

Re: IN THE MATTER OF APPLICATION OF SKELLY OIL COMPANY FOR AN ORDER GRANTING PERMISSION TO DUAL COMPLETE ITS BAKER "B" NO. 15 WELL IN THE BLINEBRY GAS POOL AND THE TUBB GAS POOL AND ESTABLISH A 240 ACRE NON-STANDARD GAS PRORATION UNIT LYING WHOLLY WITHIN THE LIMITS OF THE BLINEBRY AND TUBB GAS POOLS, LEA COUNTY, NEW MEXICO.

Gentlemen:

Comes now SKELLY OIL COMPANY, a Delaware corporation with offices in Tulsa, Oklahoma and Hobbs, New Mexico, hereby petitioning the New Mexico Oil Conser. Comm. for an order granting permission to dual complete their Baker "B" well No. 15 as a gas well in the Blinebry Gas Pool and as a gas well in the Tubb Gas Pool and establish a 240 acre non-standard gas proration unit lying wholly within the limits of the Blinebry and Tubb Gas Pool, Lea County, New Mexico, and in support thereof does state:

1. That the petitioner is the majority owner and operator of all oil and gas leases held on the 240 acres confined by the SW $\frac{1}{4}$  and the W $\frac{1}{2}$ , SE $\frac{1}{4}$  of Section 10-T22S-R37E, N.M.P.M., Lea County, New Mexico, and concerns but a single royalty owner.
2. That the petitioner's Baker "B" No. 15 well is located 1830' from the South line and 2130' from the East line of the section.
3. That the petitioner will complete their Baker "B" No. 15 well entirely and only with the vertical limits of each the Blinebry and Tubb Gas Pools as defined by the New Mexico Oil Conservation Commission in a manner described below and as shown on attached plat.
  - a. Set 9 5/8" OD casing at approximately 2800' and circulate cement to surface, then run 7" OD casing to total depth and cement in conformance with New Mexico Oil Conservation Rules and Regulations.
  - b. Perforate the Tubb and Blinebry formations within the vertical limits of said Gas Pools as defined by the New Mexico Oil Conservation Commission.
  - c. Run 2" OD tubing with a Brown Oil Tools Model B-4 packer or equivalent to be set in such a manner as to segregate the two perforated zones to produce the Tubb gas zone.
  - d. Run 2" OD tubing in the 2" OD tubing and the 7" OD casing annulus to produce the Blinebry gas zone.
4. That the manner in which the petitioner has set out to complete the proposed dual well is both mechanically feasible and practical and conforms to the Commission's policies and specifications as pertaining to the dual completions of dual gas and gas wells in the state of New Mexico.
5. That <sup>a</sup>diagrammatic sketch showing the producing intervals anticipated and the physical equipment to be used in dual completing this well is hereto attached.
6. That a plat showing the above described lands and all offset properties indicating well locations and lease ownership to the best of our knowledge is hereto attached.

WHEREFORE, the petitioner requests that, in the interest of conservation and protection of correlative rights, the Commission grant an order, after proper notice and hearing, by which the petitioner may dual complete their Baker "B" No. 15 well in a similar manner to that described above and operate the above described lands as a single unit.

The above mentioned Plat on file OCC in Santa Fe, N.M.

Respectfully submitted,  
SKELLY OIL COMPANY - J. N. Dunlavey