

Case No.

1653

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Application, Transcript,  
Small Exhibits, Etc.

EXAMINER HEARING  
OIL CONSERVATION COMMISSION  
May 6, 1959

IN THE MATTER OF: Case 1658

TRANSCRIPT OF PROCEEDINGS

DEARNLEY - MEIER & ASSOCIATES  
GENERAL LAW REPORTERS  
ALBUQUERQUE NEW MEXICO  
Phone CHapel 3-6691

EXAMINER HEARING  
OIL CONSERVATION COMMISSION  
Santa Fe, New Mexico  
May 6, 1959

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IN THE MATTER OF:

Application of Continental Oil Company  
for a non-standard gas proration unit.  
Applicant, in the above-styled cause,  
seeks the establishment of a 320-acre  
non-standard gas proration unit in the  
Jalmat Gas Pool consisting of the NE/4  
of Section 28 and the NW/4 of Section 27,  
Township 23 South, Range 36 East, Lea  
County, New Mexico, said unit to be dedi-  
cated to applicant's Lynn A-28 Well No.  
5 located 660 feet from the North and  
East lines of said Section 28.

Case 1653

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BEFORE:

Elvis A. Utz, Examiner

TRANSCRIPT OF PROCEEDINGS

MR. UTZ: The next case will be 1653.

MR. PAYNE: Case 1653: Application of Continental  
Oil Company for a non-standard gas proration unit.

MR. KELLAHIN: May the record show the same appear-  
ances as in the two preceding cases. We will have Mr. Queen as  
a witness.

JOHN A. QUEEN

called as a witness, having been first duly sworn, on oath,  
testified as follows:

DIRECT EXAMINATIONBY MR. KELLAHIN:

Q Will you state your name, please?

A John A. Queen.

Q Are you the same Mr. Queen who testified in Cases 1651 and 1652?

A I am.

Q Are you familiar with the application in Case 1653?

A I am.

Q Will you state briefly what is proposed in this application?

A Yes, sir, but I would like to pass out the exhibits before we do that. They are in order as will be presented.

(Continental Oil Company's  
Exhibits Nos. 1, 2, 3 and 4  
marked for identification.)

This is the application of Continental Oil Company for approval of 320-acre non-standard gas proration unit consisting of the Northwest Quarter of Section 27 and the Northeast Quarter of Section 28, Township 23 South, Range 36 East, in the Jalmat Pool, in lieu of the present 160-acre unit consisting of the Northwest Quarter of Section 28, for its Lynn A-28 Well No. 5 located 660 feet from the North and East lines of Section 28, Township 23 South, Range 36 East.

Q Now referring to what has been marked as Exhibit No. 1, will you state what that shows?

A Exhibit No. 1 is a location and ownership plat of the proposed unit and the immediately surrounding area. The proposed unit, consisting of the Northwest Quarter of Section 27 and the Northeast Quarter of Section 28, is shown outlined in red. The Lynn A-28 No. 5 is circled in red. The present unit assigned to this well, consisting of the Northeast Quarter of Section 28, is outlined in green, as are other approved Jalmat gas units for the immediate surrounding areas. Jalmat gas wells to which these surrounding units are allocated are circled in brown, as are the areas to be completely enclosed by Jalmat gas units.

Q Explain Exhibit No. 2, will you, Mr. Queen?

A Exhibit No. 2 is a structure plat of the same area shown on Exhibit 1, showing the configuration of the top of the Yates formation, the lines representing fifty foot intervals of structural relief. The proposed unit is outlined in red, and the Lynn A-28 No. 5 is circled in red. Other Jalmat gas wells are shown in green, and based on the information shown in this plat, the Northwest Quarter of Section 27 is undoubtedly gas productive.

Q Are there any other Jalmat oil wells in this area?

A Yes, the J. T. Lynn A-27 No. 1 located in the Northwest Quarter of the Northwest Quarter of Section 27 was reclassified as a Jalmat oil well from a Jalmat gas well on January the 29th, 1958.

Q Do you have any information on the production of

that well?

A The J. T. Lynn No. 1 has produced approximately 500 barrels of oil per month, 29 gravity oil for the past two months.

Q Now have you examined the Commission records, Mr. Queen, in regard to dual dedication of acreage to gas and oil in the Jalmat Pool?

A We have, and we found one hundred twenty-one instances in the Jalmat Pool where there is dual dedication of oil and gas to the same acreage.

Q Referring to what has been marked as Exhibit 3, would you state what that is?

A Exhibit No. 3 is a copy of the radioactive log of the Lynn A-28 No. 5 showing the top of the Yates and the top of the Seven Rivers formations, the perforated intervals and the location of the production packer and completion information on the well. This is a dually completed well.

Q Now referring to what has been marked as Exhibit No. 4, will you state what that is?

A Exhibit No. 4 is Form C-122-C showing the deliverability of the Lynn A-28 No. 5 at eighty percent shutin pressure. This was the test conducted in March of 1958. There has been a later test conducted, however it has not been calculated and submitted, and therefore we are submitting the 1958 test.

Q In your opinion is the well to which this acreage

is proposed to be dedicated capable of producing the allowable?

A Very definitely.

Q Is the acreage proposed to be dedicated to the well in your opinion productive of gas from the Jalmat Gas Pool?

A Yes, sir.

Q Were Exhibits 1 through 4, inclusive, prepared by you or under your direction and supervision?

