

Entered October 11, 1957
A.S.P.

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
COMMISSION OF THE STATE OF NEW
MEXICO FOR THE PURPOSE OF
CONSIDERING:

CASE NO. 1318
Order No. R-1064

APPLICATION OF CONTINENTAL OIL
COMPANY FOR APPROVAL OF TWO 160-
ACRE NON-STANDARD GAS PRORATION
UNITS 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 September 24, 1957, at Santa Fe, New Mexico, before Daniel S. Nutter, Examiner duly appointed by the New Mexico Oil Conservation Commission, hereinafter referred to as the "Commission," in accordance with Rule 1214 of the Commission Rules and Regulations.

NOW, on this 9th day of October, 1957, 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, is the owner and operator of an oil and gas lease, a portion of which consists of the N/2 of Section 23, Township 22 South, Range 36 East, NMPM, Lea County, New Mexico.

(3) That the above-described acreage is presently dedicated to the applicant's Meyer B-23 No. 1 Well located in the NE/4 NW/4 of said Section 23, which well is completed within the vertical and horizontal limits of the Jalmat Gas Pool.

(4) That the applicant recently drilled its Meyer B-23 No. 3 Well at a point 1980 feet from the North line and 660 feet from the West line of said Section 23 as a projected South Eunice oil well, and that said well was, upon completion, found to be non-productive of oil in the South Eunice Pool but productive of gas from the Jalmat Gas Pool.

(5) That the applicant proposes to divide the above-described 320-acre non-standard gas proration unit in the Jalmat Gas Pool between the aforementioned Meyer B-23 No. 1 Well and the Meyer B-23 No. 3 Well by dedicating the N/2 N/2 of said Section 23 to the former and by dedicating the S/2 N/2 of said Section 23 to the latter.

-2-

Case No. 1318
Order No. R-1064

(6) That approval of the subject application will not cause waste nor violate correlative rights.

IT IS THEREFORE ORDERED:

1. That a 160-acre non-standard gas proration unit in the Jalmat Gas Pool consisting of the N/2 N/2 of Section 23, Township 22 South, Range 36 East, NMPM, Lea County, New Mexico, be and the same is hereby established, said unit to be dedicated to Continental Oil Company's Meyer B-23 No. 1 Well located in the NE/4 NW/4 of said section 23.
2. That a 160-acre non-standard gas proration unit in the Jalmat Gas Pool consisting of the S/2 N/2 of said Section 23, be and the same is hereby created, said unit to be dedicated to Continental Oil Company's Meyer B-23 No. 3 Well located in the SW/4 NW/4 of said Section 23.
3. That the aforementioned Meyer B-23 No. 1 Well and Meyer B-23 No. 3 Well each be granted an allowable, in the proportion that the acreage dedicated to each well bears to a standard gas proration unit in the Jalmat Gas Pool, effective on the first day of the month following receipt by the Commission of the required Commission forms for said wells.

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION



EDWIN L. MECHEM, Chairman



MURRAY E. MORGAN, Member



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

S E A L

ir/