



SKELLY OIL COMPANY

February 1, 1971

Re: Application for Non-Standard Location
Mexico "G" Well No. 2
S/2 of NW/4, Section 16, T24S, R37E,
Lea County, New Mexico

State of New Mexico
Oil Conservation Commission
P. O. Box 2088
Santa Fe, New Mexico 87501

Attention: A. L. Porter, Jr.
Secretary-Director

Dear Sir:

Skelly Oil Company, operator of the Mexico "G" Well No. 2, Fowler Upper Yaso Pool, located 1980' FWL and 2308' FWL of Section 16, T24S, R37E, Lea County, New Mexico, respectfully requests administrative approval of a non-standard location for the subject well. This well was drilled as a Devonian test to 7993' in October 1958, and plugged back to 3500' and completed in the Langlis Mattix Zone as a gas producer on October 11, 1958, and subsequently depleted. In January 1971, well was cleaned out to 5703'; 5-1/2" casing set from surface to 5703'; interval from 5483' - 5569' (Fowler Upper Yaso) was perforated and fraced with 50,000 gallons gelled brine and 75,000# sand; and tested 78 BOPD and 95 BWPD on January 20, 1971. The Mexico "G" lease, comprising the NW/4 of Section 16, T24S, R37E, contains 160 acres and the Mexico "G" Well No. 2 is the only well on the lease producing from the Fowler Upper Yaso Pool.

All offset Fowler Upper Yaso Pool operators to the proposed non-standard oil proration unit are being advised, by registered mail, by copy of this application of this proposal.

If any further information is desired, please advise.

Yours very truly,

(Signed) P. L. NUNLEY

P. L. Nunley

OVS/la

cc: Pan American Petroleum Corp., Box 68, Hobbs, New Mexico 88240 (Plat)