TECHNICAL SERVICES

BARTON W. RATLIFF, MGR. JOINT OPERATIONS

GEORGE W. SELINGER, MGR. CONSERVATION

Re: Application for Waterflood
Jicarilla "B" Lease
Rio Arriba County, New Mexico

Case 3856

Mr. A. L. Porter, Jr., Secretary-Director
Oil Conservation Commission
P. O. Box 2088
Santa Fe, New Mexico 87501

Dear Mr. Porter:

Attached, in triplicate, is our application for permission to conduct a waterflood project into the Gallup formation on our Jicarilla "B" lease, located in Rio Arriba County, New Mexico.

Please set this matter down for the next Examiner Hearing, which we understand will be September 4, 1968.

We are, also, attaching a list of names and addresses of operators of Otero-Gallup wells within the two-mile radius of our proposed initial injection wells.

Yours very truly,

George W. Selinger

RJJ:br
Attach.

cc-Mr. L. C. White
White, Gilbert, Koch & Kelly
P. O. Box 787
Santa Fe, New Mexico 87501 w/ attach.

100 AUG 6 1968

OPERATORS OF
OTERO-GALLUP WELLS WITHIN
TWO-MILE RADIUS OF PROPOSED
INJECTION WELLS - JICARILLA "B" NO. 5 & 6

Amerada Petroleum Corporation
P. O. Box 2040
Tulsa, Oklahoma 74101

El Paso Natural Gas Company
P. O. Box 1492
El Paso, Texas 79948

Gulf Oil Corporation
P. O. Box 1150
Midland, Texas 79704

B.W.P., Inc.
1012 Alpine
Midland, Texas 79702