



# SKELLY OIL COMPANY

Midland, Texas 79701

January 18, 1974

EXPLORATION & PRODUCTION DEPARTMENT  
WEST CENTRAL DISTRICT

A. B. CARY, EXPLORATION & PRODUCTION MANAGER  
V. E. BARTLETT, EXPLORATION MANAGER  
C. J. LOVE, PRODUCTION MANAGER  
J. R. AVENT, ADMINISTRATIVE COORDINATOR

ADDRESS REPLY TO:  
P. O. BOX 1351  
MIDLAND, TEXAS 79701

File: State "AC" Well No. 1  
Skelly Lease No. 08233  
Vacuum Abo North Pool  
Lea County, New Mexico

New Mexico Oil Conservation Commission  
P. O. Box 1980  
Hobbs, New Mexico 88240

Attention: Mr. Joe D. Ramey

Dear Sir:

Skelly Oil Company's State "AC" Lease consists of only the 40 acres in Unit Letter "B" Section 20-17S-35E, Lea County, New Mexico. Communitization with the 40 acres in Unit Letter "A" is in progress. Shell Oil Company is the leaseholder of record of the 40 acres in Unit Letter "A"; however, this is to be farmed out to NRM Petroleum Corporation. Royalty interest in each tract is held by the State of New Mexico.

When Communitization has been completed, we will submit amended acreage dedication plats. We do not expect any problems in communitizing the two tracts; however, if communitization is not completed, we will submit an application for a non-standard proration unit.

Very truly yours,

(Signed) J. R. Avent

J. R. Avent

CCB:lj1  
cc: Mr. D. R. Crockett  
Mr. Bert Brown  
Mr. Bill Thomas