A They were.

MR. KELLAHIN: We would like to offer at this time the Exhibits 1 through 4, inclusive.

MR. UTZ: Without objection Exhibits 1 through 4 will be accepted.

MR. KELLAHIN: That's all the questions I have.

MR. UTZ: Are there questions of the witness?

MR. PAYNE: Yes, sir.

MR. UTZ: Mr. Payne.

CROSS EXAMINATION

BY MR. PAYNE:

Q Mr. Queen, is the South Half of Section 27 dedicated to a Jalmat well?

A Yes, it is. It is dedicated to the Gaekel Combust No. 1 located in the East Half of the Southeast Quarter of Section 27.

Q To the best of your knowledge, is that well capable of producing a 320-acre allowable in the Jalmat?

A I'm not capable of saying that, I do not know.

Q Now this location of the well that you propose to dedicate would actually be 660 from the North and 1980 from the West, would it not, assuming you look at your proposed unit and not at the section line?

A I believe it would be more than 1980 from the West if it was looked at in that sense.

Q What I'm getting at is Order R-520 provides that you can dedicate administratively 320 acres to a well if located 1980 and 660, so that this well should not be looked at as being 660, 660?

A That is correct.

Q Now are these two 160-acre tracts that you propose to dedicate to this well, are they all part of the same lease?

A They are part of the same basic lease, yes, sir.

Q Then the ownership is all common in the 320 acres?

A That is correct.

MR. PAYNE: I believe that's all.

MR. UTZ: Any other questions of the witness? If not, the witness may be excused.

(Witness excused.)

MR. KELLAHIN: If the Commission please, I would like to make a brief statement in regard to the question that has been raised as to the dedication of the acreage in view of the well location in the two cases involved here. I call the

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ALBUQUERQUE, NEW MEXICO  
Phone CHapel 3-66-1



Commission's attention to the fact that in the application the well location is clearly stated, and the application is for dedication of the additional acreage to the well as it is located, and in my opinion, I think the application is certainly sufficient and broad to include within its framework approval of the well location. I don't believe it would be expanding the scope of the hearing in any sense of the word if such approval automatically followed by approval of the unit as proposed.

MR. PAYNE: I agree with you, Mr. Kellahin, in view of the fact that the well to be dedicated, the location of that well is shown in the advertisement.

MR. KELLAHIN: Yes, sir.

MR. UTZ: Any other statements to be made in this case? If not, the case will be taken under advisement.

We'll take a ten minute recess.

(Recess).

C E R T I F I C A T E

STATE OF NEW MEXICO )  
COUNTY OF BERNALILLO ) ss

I, ADA DEARNLEY, Notary Public in and for the County of Bernalillo, State of New Mexico, do hereby certify that the foregoing and attached Transcript of Proceedings was reported by me in Stenotype and that the same was reduced to typewritten transcript under my personal supervision and contains a true and correct record of said proceedings, to the best of my knowledge, skill and ability.

DATED this 8th day of May, 1959, in the City of Albuquerque, County of Bernalillo, State of New Mexico.

*Ada Dearnley*  
NOTARY PUBLIC

My Commission Expires:

June 19, 1959.

I do hereby certify that the foregoing is  
a complete record of the proceedings in  
the Examiner hearing of Case No. 1653,  
heard by me on *May 10*, 1959.  
*[Signature]*, Examiner  
New Mexico Oil Conservation Commission

