

CASE 1155: Continental Oil Company's
application for 240-acre non-standard
gas proration unit in Jalmat

Casa No.

1155

Application, Transcript,
Small Exhibits, Etc.

BEFORE THE
NEW MEXICO OIL CONSERVATION COMMISSION
HOBBS, NEW MEXICO

CASE NO. 1155

TRANSCRIPT OF HEARING

SEPTEMBER 26, 1956

DEARNLEY-MEIER AND ASSOCIATES

COURT REPORTERS

605 SIMMS BUILDING

TELEPHONE 3-6691

ALBUQUERQUE, NEW MEXICO

BEFORE THE
NEW MEXICO OIL CONSERVATION COMMISSION
HOBBS, NEW MEXICO
SEPTEMBER 26, 1956

IN THE MATTER OF: :
: :

CASE NO. 1155: Application of Continental Oil Company for an :
order establishing a 240-acre non-standard gas :
proration unit in the Jalmat Gas Pool in ex- :
ception to Rule 5 (a) of the Special Rules and :
Regulations for said pool as set forth in :
Order R-520. Applicant, in the above-styled :
cause, seeks an order establishing a 240-acre :
non-standard gas proration unit in the Jalmat :
Gas Pool comprising the SE/4 and E/2 SW/4 of :
Section 31, Township 21 South, Range 36 East, :
Lea County, New Mexico. Said unit to be dedi- :
cated to applicant's Lockhart "B-31" Well No. :
4 located 330 feet from the South line and 660 :
feet from the East line of said Section 31. :

BEFORE:

Daniel S. Nutter, Examiner.

T R A N S C R I P T O F P R O C E E D I N G S

MR. NUTTER: Next case will be Case 1155.

MR. COOLEY: Application of Continental Oil Company for an
order establishing a 240-acre non-standard gas proration unit in the
Jalmat Gas Pool in exception to Rule 5 (a) of the Special Rules and
Regulations for said pool as set forth in Order R-520.

W. T. W H E E L E R, J R.

called as a witness, having been first duly sworn on oath, testified
as follows:

DIRECT EXAMINATION

BY MR. KELLAHIN:

Q State your name, please.

A W. T. Wheeler, Jr.

Q By whom are you employed, Mr. Wheeler?

A Continental Oil Company.

Q Position?

A Associate engineer.

Q Have you ever testified before the Oil Conservation Commission before?

A No, sir, I haven't.

Q What is your education and background, Mr. Wheeler?

A I was graduated from the University of Texas in 1953, with a Bachelor of Science in Petroleum Engineer.

Q And what have you done since then?

A I was employed by Continental Oil Company in April of 1955 and completed their engineering training program and employed as associate engineer since January of 1956, in the Eunice District.

Q And that is your present employment?

A Yes, sir.

MR. KELLAHIN: Are the witness' qualifications acceptable?

MR. NUTTER: Yes, sir.

Q (By Mr. Kellahin.) Mr. Wheeler, are you familiar with the Continental Oil Company Case 1155?

A Yes, sir.

Q What is proposed to be done in that application?

A It's an application to enlarge the present unit assigned to the Lockhart "B-31" No. 4 well to include the E/2 of the SW/4 of Section 31, Township 21 South, Range 36 East.

Q Referring to what has been marked for identification as No. 1, will you state what that shows?

A Exhibit No. 1 is a location plat showing the location of the

Lockhart "B-31" lease, and the exact location of all the wells within that lease, and the proposed gas proration unit is outlined in red, with the Lockhart "B-31" No. 4 well outlined with a red circle. Shows all of the acreage within a governmental section.

Q What is the location of the well, Mr. Wheeler?

A The No. 4 well is located 330 feet from the south line and 660 feet from the east line, Section 31, Township 21 South, Range 36 East.

Q Is any portion of the acreage proposed to be dedicated to that well dedicated to any other well at the present time?

A No.

Q Is there any other well to which the acreage proposed to be dedicated could be dedicated, I mean reasonably and economically?

A No, sir, not the most economical and best means of allocation.

Q Now, what is the status of the Lockhart "B-31" Well No. 2?

A The Lockhart "B-31" No. 2 is presently classified as a Jalmat gas well, classified as a shut in Jalmat gas well, this well was completed on October 14, 1937 as an oil well, and produced oil until August, 1955, when it was reclassified as a Jalmat gas well, and it was assigned a 40-acre unit allowable, but the well has never produced as a Jalmat gas well, due to noncommercial production.

Q Do you know what formation it is presently completed in?

A Presently completed in the Seven Rivers formation.

Q Now, referring to what has been marked for identification as No. 2, will you state what that is, please?

A No. 2 is a structural plat of the Lockhart "B-31" area, with contours on top of the Yates formation.

Q What does that show with relation to the contour?

A It shows the structural position of all the wells within the proposed unit, it shows the No. 4 well to be the highest structural well within the unit. The No. 4 well is approximately 260 feet higher than the No. 5 well.

Q Now, those contours are at the top of the Yates, is that correct?

A Yes, sir.

Q Now, approximately what is the difference between the No. 4 well and the Nos. 2 and 5 wells?

A Difference in structural position?

Q Yes.

