

Entered February 14, 1973
A.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. 4893
Order No. R-4481

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

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on January 17, 1973, at Santa Fe, New Mexico, before Examiner Elvis A. Utz.

NOW, on this 14th day of February, 1973, 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 a 200-acre unit comprising the N/2 NE/4, SE/4 NE/4, and N/2 SE/4 of Section 18, Township 21 South, Range 36 East, to be dedicated to the Meyer A-1 Well No. 6 located in Unit B of said Section 18; a 320-acre unit comprising the S/2 of Section 12, Township 19 South, Range 36 East, to be dedicated to the State KN-12 Well No. 1 located in Unit P of said Section 12; and a 158.9-acre unit comprising the N/2 S/2 of Section 7, Township 19 South, Range 37 East, to be dedicated to the State A-7 Com No. 1 located in Unit I of said Section 7, Eumont Gas Pool, Lea County, New Mexico.

(3) That the proposed non-standard gas proration units can be efficiently and economically drained and developed by the subject wells.

(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 Eumont Gas Pool, will prevent the economic loss caused by the drilling of unnecessary wells, avoid the augmentation of risk arising from the drilling of an excessive number of wells, and will otherwise prevent waste and protect correlative rights.

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IT IS THEREFORE ORDERED:

(1) That a 200-acre unit is hereby established comprising the N/2 NE/4, SE/4 NE/4, and N/2 SE/4 of Section 18, Township 21 South, Range 36 East, to be dedicated to the Meyer A-1 Well No. 6 located in Unit B of said Section 18; that a 320-acre unit is hereby established comprising the S/2 of Section 12, Township 19 South, Range 36 East, to be dedicated to the State KN-12 Well No. 1 located in Unit P of said Section 12; and that a 158.9-acre unit is hereby established comprising the N/2 S/2 of Section 7, Township 19 South, Range 37 East, to be dedicated to the State A-7 Com No. 1 located in Unit I of said Section 7.

(2) That the status for balancing purposes for each of the above-described proration units shall be the combined status of the proration units being consolidated to form said units as of the effective date of this order.

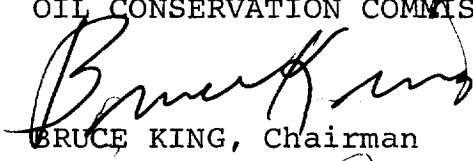
(3) That this order shall become effective at 7:00 a.m. February 20, 1973.

(4) That Commission Orders Nos. R-694, NSP-413, and NSP-280 are hereby superseded.


(5) 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. ARMIJO, Member


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

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