DEARNLEY - MEIER & ASSOCIATES  
GENERAL LAW REPORTERS  
ALBUQUERQUE, NEW MEXICO  
Phone CHapel 3-6691

# Memo

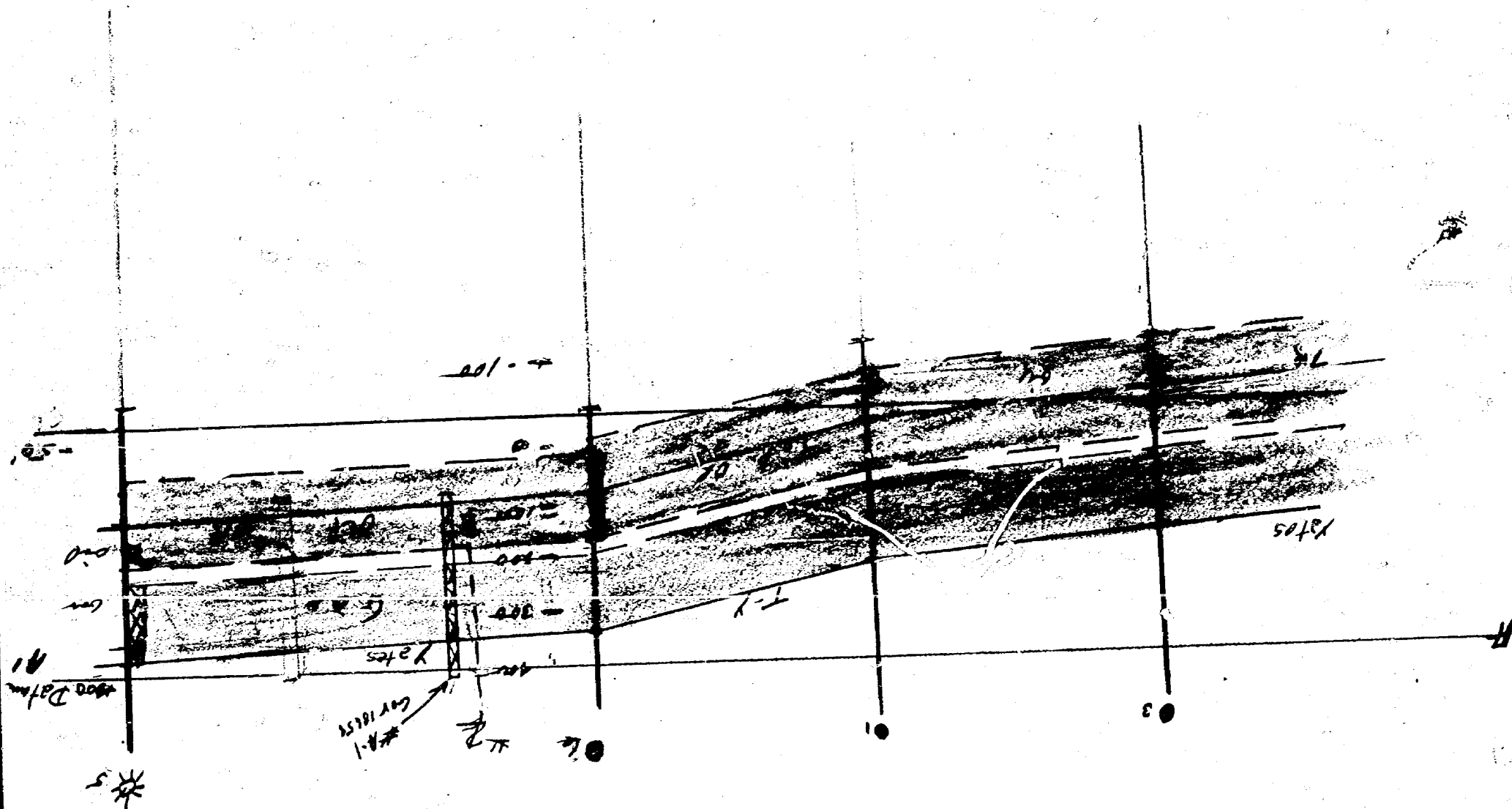
From

Daniel S. Nutter  
Chief Engineer

To 22481  
22518

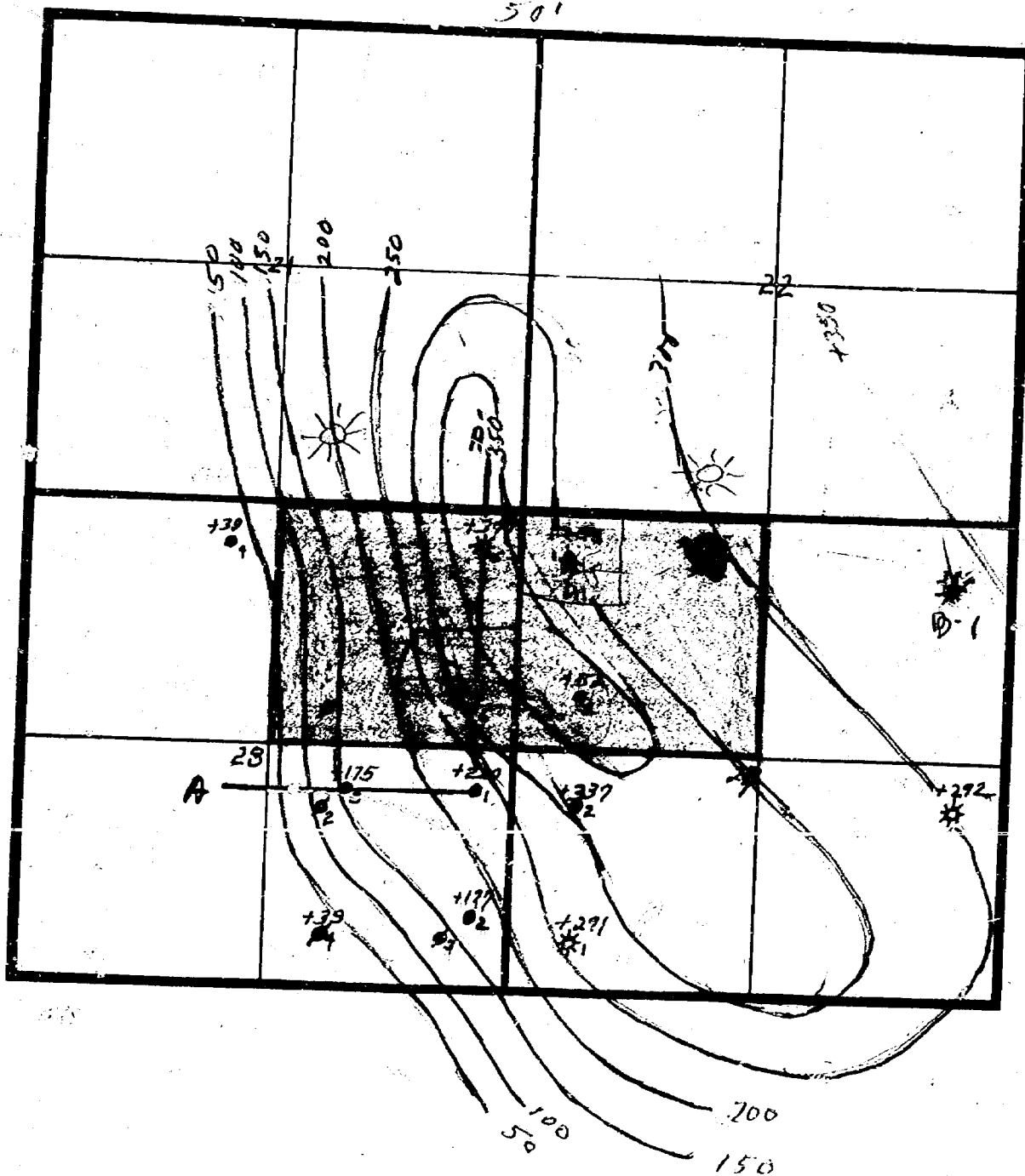
1462 1462  
23324 3324  
32  
124  
124

C.S. water flood  
John Brigg -  
High GOR weels  
on west side  
in along GO contact



Sec 21, 22, 28, 29 Township No. 23 of Range No. 36

UAlmat Gas Pool  
Yates Contour  
50'



# Memo

From  
John Runyon  
Geologist

To <sup>320</sup><sub>ac</sub>