A Approximately 260 feet, No. 2 and 5 wells, are approximately on the same line of strike, and approximately 260 feet lower than the No. 4.

Q Are both of those completed in the Seven Rivers?

A The Nos. 2 and 5?

Q Yes.

A Yes, sir.

Q Now, referring to Exhibit No. 3, will you state what that is?

A Exhibit No. 3 is a cross section comparing the structural position of the Lockhart "B-31" wells Nos. 2, 3, 4, 5 and 6, and it shows the zones open to production in each well, and shows the top of the Yates and the top of the Seven Rivers formations, and there is a red line drawn across the cross section at sub-sea minus 150

feet, which is our estimated gas oil contact in that area.

Q Now, is the Yates formation continuous across the four units?

A Yes, sir, it is, shown by the cross section.

Q Does that also indicate that the No. 4 is higher on the section?

A Yes, sir, there is a vertical scale of one inch for one hundred feet, shows the No. 4 to be the higher.

Q Is it reasonable to presume that the entire unit is productive of gas?

A Yes.

Q Would a well located as the Lockhart "B-31" No. 4 well is located drain and develop the acreage?

A Yes, sir, I feel that it would.

Q And would approval of the proposed unit be in the interest of conservation and prevention of ways?

A Yes, sir.

Q Now, do you have any information on the completion of Lockhart "B-31" No. 2 well?

A No. 2 well?

Q Yes, sir.

A The Lockhart, as stated before, it was completed on October 14, 1937, as shown on the cross section, there is five and a half inch pipe set at 3,674 and this well produced from open hole zone below that packer, and in 1940, due to a high gas-oil ratio, the completion packer was pulled, and an Exner-Dodge packer was set at 3,788 as shown on the cross section, this is set in open hole and the well at present is open zoned for production, if there was any,

would be below the packer set at 3,738 to a TD of 3,872.

Q What about the No. 3 Well?

A Lockhart "B-31" No. 3 well was completed November 17, 1937, at a total depth of 3,824 for an I.P. of 108 barrels of oil with an estimated 25,000 MCF gas, it was completed as a shut in gas well, and then in an attempt to shut off the gas, the well was whipstocked at 3,602 and drilled to a new TD of 3,967 with a five and a half inch liner set at 3,803, the well was then completed for an I.P. of 57 barrels of oil per day, with 190 MCF gas with 20/64th choke and that completion date was February 26, 1939.

Q What about the No. 4 well? A Well, okay.

Q Did you have something you wanted to add?

A No, I might add that the No. 3 well is classified -- is completed within the limits of the South Eunice Pool and classified as a South Eunice Pool oil well. Present production and allowable is 8 barrels of oil per day and accumulatively is 147,185 barrels to September 31st, 1956.

Q What is the history of the No. 4 well?

A Lockhart "B-31" No. 4 was completed on November 29th, 1938 at 3,874 for an I.P. of 1,680 barrels of oil per day. Based on a two-hour test. In April, 1953, the well was plugged back to 3,841 to shut off water production, the well was non-productive in this zone and was logged and radio activity log was run and the well was shut in on July the 3rd, 1953 pending additional study. The accumulative production to that day 1,139,522 barrels of oil, which depleted the

south Eunice oil zone, and beyond its economical limit. In September, 1956, the well was recompleted, was plugged back within the limits of the Jalmat Pool and recompleted as a Jalmat gas well for a calculate open flow potential of 8,480,000 cubic feet of gas per day, now completed in the Yates formation as a gas well.

Q Would you give us the same information in regard to well No. 5?

A Well No. 5 was completed on June 6, 1949 at a plug back depth of 3,868 feet, I. P. 144 barrels of oil per day, in October, 1951, the well was drilled out to a new plug back depth, 3,891 and additional zone was perforated from 3,878 to 3,886, this remedial work increased oil production from 22 to 240 barrels of oil per day, and it is presently producing from intervals from 3,814 to 3,886 in the Seven Rivers formation within the limits of the Jalmat Pool. Its present allowable and production is 16 barrels of oil per day, with accumulative production to September 1st, 1956, of 64,851 barrels of oil.

Q Now, then the well No. 4 is the only well completed and open in the Yates formation, is that correct?

A Yes, sir, that's right.

Q Mr. Wheeler, is the lease ownership the same throughout the proposed unit?

A Yes, sir, it is.

Q It is all under one basic lease?

A It is all N.M.F.U. Federal acreage.

Q And no communication would be required?

A No, sir.

MR. KELLAHIN: That is all the questions I have.

QUESTIONS BY MR. NUTTER:

Q Mr. Wheeler, in reciting the intervals that these wells are perforated in, well No. 5, starting there, it is perforated at the present time 3,814 to 3,886?

A Yes, sir, there is two intervals of perforation within that interval.

Q And what would that be classified as, middle, or lower Seven Rivers?

A I believe that would be classified as approximately middle Seven Rivers, it is within the limits of the Jalmat Pool.

Q The No. 5?

A Yes, sir.

Q Now, the No. 2, has open hole between the casing shoe at 3,674 to -- wait a minute, it is open below the packer, is that right?

A Yes, sir, it is open above the packer, but we are assuming, -- it is open for production below the packer.

