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September 49, 19543 居 的: 14

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

> Re: Application to Dually Complete, John M. Kelly (formerly Anderson-Pritchard) State B-32, #1 Well, Lea County, New Mexico.

Gentlemen:

By this letter of application John M. Kelly wishes to state the following:

- John M. Kelly has purchased from the State of New Mexico, Oil and Gas Lease E-8327; which covers among other lands, the NWSE of Section 32, T-24-S, R-37-E, Lea County, New Mexico and on which is located Anderson Pritchard State B-32 #1 well, drilled to a total depth of 3547 ft. and which was plugged and abandoned in 1953 by Anderson-Pritchard.
- 2. That the applicant proposes to re-enter and clean out said well for the purpose of dually completing the well in order to produce dry gas from the Yates Zone and oil from the Queen Zone.
- 3. The Yates Zone in this well is from 2925 feet to 3150 feet. The Queen Zone is from 3325 feet to 3547 feet.
- 4. The applicant proposes to set a production packer at 3200 feet in the 5 1/2 inch casing.
- 5. The applicant proposes to produce Yates gas through the casing-tubing annulus and Queen oil through the tubing.
- 6. That the granting of this application for permission to produce the well as a dual completion with gas from the Yates formation and oil from the Queen formation is in the interest of conservation and the protection of correlative rights.
- 7. That the applicant will comply with all rules and regulations of the New Mexico Conservation Commission to maintain separation of production from the two pay zones.
- 8. That the manner and method of the proposed dual completion is mechanically feasible and practical.
- 9. That by copy of this letter of application all offset operators are notified of the proposed dual completion.

Therefore, John M. Kelly requests that the Oil Conservation Commission grant permission and approve the dually completing of the State B-32 #1 Well.

JOHN

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cc: Anderson Pritchard Oil Corporation Box 2197 Hobbs, New Mexico ~

The Atlantic Refining Company Box 871 Midland, Texas

E. G. Rodman Box 591 Odessa, Texas

Sinclair Oil & Gas Company Box 1470 Hobbs, New Mexico

Skelly Oil Company Box 38 Hobbs, New Mexico



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