Casing set at

Continental  
Lynn "Fed" #1A

78-1217

52-3024

Unit D - 27-23-34 TD 3358

Top Yates 3133 (son)

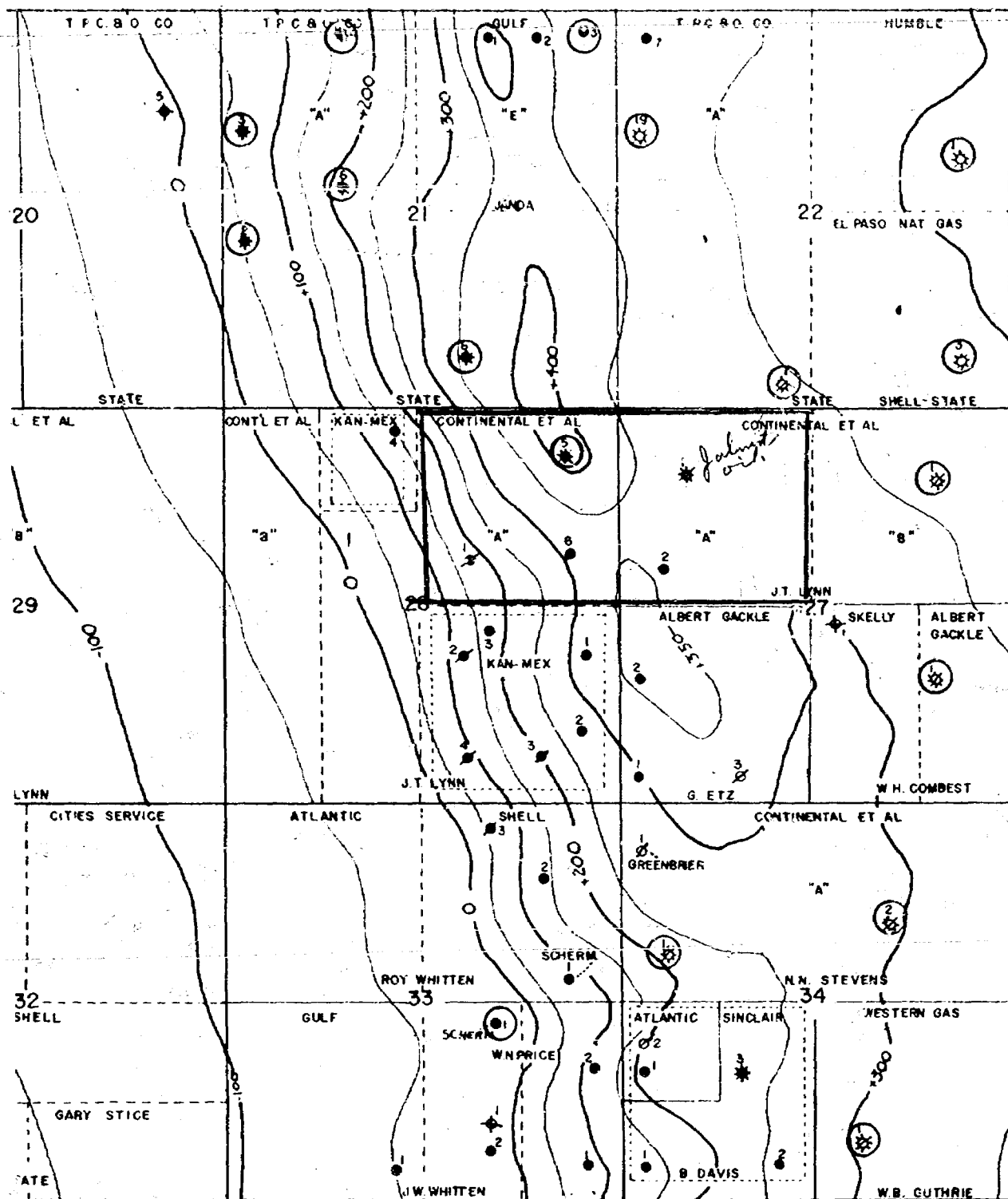
Top Seven Rivers no 7R gun

Elev. 3425 DF

Completion:

open hole 3024 - 3353

oil well



# CONTINENTAL OIL COMPANY

R-36-E; T-23-S

## STRUCTURE MAP

Contoured on top of Yates Formation

Contour Int. = 50'

BEFORE EXAMINER UTZ

OIL CONSERVATION COMMISSION

EXHIBIT NO. 2

CASE NO. 1657

## Location and Ownership Map

BEFORE EXAMINER, UTZ

**OIL CONSERVATION COMMISSION**

EXHIBIT NO.