Q From 3,788 to a TD of 3,872?

A Yes, sir.

Q What would that be?

A That would be approximately the same interval as the No. 5 well, which would be middle Seven Rivers.

Q Now, this No. 3 well, where is it open?

A The No. 3 well is open -- there is a five and a half inch liner set at 3,803. However, the liner is perforated and the production is from 3,790 to total depth 3,967, and that is in the lower Seven

Rivers, which penetrates the South Eunice Pool, and this well is classified as a South Eunice Pool well.

Q In other words, you have got a portion of that liner perforated and the interval below the liner shoe? A Sir?

Q In other words, the open interval there is a portion of the liner which is perforated and open hole below that?

A Yes, sir.

Q All in the lower Seven Rivers? A Yes, sir.

Q Now, the No. 1 well is it already perforated or to be?

A It is already perforated.

Q And it is up here in the Yates? A Yes, sir.

Q What are the plans for well No. 2?

A Well, at the present time well No. 2 is shut in. There are no present plans to produce this well as a gas well. However, there is a possibility of performing remedial work to reclassify the well as an oil well.

Q Producing from the middle Seven Rivers?

A Yes, sir, it was originally produced as an oil well, and due to high gas-oil ratio was reclassified, but not commercial as gas.

Q Both the No. 5 and 2 are in the middle Seven Rivers, No. 5 is presently making oil and the No. 2 could be worked over and make oil?

A Yes, sir, that is the opinion.

Q Is the middle Seven Rivers in the Jalmat Gas Pool, Mr. Wheeler?

A Yes, sir, I believe the Jalmat Gas Pool includes the Yates and all of the Seven Rivers except the bottom 100 feet.

MR. NUTTER: Does anyone have any questions of this witness?
If not, the witness may be excused.

(Witness excused.)

MR. KELLAHIN: We, if the Examiner please, we would like to
offer Exhibits 1 through 3, inclusive.

MR. NUTTER: Without objections the Exhibits will be received.
Does anyone have any further statements in this case? If not, we
will take the case under advisement and take Case No. 1156.

* * * * *

STATE OF NEW MEXICO)
: ss
COUNTY OF BERNALILLO)

I, THURMAN J. MOODY, Notary Public in and for the County of
Bernalillo, State of New Mexico, do hereby certify that the foregoing
and attached Transcript of Hearing before the New Mexico Oil Conser-
vation Commission was reported by me in Stenotype and reduced to
typewritten transcript by me and/or under my personal supervision;
that the same is a true and correct record to the best of my know-
ledge, skill and ability.

WITNESS my Hand and Seal, this, the 19th day of October, 1956,
in the City of Albuquerque, County of Bernalillo, State of New
Mexico.


Notary Public

My Commission Expires:
April 3, 1960.

OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

December 31, 1956

**Mr. Jason Kellahin
P. O. Box 597
Santa Fe, New Mexico**

Dear Sir:

**On behalf of your client, Continental Oil Company, we
enclose copies of Order R-935 issued on December 28, 1956, in
Case 1158, which was heard on September 26, 1956, at Hobbs, New
Mexico.**

Very truly yours,

**A. L. Porter, Jr.
Secretary-Director**

**jh
encls.**

C
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P
Y

**UNDER THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO**

**IN THE MATTER OF THE HEARING
CAUSED BY THE OIL CONSERVATION
COMMISSION OF THE STATE OF NEW
MEXICO FOR THE PURPOSE OF
CONSIDERING:**

**CASE NO. 1166
Order No. 2-636**

**THE APPLICATION OF CONTINENTAL OIL
COMPANY FOR AN ORDER GRANTING APPROVAL
OF AN AGREEMENT TO LEASE A PORTION OF THE
SUDICIAL RULES AND REGULATIONS FOR THE
LEASES AND WELLS AS THE SAME IS ORDER
NO. 2-636 IN THE MATTER OF A NEW-
SPRING AND FOUNTAIN WELLS OF 2-63
CONTAINING LANDS DESCRIBED BY NE/4
AND E/4 NE/4 TOWNSHIP 21
SOUTH, RANGE 36 EAST, NEUT GAS
POOL, LEA COUNTY, NEW MEXICO.**

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on September 22, 1936, at Santa Fe, New Mexico, before Daniel S. Matter, Examiner duly appointed by the New Mexico Oil Conservation Commission, his authority conferred to do the "Commission," in accordance with Rule 1214 of the Commission Rules and Regulations.

NEW, on this 25th day of December, 1936, the Commission, a quorum being present, having considered the application, the evidence adduced and the recommendations of the Examiner, Daniel S. Matter, and being fully advised in the premises,

FINDS:

1. That due public notice having been given as required by law, the Commission has jurisdiction of this case and the subject matter thereof.

2. That applicant, Continental Oil Company, is the owner of a federal oil and gas lease in Lea County, New Mexico, the land consisting of other than a legal section, a portion of which is described as follows, to-wit:

**TOWNSHIP 21 SOUTH, RANGE 36 EAST, NEUT
Section 31: NE/4 and E/2 NW/4**

containing 240 acres, more or less.

