Entered November 16, 1912

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. 4858 Order No. R-4439

APPLICATION OF CONTINENTAL OIL COMPANY FOR TWO NON-STANDARD GAS PRORATION UNITS, LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on November 14, 1972, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this <u>16th</u> day of November, 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, seeks approval of the two following Blinebry Gas Pool non-standard gas proration units in Township 21 South, Range 37 East, NMPM:

A 120-acre unit comprising the N/2 SW/4 and the SW/4 SW/4 of Section 21, to be dedicated to applicant's M. E. Wantz Well No. 11 located in Unit L of said Section 21, and a 160-acre unit comprising the NW/4 SE/4, S/2 SE/4, and SE/4 SW/4 of Section 21, to be dedicated to applicant's M. E. Wantz Well No. 8 located in Unit O of said Section 21.

(3) That although the proposed non-standard gas proration units do not lie wholly within a single governmental quarter section and therefore are not eligible for administrative approval, each consists of contiguous quarter-quarter sections or lots, and the entire unit in each case may reasonably be presumed to be productive of gas from the Blinebry Gas Pool. -2-Case No. 4858 Order No. R-4439

(4) That approval of the subject application will afford the applicant the opportunity to produce its just and equitable share of the gas in the pool, and will otherwise prevent waste and protect correlative rights.

IT IS THEREFORE ORDERED:

(1) That a 120-acre non-standard gas proration unit comprising the N/2 SW/4 and the SW/4 SW/4 of Section 21, to be dedicated to applicant's M. E. Wantz Well No. 11 located in Unit L of said Section 21, and a 160-acre non-standard gas proration unit comprising the NW/4 SE/4, S/2 SE/4, and SE/4 SW/4 of Section 21, to be dedicated to applicant's M. E. Wantz Well No. 8 located in Unit O of said Section 21, both located in Township 21 South, Range 37 East, NMPM, Blinebry Gas Pool, are hereby established effective December 1, 1972.

(2) That the beginning status of the aforesaid 120-acre proration unit shall be 3/7ths of the current status of the presently authorized proration unit dedicated to the abovedescribed wells, and the beginning status of the aforesaid 160acre proration unit shall be 4/7ths of the current status of the presently authorized proration unit.

(3) That Commission Order R-4142 is hereby superseded.

(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 フィ BRUCE KING, Chairman mak ARMIJO, Member J. PORTER, Jr., Member & Secretary L.

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