CASE NO. 1653



NEW MEXICO OIL CONSERVATION COMMISSION  
One-point Back Pressure Test for Gas Wells  
(Deliverability)

Form C-122-C  
4-1-54

Pool Jalmat Formation Yates County Lea  
Initial Annual X Special        Date of test 3-14/3-21-58  
Company Continental Oil Company Lease Lynn A-28 Well No. 5  
Unit A Sec. 28 Twp. 23S Rge. 36E Purchaser El Paso Nat. Gas Co.  
Casing 7" I.D. 6.366 Set at 3054 Perf. 3054 To 3226  
Tubing 3.5/2 7/8 I.D. 2.992 Set at 2868/3293 Perf.        To         
Gas Pay: From 3054 To 3226 2.441 2868/186 x G. .670 = GL 1908/125 Bar. Press. 13.2  
Producing Thru: Casing X Tubing        Type Well G. O. Dual  
Single- Bradenhead-G.G. or G.O. Dual

FLOW DATA

Started		Taken		Duration Hours	Type Taps	Line Size	Orifice Size	Static Press.	Differ- ential	Flow Temp.
Date	Time	Date	Time							
3-17	11:00 AM	3-18	11:00 AM	24	Flg.	4"	1.500	333	43.56	68
	PM		PM							

FLOW CALCULATIONS

Static Pressure $P_r$	Differ- ential $h_w$	Meter Extension $\sqrt{P_r h_w}$	24-Hour Coeff- icient	Gravity Factor $F_g$	Temp. Factor $F_t$	Compress- ability $F_{pv}$	Rate of Flow MCF/Da. @ 15.025 psia $Q$
346.2	53.56	122.80	13.99	.9463	.9924	1.036	1671.4

SHUT-IN DATA

Shut-in		Press. Taken		Duration Hours	Wellhead Pressure ( $P_c$ ) psia		W.H. Working Pressure ( $P_w$ ) and ( $P_t$ ) psia	
Date	Time	Date	Time		Tubing	Casing	Tubing	Casing
3-18	11:00 AM	3-19		24		423.2		
		3-20	11:00 AM	48		423.2		354.2
		3-21		72		422.2		
	PM		PM					

FRICTION CALCULATIONS (if necessary)

$$P_w^2 = (354.2)^2 + (1.105 \times 1.671)^2 (.123) + (865 \times 1.671)^2 (.008)$$

$$125.46 + .42 + .01 = 125.89$$

$$P_w = 354.80$$

DELIVERABILITY CALCULATIONS

$$P_w = 354.8 \quad P_c = 423.2 \quad P_w + P_c = .8384$$

$$1 - \frac{P_w}{P_c} = .1616 \quad 1 + \frac{P_w}{P_c} = 1.8384 \quad \left(1 - \frac{P_w}{P_c}\right) \left(1 + \frac{P_w}{P_c}\right) = M = .2971$$

$$.36 + M = 1.212 \quad \text{Log } 0.08350 \quad x(n) = .544 = 0.04542 +$$

SUMMARY

$P_c = 423.2$  psia  
 $Q = 1671$  MCF/Da.  
 $P_w = 354.8$  psia  
 $P_d = 338.6$  psia  
 $D = 1,855$  MCF/Da.

COMPANY Continental Oil Company  
ADDRESS Box 68, Dunice, New Mexico  
AGENT and TITLE Dist. Supt.  
WITNESSED         
COMPANY       

BEFORE EXAMINER UTZ  
OIL CONSERVATION COMMISSION  
EXHIBIT NO. 4  
CASE NO. 1653

Log Q = 3.22298  
Log D = 3.26840  
Antilog = 1855.2 = D

400  
122  
278

3600  
3450  
150

(Log)

#6 H, 28-23-36

T.D. 3600' Elev. 3450'

Perf 3330-40, 3346-52, 3411-15,

3489-97, 3540-52

Y = 3107

7R = 3353

(Continental  
Lynn Fed)

3450  
3330  
+120  
3107  
343

353  
100  
246

3550  
3450  
100

#1 I, 28-23-36

Elev. 3365 TD 3600

Perf 3550-3579

Y = 3140

7R = 3337

(P.P. Scott Trust  
(Form Kan-mex)  
Lynn Fed)

400  
120  
280

3355  
3180  
275

3620  
3455  
165

#2 P, 28-23-36

TD 3635 Elev. 3355

Perf 3580-3600

Y = 3180

7R = 3375

(P.P. Scott Trust  
(Form Kan-mex)  
Lynn Fed)

#3 J, 28-23-36

TD 3695 Elev. 3695

Perf 3620-3644

Y = 3290

7R = 3485  
290

(P.P. Scott Trust  
(Form Kan-mex)  
Lynn Fed)

(oil)

#1 Unit D - 27-23-36

TD. 3353 Elev. 3425

Cgs 3024 Cor 18658 (Feb)

3425  
3353  
72

3425  
3024  
401

+ 72  
326

(oil)

(Log)

#2 E-27-23-36

TD 3550 Elev 3442

Perf 3317-3328

Y = 3190

7R = 3338

cont

3425  
3353  
72

Cor

#1 A - 27-23-36

Elev. 3385 TD 3480

Cgs 2929

3442

✱

Gas

Albert Gockle - ETZ

(Y = 3100?)