3. That applicant, Continental Oil Company, has a producing well on the aforesaid lease known as its Lockhart "B-31" Well No. 4, located 330 feet from the South line and 600 feet from the East line of Section 31, Township 21 South, Range 36 East, NEUT.

4. That applicant has recompleted said well in the Yates formation of the Jalmat Gas Pool.

5. That it is impractical to pool applicant's said lease with adjoining acreage in the Jalmat Gas Pool and that the owners of adjoining acreage in said area have not objected to the formation of the proposed proration unit of 240 acres.

6. That unless a proration unit consisting of applicant's aforesaid acreage is permitted, applicant will be deprived of the opportunity to recover its just and equitable share of the natural gas in the Jalmat Gas Pool.

7. That creation of a proration unit consisting of the aforesaid acreage will not cause but will prevent waste, and will protect correlative rights.

IT IS THEREFORE ORDERED:

(1) That the application of Continental Oil Company for approval of a non-standard gas proration unit consisting of the following described acreage in the Jalmat Gas Pool, Lea County, New Mexico,

TOWNSHIP 21 SOUTH, RANGE 34 EAST, NEPM
Section 31: NW/4 and E/2 NW/4

be and the same is hereby approved, and a proration unit consisting of aforesaid acreage is hereby created.

(2) That applicant's well, Lockhart "E-31" No. 4, located 320 feet from the South line and 600 feet from the East line of said Section 31, shall be granted an allowance in the proportion that the above-described 240-acre unit bears to the standard proration unit in accordance with Rule 8 of the pool rules, all until further order of the Commission.

DONE at Santa Fe, New Mexico, on the day and year hereinafter designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

John F. Simms

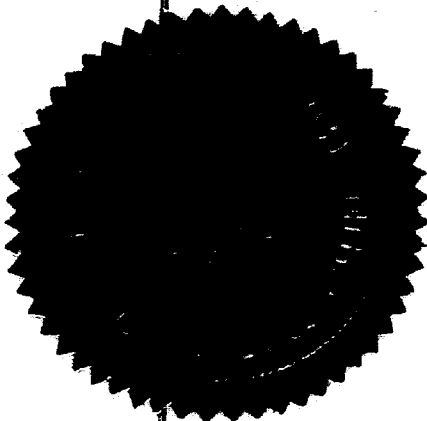
JOHN F. SIMMS, Chairman

E. S. Walker

E. S. WALKER, Member

A. L. Porter, Jr.

A. L. PORTER, Jr., Member & Secretary



OK
to approve
12/17/56
WJW
case per Rule 8 & 9 pool Rules

OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO

Date December 15, 1956

CASE

1155

Hearing Date

September 26, 1956

My recommendations for an order in the above numbered cases are as follows:

I recommend that the Commission
Enter an order approving Continental's application
in this case. Actually the unit should be
denied on the grounds that there will be simultaneous
dedication of the same acreage in the same vertical
interval to an oil well and to a gas well (both
Jalmat). However it appears that this same
situation exists in other instances in the Jalmat
Pool and the argument for denial ^{there} lessened.
The unit applied for is a 240-acre unit consisting
SE 1/4 + E 1/2 SW 1/4 Sec. 31 T 21 S R 36 E. The well is Cont'l's 7th hole
B/31 No 4, located 330' FSL + 660' FEL of said Sec. 31.
Note to Regal -

This will be an ordinary non-standard
unit order, there being nothing in the
application nor transcript requiring special
attention. Use any NSP order as a model.

Sam Butler
Staff Member

1155

Examiner Hg
Lynne B. B. C.
H. H. H.
on 7/24/38

IN THE MATTER OF THE APPLICATION
OF CONTINENTAL OIL COMPANY FOR AN
EXCEPTION TO RULE 5 (a) OF THE
SPECIAL RULES AND REGULATIONS FOR THE
JALMAT GAS POOL CONTAINED IN ORDER NO.
R-520 IN ESTABLISHMENT OF A NON-STANDARD
GAS PRORATION UNIT OF 240 ACRES CONSIST-
ING OF THE SE/4 AND E/2 SW/4 OF SECTION
31-T21S-R36E, NMPM, LEA COUNTY, NEW MEXICO,
TO BE ALLOCATED TO ITS LOCKHART B-31 WELL
NO. 4

240 ac NSP
for Rule 5(a)
R-520

A P P L I C A T I O N

Comes now applicant, Continental Oil Company, and
petitions the Commission for an order approving a non-standard
gas proration unit consisting of SE/4 and E/2 SW/4 section 31,
T 21S, R 36E, NMPM, Jalmat Gas Pool, Lea County, New Mexico,
to be allocated to its Lockhart B-31 No. 4 well located 330
feet from the south and ^{660 feet from the} east line of said section 31 and in
support thereof would show:

1. That applicant is co-owner and is the operator
of the Lockhart B-31 lease containing, among
other lands, the SE/4 and E/2 SW/4 section 31,
T 21S, R 36E, NMPM, Lea County, New Mexico.
2. That applicant in 1938 drilled the Lockhart
B-31 well No. 4 at a location 330 feet from
the south and ^{660 feet from the} east line of said section 31
and completed it as an oil well in the South
Eunice oil pool.
3. That said well is no longer economically
productive in the South Eunice pay and it is
to be plugged back to the Yates formation for
recompletion as a gas well in the Jalmat gas
pool.

