

Entered July 7, 1972
D.J.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 NEW MEXICO FOR
THE PURPOSE OF CONSIDERING:

CASE NO. 4731
Order No. R-4332

APPLICATION OF CONTINENTAL OIL
COMPANY FOR REDEDICATION OF
ACREAGE AND SIMULTANEOUS
DEDICATION, LEA COUNTY,
NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on June 7, 1972,
at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 7th day of July, 1972, the Commission, a
quorum being present, having considered the testimony, the
record, and the recommendations of the Examiner, 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
operator and co-owner of the Sanderson A-B-14 communitized gas
unit comprising all of Section 14, Township 20 South, Range 36
East, NMPM, Eumont Gas Pool, Lea County, New Mexico, dedicated
to its Sanderson "A" Well No. 13, located 1650 feet from the
North line and 1650 feet from the East line of said Section 14.
- (3) That the applicant's Sanderson "A" Well No. 12,
located 660 feet from the South line and 660 feet from the East
line of said Section 14 has been reclassified from an oil well
to a gas well in the Eumont Gas Pool.
- (4) That the applicant seeks the authority to simultaneously
dedicate the above-described 640-acre gas unit to said Wells
Nos. 12 and 13 and produce the allowable assigned to the unit
from the two wells in any proportion.
- (5) That the applicant further seeks a procedure whereby
the allowable for the above-described proration unit may be
produced by any or all wells located within the unit and
classified as Eumont gas wells.

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(6) That the subject unit can be efficiently and economically drained and developed by the above-described Wells Nos. 12 and 13.

(7) That the applicant's request for a procedure whereby the allowable for the above-described proration unit may be produced by any or all wells located within the unit and classified as Eumont gas wells without the necessity of notice and hearing should be denied.

(8) That approval of the application, subject to Finding No. (7), above, will afford the applicant the opportunity to produce its just and equitable share of the gas in the Eumont Gas Pool, will prevent the economic loss caused by the drilling of unnecessary wells, will avoid the augmentation of risk arising from the drilling of an excessive number of wells and will otherwise prevent waste and protect correlative rights.

IT IS THEREFORE ORDERED:

(1) That, effective, as of July 1, 1972, the applicant, Continental Oil Company, is hereby authorized to simultaneously dedicate its Sanderson A-B-14 communitized gas unit comprising all of Section 14, Township 20 South, Range 36 East, NMPM, Eumont Gas Pool, Lea County, New Mexico, to its Sanderson "A" Well No. 13, located 1650 feet from the North line and 1650 feet from the East line and its Sanderson "A" Well No. 12, located 650 feet from the South line and 650 feet from the East line of said Section 14.

(2) That the operator may produce the allowable assigned to the above-described unit from the said Wells Nos. 12 and 13 in any proportion.

(3) That the applicant's request for a procedure whereby the allowable for the subject unit may be produced by any or all wells located within the unit and classified as Eumont Gas wells is hereby denied.


(4) 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


BRUCE KING, Chairman


ALEX J. ARMISO, Member


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

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