#4 I - 27-23-36

TD. 3550 Elev 3380

Perf 3970 - 3550

BEFORE THE OIL CONSERVATION COMMISSION  
OF THE  
STATE OF NEW MEXICO

IN THE MATTER OF THE APPLICATION OF  
CONTINENTAL OIL COMPANY FOR AN EXCEP-  
TION TO RULE 5(a) OF THE SPECIAL RULES  
AND REGULATIONS FOR THE JALMAT GAS  
POOL, CONTAINED IN ORDER NO. R-520 IN  
ESTABLISHMENT OF A NON-STANDARD GAS  
PRORATION UNIT OF 320 ACRES CONSISTING  
OF THE NE/4 SECTION 28 AND NW/4 SEC-  
TION 27, T-23S, R-36E, NMPM, LEA COUNTY,  
NEW MEXICO, TO BE ALLOCATED TO ITS  
LYNN A-28 WELL NO. 5.

A P P L I C A T I O N

Comes now applicant, Continental Oil Company and petitions the Commission for an order approving the enlargement of the 160-acre non-standard gas proration unit consisting of the NE/4 of Section 28, T-23S, R-36E, NMPM, Lea County, New Mexico, to a 320-acre non-standard gas proration unit to consist of the NE/4 of Section 28 and NW/4 of Section 27, T-23S, R-36E, NMPM, Lea County, New Mexico. The acreage is to be allocated to its Lynn A-28 No. 5 well located 660 feet from the North and East lines of said Section 28 and in support thereof would show:

1. That applicant is co-owner and operator of the Lynn A-27 and Lynn A-28 Leases containing, among other lands, the NE/4 Section 28 and NW/4 Section 27, T-23S, R-36E, NMPM, Lea County, New Mexico.
2. That applicant drilled the Lynn A-28 No. 5 at a location 660 feet from the North and East lines of said Section 28 and completed it March 1, 1942, as a gas well in the Cooper-Jal Pool.
3. That said well, in compliance with order No. R-242, was deepened and dual completed May 13, 1953, as a Yates gas and Seven Rivers oil producer.
4. That a 160-acre standard gas proration unit in the Jalco Pool consisting of the NE/4 of Section 28 was approved upon commencement of gas proration January 1, 1954.
5. That by virtue of subsequent orders of the Commission the well is currently classified as a Jalmat oil - Jalmat gas dual completion.

Page 2

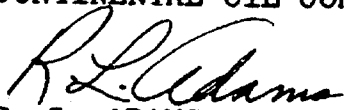
6. That the NW/4 Section 27, T-23S, R-36E, was allocated for Jalmat gas production to applicant's Lynn A-27 Well No. 1 until January 29, 1958, when this well was reclassified as an oil well.

7. That the NW/4 of said Section 27 is not now allocated to any well for Jalmat gas production, that all the acreage therein is reasonably presumed productive of gas and should be allocated to a gas well in the interests of the prevention of waste and protection of correlative rights.

