BEFORE THE OIL CONSERVATION COMMISSION

OF THE

STATE OF NEW MEXICO

IN THE MATTER OF THE APPLICATION OF
CONTINENTAL OIL COMPANY FOR AN
EXCEPTION TO RULE 309(A) TO INSTALL
A LEASE AUTOMATIC CUSTODY TRANSFER
SYSTEM FOR ALL WELLS PRODUCING FROM
THE EUNICE POOL WITHIN THE BOUND-
ARIES OF THE MEYER B-4 LEASE
CONSISTING OF THE E/2 AND THE E/2
W/2 OF SECTION 4, T-21S, R-36E,
N.M.P.M., LEA COUNTY, NEW MEXICO
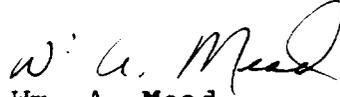
Case 2091

A P P L I C A T I O N

Comes now applicant, Continental Oil Company, and respectfully requests an exception to Statewide Rule No. 309(a) for permission to install a lease automatic custody transfer system for all wells producing from the Eunice pool within the boundaries of the Meyer B-4 lease which consists of the E/2 and the E/2 W/2 of Section 4, T-21S, R-36E, N.M.P.M. Lea County, New Mexico, and in support thereof would show:

1. That the applicant is the operator and co-owner of the Meyer B-4 lease consisting of the E/2 and the E/2 W/2 of Section 4, T-21S, R-36E, N.M.P.M., Lea County, New Mexico.

2. That the royalty interests are common, those being the United States Government.

3. That applicant is now producing 17 Eunice Pool wells, all located on the Meyer B-4 lease, into one common tank battery as authorized by the Oil Conservation Commission's Order No. R-792.

4. That applicant proposes to replace the existing tank battery with a lease automatic custody transfer system.

5. That the proposed installation in exception to Rule 309(a) is in the interest of conservation and the prevention of waste.

Wherefore, applicant requests that this matter be set for hearing before the Commission's duly qualified examiner and that upon hearing an order be entered granting applicant permission to install a lease automatic custody transfer system for all Eunice Pool wells on the Meyer B-4 lease.

Respectfully submitted,

Wm. A. Mead
Division Superintendent
of Production
New Mexico Division