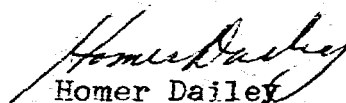
JWK
sent
copy
to
Hoyner
J. H. H.
on 9/11/38
JWK

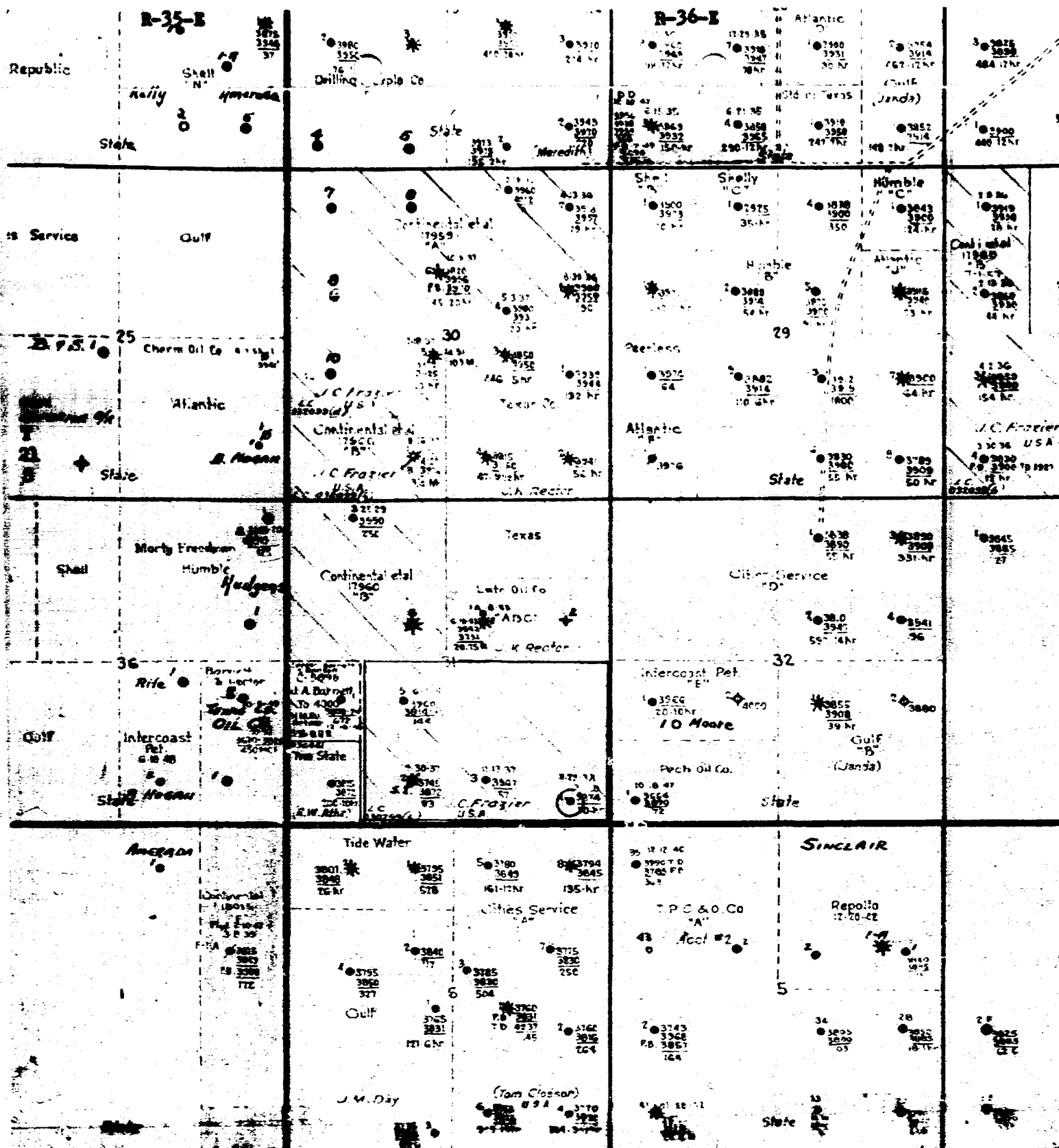
4. That no part of the acreage comprising the SE/4 and E/2 SW/4 of said Section 31 is allocated to a gas well and that all of said acreage may be reasonably presumed to be productive of gas from the Jalmat pool and should be allocated to a gas well in the interests of the prevention of waste and the protection of correlative rights.
5. That the most practical and economic method of allocating said acreage for Jalmat Pool gas production is to establish a 240-acre non-standard gas proration unit for assignment to the Lockhart B-31 well No. 4 as proposed herein.

Wherefore applicant prays that this application be set for hearing before the Commission's duly appointed examiner in Hobbs, New Mexico; that appropriate notice thereof be given; and that upon hearing an order be entered granting applicant an exception to rule 5 (a) of the special rules and regulations for the Jalmat gas pool contained in order No. R-520 for the non-standard gas proration unit described above.

