Case 1515

BEFORE THE OIL CONSERVATION COMMISSIONOFFICE OCC OF THE STATE OF NEW MEXICO 1958 AUG 22 AM 8:23

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 FOR THE ENLARGEMENT OF THE PRESENTLY APPROVED 160-ACRE UNIT TO A NON-STANDARD GAS PRORATION UNIT OF 320-ACRES CONSISTING OF S/2 SECTION 22, T-22S, R-36E, NMPM, LEA COUNTY, NEW MEXICO, TO BE ALLOCATED TO ITS MEYER B-22 WELL NO. 1.

APPLICATION

Comes now applicant, Continental Oil Company and petitions the Commission for an order enlarging the present 160 acre gas proration unit to one of 320 acres consisting of S/2 of Section 22, T-22S, R-36E, NMPM, Jalmat gas pool, Lea County, New Mexico, to be allocated to its Meyer B-22 No. 1 well located 1650 feet from the south line and 990 feet from the east line of said Section 22 and in support thereof would show:

1. That applicant is owner and operator of a lease designated as the Meyer B-22 lease consisting of S/2 Section 22, T-22S, R-36E, NMPM, Lea County, New Mexico.

2. That applicant drilled and completed in May, 1949, its Meyer B-22 well No. 1 at a location 1650 feet from the south line and 990 feet from the east line of said Section 22.

3. That the SE/4 of the said Section 22 is presently assigned ed the said well No. 1, but that the SW/4 is not assigned to any gas well and that all of said acreage may reasonably be 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.

4. That the most practical and economical method of allocating said acreage for Jalmat Pool gas production is to enlarge the existing 160-acre unit to a 320-acre non-standard gas proration unit for assignment to the Meyer B-22 well No. 1. New Mexico Oil Conservation Commission Page 2

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

R.

R. L. Adams Division Superintendent of Production New Mexico Division

ADD 15/5 1. am Jean 10 C CONOCO AIL OFFICE DCC ONTINENTAL OFLEOMPAN 825 PETROLEUM BUILDING

ROSWELL. NEW MEXICO August 19, 1958

R. L. ADAMS DIVISION SUPERINTENDENT OF PRODUCTION New MEXICO DIVISION

> New Mexico Oil Conservation Commission P. O. Box 871 Santa Fe, New Mexico

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

Re: Continental Oil Company's application for an exception to Rule 5 (a) of the Special Rules and Regulations for the Jalmat Gas Poel contained in Order R-520 for the enlargement of the presently approved 160-acre unit to a non-standard gas proration unit of 320 acres consisting of the S/2 Section 22, T-22S, R-36E, NMPM, Lea County, New Mexico, to be allocated to its Meyer B-22 Well No. 1.

Gentlemen:

Attached is our application in triplicate for an exception to Rule 5 (a) of the Special Rules and Regulations for the Jalmat Gas Pool contained in Order R-520 for the enlargement of the presently approved 160-acre unit to a non-standard gas proration unit of 320 acres consisting of the S/2 Section 22, T-22S, R-36E, NMPM, Lee County, New Mexico, to be allocated to the Meyer B-22 Well No. 1.



New Mexico Oil Conservation Commission Page 2 $\,$

It is requested that this matter be set for hearing at the earliest convenient date.

Yours very truly, R.C. Calams

RLA-JC

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cc: HLJ, JRP, File