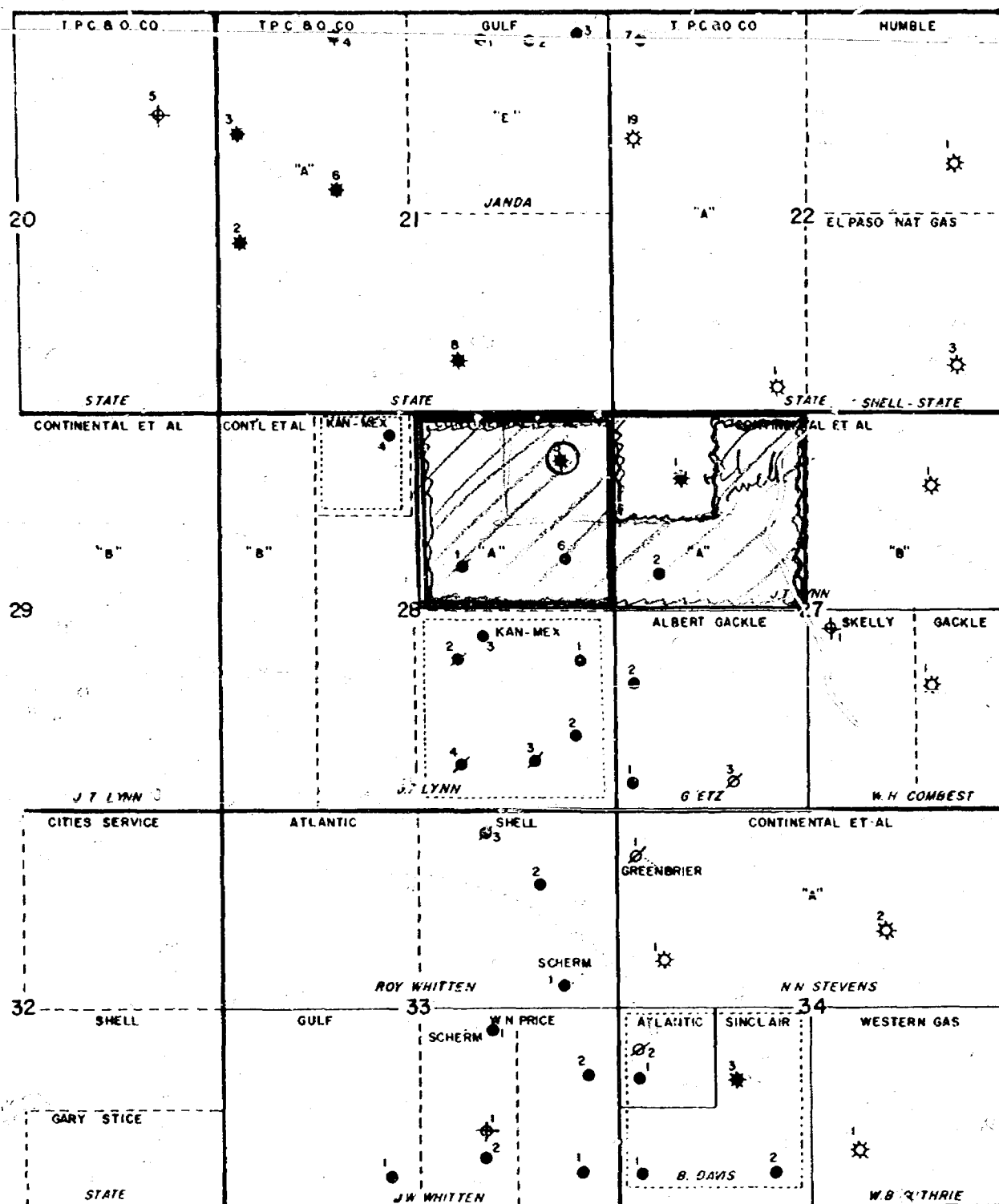
8. That the most practical and economical method of allocating said acreage for Jalmat Pool gas production is to establish a 320-acre non-standard gas proration unit, as described above, for assignment to the Lynn A-28 Well No. 5.

Wherefore, applicant prays that this application be set for hearing before the Commission's duly appointed examiner, 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. L. ADAMS  
Division Superintendent  
of Production  
New Mexico Division

R-36-E



# CONTINENTAL OIL COMPANY

## Location and Ownership Map

Scale: 1" = 2000'

Drwn by: COG



# CONTINENTAL OIL COMPANY

825 PETROLEUM BUILDING  
ROSWELL, NEW MEXICO

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

April 8, 1959

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

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

Re: 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 in Establishment of a Non-Standard Gas Proration Unit of 320 Acres Consisting of the NE/4 Section 28 and NW/4 Section 27, T-23S, R-36E, NMPM, Lea County, New Mexico, to be Allocated to its Lynn A-28 Well No. 5

Gentlemen:

Please find attached three copies of Continental Oil Company's application 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 160-acre non-standard gas proration unit consisting of the NE/4 Section 28, T-23S, R-36E, NMPM, Lea County, New Mexico to a 320-acre non-standard gas proration unit to consist of the NE/4 Section 28 and the NW/4 Section 27, T-23S, R-36E, NMPM, Lea County, New Mexico. The acreage is to be allocated to its Lynn A-28 No. 5 well.

*Docket  
mailed  
5-7-59*

*Docket mailed  
4-22-59  
BP*

PIONEERING IN PETROLEUM PROGRESS SINCE 1875

New Mexico Oil Conservation Commission  
Page 2

We respectfully request that this matter be set for  
hearing at the earliest convenient date.

Yours very truly,

*R. L. Adams*

RLA-BR  
Enc



OIL CONSERVATION COMMISSION  
SANTA FE, NEW MEXICO

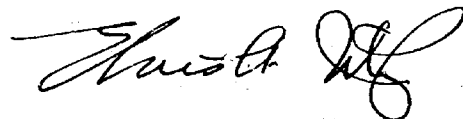
Date 5-13-59

CASE NO. 1653.

HEARING DATE 5-6-59

My recommendations for an order in the above numbered case(s) are as follows:

Contentant asks for an expansion of their 160 Ac. unit dedicated to their Lynn A-28 #5, 660/NAE of 28-235-36E. to include the NW/4 27-235-36E. This was done because the Lynn A-27 #1 NW/4 NW/4 27-235-36E. became an oil well with 18,600 BOPD. This well is completed with open hole with casing shoe set at 302' and a T.D. of 3353. Top of gas is 3133'. This means that the 40 Ac. in production of oil, not gas, and should not be dedicated to a gas unit. I recommend that the unit consist of: NE/4 sec. 28 and NE NW, 5/2 NW sec. 27, 235-36E. 280 Ac. NW/4 of



Staff Member

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. 1653  
Order No. R-1405

APPLICATION OF CONTINENTAL OIL  
COMPANY FOR THE ESTABLISHMENT  
OF A 320-ACRE NON-STANDARD GAS  
PRORATION UNIT IN THE JALMAT GAS  
POOL, LEA COUNTY, NEW MEXICO