Respectfully submitted,

CONTINENTAL OIL COMPANY


Homer Dailey
Alternate for
Division Superintendent
of Production
New Mexico Division



LOUISIANA OIL COMPANY
LOCATION PLAT
LOUISIANA T-B-31 AREA

Eunice District Office

Scale: 1" = 2000'

LEGEND
Proposed Unit Gas Well ○
Boundary of Proposed Unit —

DOCKET: EXAMINER HEARING SEPTEMBER 26, 1956

New Mexico Oil Conservation Commission 9:00 a.m., Hobbs, New Mexico

Oil Conservation Commission Office, 1000 W. Broadway, Hobbs, New Mexico

The following cases will be heard before Daniel S. Nutter, Examiner:

CASE 1150: Application of Amerada Petroleum Corporation for an order granting permission to make up underproduction on its M. J. Raley "A" No. 1 Oil Well resulting from pipeline proration in exception to Rule 503 (f) of the New Mexico Oil Conservation Commission Rules and Regulations. Applicant, in the above-styled cause, seeks permission to make up approximately 3,990 barrels of under-produced oil which accrued to its M. J. Raley "A" No. 1 Well located 660 feet from the North and East lines of Section 18, Township 20 South, Range 38 East, North Warren McKee Pool, Lea County, New Mexico, which resulted from the Cities Service pipeline proration during the months of April and May of 1956.

CASE 1151: Application of The Texas Company for an order establishing a 114.41-acre non-standard gas proration unit in the Jalmat Gas Pool in exception to Rule 5 (a) of the Special Rules and Regulations for said pool as set forth in Order R-520. Applicant, in the above-styled cause, seeks an order establishing a 114.41-acre non-standard gas proration unit in the Jalmat Gas Pool consisting of the following acreage:

Township 24 South, Range 37 East
Section 31: Lots 3 & 4 (W/2 SW/4)

Township 25 South, Range 37 East
Section 6: Lot 4 (NW/4 NW/4)

Said unit to be dedicated to applicant's C. C. Fristoe "B" (NCT-4) No. 2 Well located 660 feet from the South and West lines of Section 31, Township 24 South, Range 37 East, Lea County, New Mexico.

CASE 1152: Application of Continental Oil Company for an order authorizing a gas-gas dual completion in the Tubb and Blinbry formations of undesignated gas pools in the SE/4 of Section 28, Township 20 South, Range 38 East, Lea County, New Mexico, in exception to Rule 112-A of the New Mexico Oil Conservation Commission Rules and Regulations, and further, authorizing the commingling of the liquids produced from the two zones in exception to Rule 303 of the New

Mexico Oil Conservation Commission Rules and Regulations. Applicant, in the above-styled cause proposes to dually complete in the Tubb and Blinbry formations its Warren Unit Well No. 8 located 1980 feet from the South and East lines of Section 28, Township 20 South, Range 38 East, Lea County, New Mexico, by means of parallel strings of tubing and to store the liquids produced therefrom in common tankage.

CASE 1153: Application of Continental Oil Company for an order establishing a 320-acre non-standard gas proration unit in the Eumont Gas Pool in exception to Rule 5 (a) of the Special Rules and Regulations for said pool as set forth in Order R-520. Applicant, in the above-styled cause, seeks an order establishing a 320-acre non-standard gas proration unit in the Eumont Gas Pool comprising the SE/4 of Section 10 and the SW/4 of Section 11, Township 20 South, Range 37 East, Lea County, New Mexico. Said unit to be dedicated to applicant's Britt "B-10" Well No. 3 located 660 feet from the South and East lines of said Section 10.

CASE 1154: Application of Continental Oil Company for an order establishing a 480-acre non-standard gas proration unit in the Eumont Gas Pool in exception to Rule 5 (a) of the Special Rules and Regulations for said pool as set forth in Order R-520. Applicant, in the above-styled cause, seeks an order establishing a 480-acre non-standard gas proration unit in the Eumont Gas Pool comprising the W/2 Section 14 and E/2 E/2 Section 15, Township 20 South, Range 37 East, Lea County, New Mexico. Said unit to be dedicated to applicant's Skaggs "B-14" Well No. 1 located 1980 feet from the South line and 660 feet from the West line of said Section 14.

CASE 1155: Application of Continental Oil Company for an order establishing a 240-acre non-standard gas proration unit in the Jalmat Gas Pool in exception to Rule 5 (a) of the Special Rules and Regulations for said pool as set forth in Order R-520. Applicant, in the above-styled cause, seeks an order establishing a 240-acre non-standard gas proration unit in the Jalmat Gas Pool comprising the SE/4 and E/2 SW/4 of Section 31, Township 21 South, Range 36 East, Lea County, New Mexico. Said unit to be dedicated to applicant's Lockhart "B-31" Well No. 4 located 330 feet from the South line and 660 feet from the East line of said Section 31.

CASE 1156: Application of Continental Oil Company for a 240-acre non-standard gas proration unit in the Eumont Gas Pool in exception to Rule 5 (a) of the Special Rules and Regulations for said pool, and for the forced pooling of all interests therein within the vertical limits of the Eumont Gas Pool in compliance with Section 65-3-14 (c) NMSA (1953). Applicant, in the above-styled cause, seeks an order establishing a

240-acre non-standard gas proration unit in the Eumont Gas Pool comprising the NE/4 and the E/2 NW/4 of Section 28, Township 20 South, Range 37 East, Lea County, New Mexico. Said unit to be dedicated to applicant's Meyer B-28 "A" Well No. 1 located 1980 feet from the North and East lines of said Section 28; and further for the forced pooling of all interests therein within the vertical limits of the Eumont Gas Pool.

