

Case 1875



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CONTINENTAL OIL COMPANY

825 PETROLEUM BUILDING
ROSWELL, NEW MEXICO
December 29, 1959

WM. A. MEAD
DIVISION SUPERINTENDENT
OF PRODUCTION
NEW MEXICO DIVISION

Jan 27th
Ex. hearing

New Mexico Oil Conservation Commission
Box 871
Santa Fe, New Mexico

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

Re: Continental Oil Company's
Application for Forced
Pooling for Gas Production
Purposes, Lots 6, 10, 11, &
12, of Sec. 3, T-21S, R-37E,
NMPM, Lea County, New Mexico

Gentlemen:

We are attaching three copies of Continental Oil Company's application for the forced pooling for gas production purposes from the Blinebry formation, of Lots 6, 10, and 11, under lease to Shell Oil Company, and Lot 12, under lease to Continental Oil Company et al, located in Section 3, T-21S, R-37E, NMPM, Lea County, New Mexico.

Please set this matter for hearing at your earliest convenient date.

Yours very truly,

WAM-PD
Enc

Rec'd
Mailed
1-18-60
JLV

Case 1875

BEFORE THE OIL CONSERVATION COMMISSION
OF THE
STATE OF NEW MEXICO

IN THE MATTER OF THE APPLICATION OF
CONTINENTAL OIL COMPANY FOR THE FORCED
POOLING FOR GAS PRODUCTION PURPOSES
OF LOTS 6, 10, 11 AND 12 OF SECTION 3,
TOWNSHIP 21S, RANGE 37E, NMPM, LEA
COUNTY, NEW MEXICO

A P P L I C A T I O N

Comes now applicant, Continental Oil Company, and respectfully petitions the Commission for an order pooling the interests in Lots 6, 10 11 and 12, of Section 3, T-21S, R-37E, NMPM, Lea County, New Mexico, for the production of gas from the Blinebry gas pool and in support thereof would show:

1. That leasehold interests in Lot 12 of said Section are as follows:

Continental Oil Company (Operator)	25%
The Atlantic Refining Company	25%
Standard Oil Company of Texas	25%
Pan American Petroleum Corporation	25%

2. That Lots 6, 10 and 11 are under lease to Shell Oil Company

3. That the NMFU owners and Shell Oil Company stated that they agree to execute an agreement of communitization covering the above-mentioned Lots 6, 10, 11 and 12 for gas from the Blinebry Formation.

4. That owners of all royalty interests under the above-mentioned Lots have executed said communitization agreement with the exception of M. F. Taylor, P. O. Box 574, Amarillo, Texas, and R. B. Glenn, P. O. Box 461, Amarillo, Texas, and the United States Geological Survey.

5. That said M. F. Taylor and R. B. Glenn each own an undivided 1/4 interest in the said Lots 6, 10 and 11, and have refused to execute the said agreement for communitization.

6. That the Commission's Order No. R-920 dated November 27, 1956, in Case No. 1170 approved a 120-acre proration unit consisting of Lots 6, 10 and 11 for Blinebry Gas production to be allocated to Shell Oil Company's Taylor-Glenn No. 1 located 3226 feet from the north line and 1980 feet from the west line of said Section 3.

7. That at the hearing on Case 1170 on October 31, 1956, applicant concurred with Shell Oil Company in its request for the said 120-acre unit provided that Shell would consent to communitize on a fair and equitable basis the said unit with applicant's lease on Lot 12 of said Section 3; which Shell consented to do.

8. That since the entering of the said Order No. R-920 applicant and Shell have diligently attempted to secure the communitization above described but have been unable to secure full approval as indicated in allegations No. 3, 4 and 5 hereinabove.

9. That applicant's lease is isolated from other acreage available for development in the Blinebry gas pool.

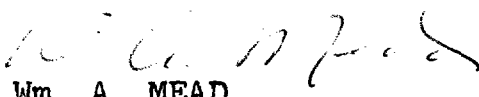
10. That Shell Oil Company's Taylor-Glenn No. 1 has been producing gas from the Blinebry gas pool since shortly after the entering of said Order No. R-920.

11. That unless a forced pooling order is entered in this matter the owners of interests in applicant's lease will be deprived of the opportunity to recover their fair share of the gas under said lease.

Wherefore, applicant respectfully requests that this application be set for hearing before the Commission's duly appointed examiner; that after notice and hearing as required by law, the Commission enter its order pooling the rights and interests of all persons having the right to drill for, produce or share in the production of oil or gas, or both of them, from the Blinebry gas pool underlying Lots 6, 10, 11 and 12 of Section 3, T-21S, R-37E, Lea County, New Mexico, upon such terms as are just and reasonable, and that a non-standard gas proration unit on 160 acres be approved for allocation to the said Taylor-Glenn well No. 1 and for such other and further relief as may be proper.

Respectfully submitted,

CONTINENTAL OIL COMPANY


Wm. A. MEAD
Division Superintendent