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on May 6, 1959, at Santa Fe, New Mexico, before Elvis A. Uta, 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 25<sup>th</sup> day of May, 1959, the Commission, a quorum being present, having considered the application, the evidence adduced, and the recommendations of the Examiner, Elvis A. Uta, 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, is co-owner and operator of the NW/4 of Section 27 and the NE/4 of Section 28, Township 23 South, Range 36 East, NMPM, Lea County, New Mexico.
- (3) That the applicant proposes that the above-described acreage be established as a 320-acre non-standard gas proration unit in the Jalmat Gas Pool with the unit well being applicant's Lynn A-28 Well No. 5, located 660 feet from the North line and 660 feet from the East line of said Section 28.
- (4) That the NW/4 NW/4 of said Section 27 is productive of oil from the Jalmat Gas Pool and cannot reasonably be presumed to be productive of gas from said Pool.
- (5) That approval of a 280-acre non-standard gas proration unit in the Jalmat Gas Pool consisting of the NE/4 NW/4 and S/2 NW/4 of said Section 27 and the NE/4 of said Section 28 will neither cause waste nor impair correlative rights.

-2-

Case No. 1653  
Order No. R-1405

IT IS THEREFORE ORDERED:

(1) That the application of Continental Oil Company for the establishment of a 320-acre non-standard gas proration unit in the Jalmat Gas Pool, consisting of the NW/4 of Section 27 and the NE/4 of Section 28, Township 23 South, Range 36 East, NMPPM, Lea County, New Mexico, be and the same is hereby denied.

(2) That a 280-acre non-standard gas proration unit in the Jalmat Gas Pool consisting of the NE/4 NW/4 and the S/2 NW/4 of said Section 27 and the NE/4 of said Section 28 be and the same is hereby established. Said unit is to be dedicated to applicant's Lynn A-28 Well No. 5, located 660 feet from the North line and 660 feet from the East line of said Section 28.


(3) That the said Lynn A-28 Well No. 5 be assigned an acreage factor for allowable purposes in the proportion that the acreage in the non-standard unit bears to the acreage in a standard gas proration unit in the Jalmat Gas Pool, subject to the provisions of the Special Rules and Regulations for said Pool.

(4) That the effective date of this order shall be June 1, 1959.

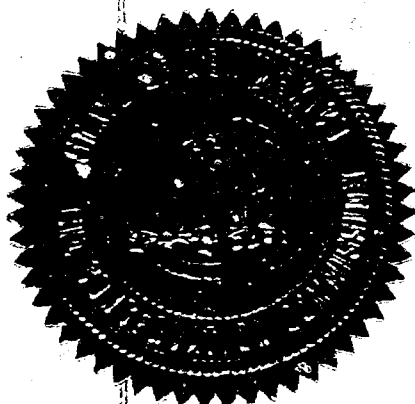
DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO  
OIL CONSERVATION COMMISSION

  
JOHN BURROUGHS, Chairman

  
MURRAY E. MORGAN, Member

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



vem/

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. 1653

Order No. R- 1405

APPLICATION OF CONTINENTAL OIL  
COMPANY FOR THE ESTABLISHMENT  
OF A 320-ACRE NON-STANDARD GAS  
PRORATION UNIT IN THE JALMAT  
GAS POOL, LEA COUNTY, NEW MEXICO

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on May 6, 1959, at Santa Fe, New Mexico, before Elvis A. Utz, 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 \_\_\_\_\_ day of May, 1959, the Commission, a quorum being present, having considered the application, the evidence adduced, and the recommendations of the Examiner, Elvis A. Utz, 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, is co-owner and operator of the NW/4 of Section 27 and the NE/4 of Section 28, Township 23 South, Range 36 East, NMPM, Lea County, New Mexico.

(3) That the applicant proposes that the above-described acreage be established as a 320-acre non-standard gas proration unit in the Jalmat Gas Pool with the unit well being applicant's Lynn A-28 Well No. 5, located 660 feet from the North line and 660 feet from the East line of said Section 28.

(4) That the NW/4 NW/4 of said Section 27 is productive of oil from the Jalmat Gas Pool and cannot reasonably be presumed to be productive of gas from said Pool.

(5) That approval of a 280-acre non-standard gas proration unit in the Jalmat Gas Pool consisting of the NE/4 NW/4 and S/2 NW/4 of said Section 27 and the NE/4 of said Section 28 will neither cause waste nor impair correlative rights.

-2-  
Case No. 1653  
Order No. R-\_\_\_\_\_

IT IS THEREFORE ORDERED:

(1) That the application of Continental Oil Company for the establishment of a 320-acre non-standard gas proration unit in the Jalmat Gas Pool, consisting of the NW/4 of Section 27 and the NE/4 of Section 28, Township 23 South, Range 36 East, NMPM, Lea County, New Mexico, be and the same is hereby denied.

(2) That a 280-acre non-standard gas proration unit in the Jalmat Gas Pool consisting of the NE/4 NW/4 and the S/2 NW/4 of said Section 27 and the NE/4 of said Section 28 be and the same is hereby established. Said unit is to be dedicated to applicant's Lynn A-28 Well No. 5, located 660 feet from the North line and 660 feet from the East line of said Section 28.

(3) That the said Lynn A-28 Well No. 5 be assigned an acreage factor for allowable purposes in the proportion that the acreage in the non-standard unit bears to the acreage in a standard gas proration unit in the Jalmat Gas Pool, subject to the provisions of the Special Rules and Regulations for said Pool.

*June 1, 1957* (4) That the effective date of this order shall be June 1, 1957. DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO  
OIL CONSERVATION COMMISSION