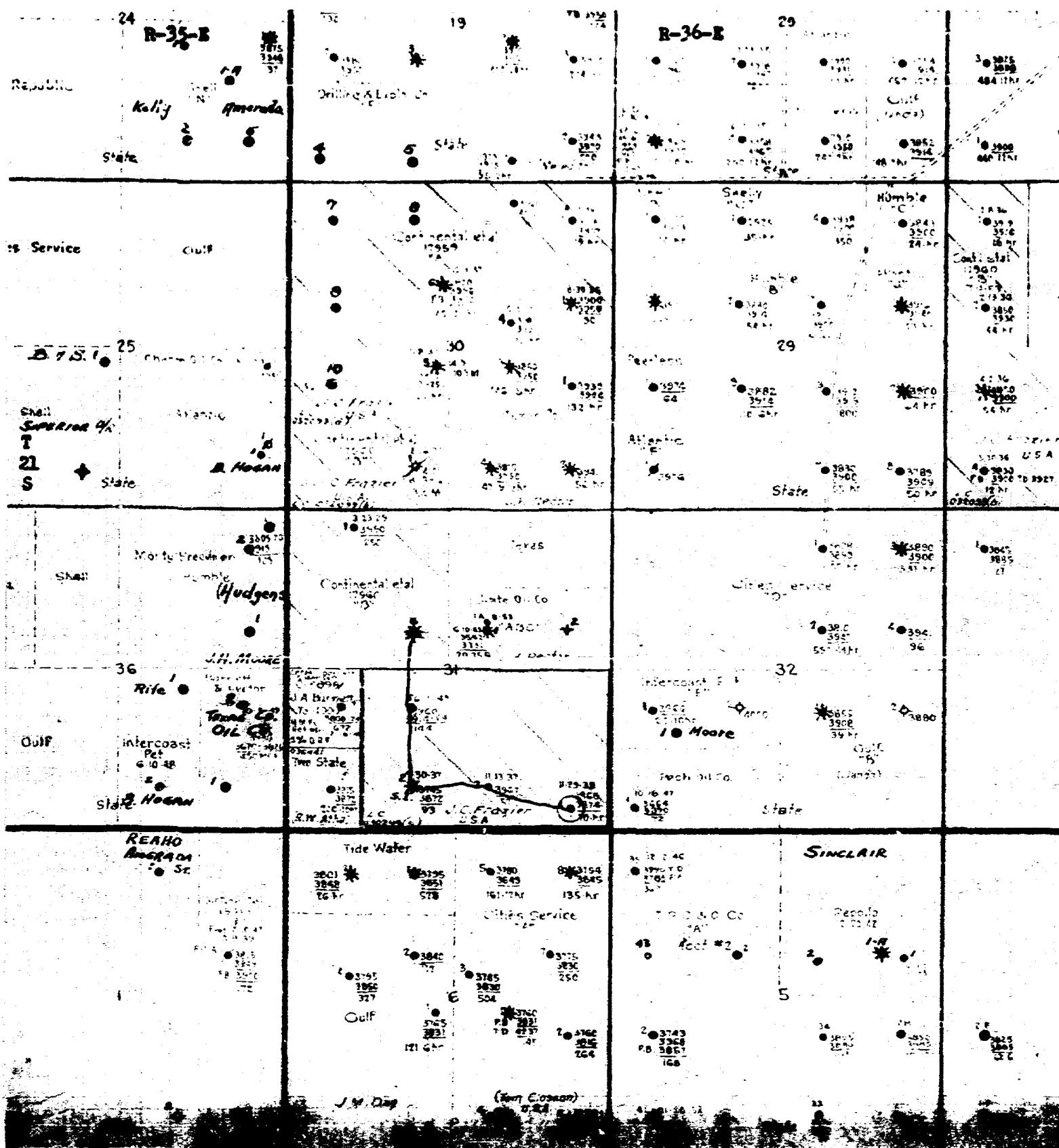
CASE 1157:

Application of Continental Oil Company for a 360-acre non-standard gas proration unit in the Eumont Gas Pool in exception to Rule 5 (a) of the Special Rules and Regulations for said pool, and for the forced pooling of all interests therein within the vertical limits of the Eumont Gas Pool in compliance with Section 65-3-14 (c) NMSA (1953). Applicant, in the above-styled cause, seeks an order establishing a 360-acre non-standard gas proration unit in the Eumont Gas Pool comprising the SE/4 and E/2 SW/4 of Section 28, and N/2 NE/4 and NE/4 NW/4 of Section 33, Township 20 South, Range 37 East, Lea County, New Mexico. Said unit to be dedicated to applicant's Meyer B-28 "A" Well No. 2 located 660 feet from the South line and 1980 feet from the East line of said Section 28; and further for the forced pooling of all interests therein within the vertical limits of the Eumont Gas Pool.

