

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. 2404
Order No. R-2107

APPLICATION OF CONTINENTAL OIL
COMPANY FOR A 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 25, 1961, at Santa Fe, New Mexico, before Daniel S. Nutter, 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 1st day of November, 1961, the Commission, a quorum being present, having considered the application, the evidence adduced, and the recommendations of the Examiner, Daniel S. Nutter, 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 272.38-acre non-standard gas proration unit in the Eumont Gas Pool, comprising Lots 2, 3, 4, 5, 6, 7 and 8 of Section 1, Township 21 South, Range 36 East, NMPM, Lea County, New Mexico; said unit is to be dedicated to the State F-1 Well No. 6, located 660 feet from the North line and 660 feet from the West line of said Section 1.

(3) That the proposed 272.38-acre non-standard gas proration unit can reasonably be presumed to be productive of gas from the Eumont Gas Pool.

(4) That a contingency exists that the State F-1 Well No. 2, located on Lot 8 of said Section 1, may become productive of oil rather than gas from the Eumont Gas Pool.

(5) That the Commission should order the deletion of Lot 8 of said Section 1 from the proposed 272.38-acre non-standard gas

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proration unit at such time as it is apparent said State F-1 Well No. 2 is productive of oil rather than gas from the Eumont Gas Pool.

(6) That the establishment of the proposed non-standard gas proration unit will neither cause waste nor impair correlative rights.

IT IS THEREFORE ORDERED:

(1) That a 272.38-acre non-standard gas proration unit in the Eumont Gas Pool consisting of Lots 2, 3, 4, 5, 6, 7 and 8 of Section 1, Township 21 South, Range 36 East, NMPM, Lea County, New Mexico, is hereby established. Said unit is to be dedicated to the State F-1 Well No. 6, located 660 feet from the North line and 660 feet from the West line of said Section 1.

PROVIDED HOWEVER, That the Commission may order the deletion of Lot 8 of said Section 1 from the non-standard gas proration unit at such time as it is apparent the State F-1 Well No. 2, located in Lot 8 of said Section 1, is productive of oil rather than gas from the Eumont Gas Pool.

(2) 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



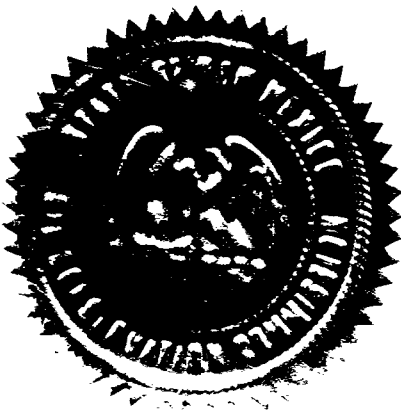
EDWIN L. MECHEM, Chairman



E. S. WALKER, Member



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



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