

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
COMMISSION OF NEW MEXICO FOR
THE PURPOSE OF CONSIDERING:

CASE No. 2390
Order No. R-2087

APPLICATION OF CONTINENTAL OIL
COMPANY FOR A 320-ACRE NON-
STANDARD GAS PRORATION UNIT,
LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on October 4, 1961, at Santa Fe, New Mexico, before Elvis A. Utz, Examiner duly appointed by the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission," in accordance with Rule 1214 of the Commission Rules and Regulations.

NOW, on this 13th day of October, 1961, the Commission, a quorum being present, having considered the application, the evidence adduced, and the recommendations of the Examiner, Elvis A. Utz, 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 cause and the subject matter thereof.
- (2) That the applicant, Continental Oil Company, seeks the establishment of a 320-acre non-standard gas proration unit in the Jalmat Gas Pool, comprising the S/2 of Section 7, Township 23 South, Range 37 East, NMPM, Lea County, New Mexico.
- (3) That the applicant proposes to dedicate the above-described 320-acre gas proration unit to the Stevens B-7 Well No. 1, located 990 feet from the South line and 990 feet from the West line of said Section 7.
- (4) That the Stevens B-7 Well No. 2 located in the SE/4 of said Section 7 has been assigned to a 160-acre non-standard gas proration unit, the total acreage of which is to be included in the proposed 320-acre non-standard gas proration unit.
- (5) That the said Stevens B-7 Well No. 2 should be shut-in upon the establishment of the 320-acre non-standard gas proration unit and the production status of said well should be charged to the said 320-acre non-standard gas proration unit.

(6) That the proposed 320-acre non-standard gas proration unit is presumed to be productive of gas from the Jalmat Gas Pool.

(7) That approval of the subject application will neither cause waste nor impair correlative rights.

IT IS THEREFORE ORDERED:

(1) That a 320-acre non-standard gas proration unit in the Jalmat Gas Pool, comprising the S/2 of Section 7, Township 23 South, Range 37 East, NMPM, Lea County, New Mexico, is hereby established. Said unit is to be dedicated to the Stevens B-7 Well No. 1, located 990 feet from the South line and 990 feet from the West line of said Section 7.

PROVIDED HOWEVER, That the Stevens B-7 Well No. 2 located in the SE/4 of said Section 7 shall be shut-in and the production status of said Stevens B-7 Well No. 2 shall be charged to the 320-acre non-standard gas proration unit.

(2) That the acreage factor for allowable purposes assigned to the above-described 320-acre non-standard gas proration unit shall bear the same ratio to a standard acreage factor as the acreage in said unit bears to the acreage in a standard gas proration unit in the Jalmat Gas Pool.

(3) That the effective date of this order shall be November 1, 1961.

(4) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

EDWIN L. MECHEM, Chairman

E. S. WALKER, Member

S E A L

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

esr/