CONTINUED CASE

CASE 1137:

Application of Humble Oil and Refining Company for permission to convert its State "A" Well No. 2 into a salt water disposal well in the San Andres formation of the Hobbs Pool in accordance with New Mexico Oil Conservation Commission Statewide Rule 701. Applicant, in the above-styled cause, seeks an order granting permission to convert its previously abandoned State "A" Well No. 2 into a salt water disposal well; said well is located 330 feet from the South and East lines of Section 25, Township 18 South, Range 37 East, Lea County, New Mexico. Applicant proposes to inject salt water below the oil-water contact of the San Andres formation in the Hobbs Pool.



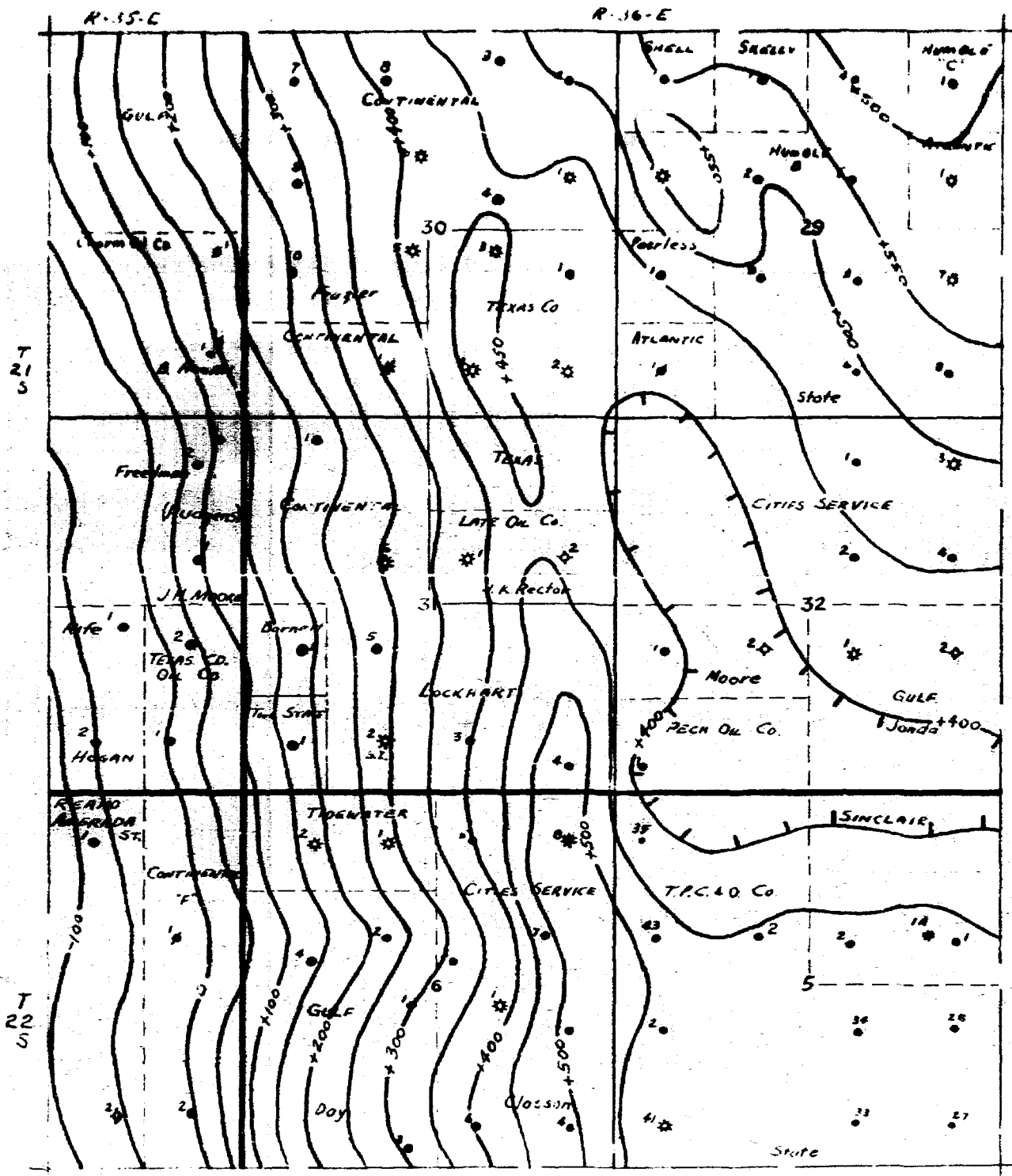
BEFORE THE
OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO
EXHIBIT NO. 1
CASE 1155

CONTINENTAL OIL COMPANY
LOCATION PLAT
LOCKHART B-31 AREA

LEGEND
Proposed Unit Gas Well
Boundary of Proposed Unit

Scale: 1" = 2000'

EXHIBIT I



BEFORE THE
OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO
Case No. 1155
EXHIBIT No. 2

STRUCTURAL PLAT
LOCKHART B-31 AREA

Contour on Top of Yates
Eureka District September 18, 1956

Contour Interval: 50'
Scale 1" = 2,000'

EXHIBIT 2