Re: APPLICATION OF SKELLY OIL COMPANY SEEKING ADMINISTRATIVE APPROVAL FOR AN EXCEPTION TO ORDER NO. F-553, AS PERTAINING TO THE FLARING OF GAS IN THE LANGLIE-MATTIX POOL, LEA COUNTY, NEW MEXICO.

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Cil Conservation Commission State of New Mexico Santa Fe, New Mexico

Gentlemen:

Comes now SKELLY OIL COMPANY, a Delaware Corporation, with offices in Tulsa, Oklahoma, and Hobbs, New Mexico, hereby petitioning the Secretary of the New Mexico Oil Conservation Commission for administrative approval for an exception to Order No. R-553, as pertaining to the flaring of gas in the Langlie-Mattix Pool, Lea County, New Mexico, and in support thereof wishes to make the following statements:

1. That the petitioner is the operator of an 80-acre lease designated as its J. M. Matkins lease, located in the S/2 SW/4 Section 14, 723S, R36E in the Langlie-Mattix Pool, Las County, New Mexico.

2. That the petitioner is the operator of the well listed below.

IEASE & WELL NO.

FLATED GAS VOLUNE	GOR
50.8 MCFPD	1690

J. M. Matkins 1

3. That arrangements are being made for the installation of casinghead gas connections.

4. That a plat showing offset emerships, and well and tank battery locations, has been prepared and is true and correct to the best of our knowledge.

5. That all provisions of peragraph 10, Order R-520 have been complied with as pertaining to the filing of Form C-110 on the unil listed above.

WHEREFORE, in order to prevent undue hardship and protect correlative rights, the petitioner requests that the Secretary of the Commission grant an exception to Order No. R-553, whereby the petitioner may flare gas from the above well until arrangements have been completed for the installation of casinghead gas connections.