



Case 2641

CONTINENTAL OIL COMPANY

P. O. BOX 1377
ROSWELL, NEW MEXICO

PRODUCTION DEPARTMENT
NEW MEXICO DIVISION

WM. A. MEAD
DIVISION SUPERINTENDENT

A. B. SLAYBAUGH
ASSISTANT DIVISION SUPERINTENDENT

August 23, 1962

825 PETROLEUM BUILDING
TELEPHONE: MAIN 2-4202

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

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

Gentlemen:

We forward herewith application in triplicate for approval of a non-standard 80-acre gas proration unit in the Blinebry gas pool for our State 10 well No. 1.

We should appreciate your setting this matter for hearing at an early date.

Yours very truly,

W. A. Mead

VTL-sg
cc: RGP, HGD, JWK, JRP

BEFORE THE OIL CONSERVATION COMMISSION
OF THE
STATE OF NEW MEXICO

IN THE MATTER OF THE APPLICATION OF CONTINENTAL
OIL COMPANY FOR APPROVAL OF A NON-STANDARD 80-
ACRE GAS PRORATION UNIT CONSISTING OF NW/4 NW/4
AND SE/4 NW/4 SECTION 10, TOWNSHIP 21 SOUTH,
RANGE 37 EAST FOR ITS STATE 10 WELL NO. 1 IN
THE BLINEBRY GAS POOL, LEA COUNTY, NEW MEXICO

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A P P L I C A T I O N

Comes now applicant, Continental Oil Company and respectfully requests approval of a non-standard 80-acre gas proration unit in the Blinebry gas pool for its State 10 well No. 1 located in Section 10, Township 21 South, Range 37 East, Lea County, New Mexico, and in support thereof would show:

1. That applicant is co-owner and is the operator of the State 10 lease consisting of W/2 NW/4 of Section 10, Township 21 South, Range 37 East, and of the Hawk B-10 lease consisting of the E/2 NW/4, W/2 NE/4 and SE/4 NE/4 of Section 10, Township 21 South, Range 37 East, Lea County, New Mexico.

2. That by duly executed communitization agreement the State 10 Unit, consisting of the NW/4 of said Section 10 was formed for production of dry gas and associated liquid hydrocarbons from the Tubb and Blinebry formations.

3. That a standard 160-acre gas proration unit comprised of the said State 10 Unit was assigned in 1955 to the State 10 No. 2 located 1980 feet from the north line and 990 feet from the west line of said Section 10.

4. That said State 10 No. 2 was reclassified on July 1, 1962 as an oil well in the Blinebry pool. Furthermore, Hawk B-10 No. 10 was drilled and completed as a Blinebry oil well at a location 460 feet from the north and 1980 feet from the west line of said Section 10. Since the Blinebry field rules prohibit dedication of acreage simultaneously for both oil and gas, it is necessary to withdraw the NE/4 NW/4 and the

SW/4 NW/4 from the gas proration unit for the State 10 Unit.

5. That applicant drilled and completed on February 24, 1953 its State 10 No. 1 in the Haré pool at a location 990 feet from the north and west lines of the said Section 10. Said well was subsequently plugged back and dual-completed in the Wantz Abo and Blinebry pools. The Blinebry formation was completed for an initial calculated absolute open flow potential of 7,300 MCF per day on March 29, 1962.

6. That applicant proposes to allocate to State 10 No. 1 for Blinebry gas that portion of the State 10 Unit remaining after deducting the tracts which are assigned to Blinebry oil wells so that the gas proration unit for said well will consist of the NW/4 NW/4 and SE/4 NW/4 of said Section 10.

7. That the approval of the non-standard gas proration unit as proposed herein will be in the interest of the prevention of waste and the protection of correlative rights.

Wherefore applicant respectfully prays that this matter be set for hearing before the Commission's duly qualified Examiner and that upon hearing an order be entered approving an 80-acre non-standard gas proration unit in the Blinebry gas pool for its State 10 No. 1 as described herein above.

Respectfully submitted,

CONTINENTAL OIL COMPANY

Wm. A. Mead

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

VTL-sg