

*Entered May 11, 1973
R.L.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. 4923
Order No. R-4520

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

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on April 11, 1973, at Santa Fe, New Mexico, before Examiner Elvis A. Utz.

NOW, on this 17th day of May, 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 360-acre non-standard gas proration unit comprising Lots 14, 15, and 16 and the SE/4 and E/2 SW/4 of Section 4, Township 21 South, Range 36 East, NMPM, Eumont Gas Pool, Lea County, New Mexico, to be dedicated to its Meyer B-4 Well No. 4 located in Unit S of said Section 4.

(3) That said non-standard gas proration unit presently is dedicated to applicant's Meyer B-4 Well No. 7 in Unit R of Section 4.

(4) That a change in well dedication from the Meyer B-4 Well No. 7 to the Meyer B-4 Well No. 4 will enable applicant to deepen the Meyer B-4 No. 7 for completion in the Eunice-Monument Pool.

(5) That the entire non-standard proration unit may reasonably be presumed productive of gas from the Eumont Gas Pool and that the entire non-standard gas proration unit can be efficiently and economically drained and developed by the Meyer B-4 Well No. 4.

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(6) That approval of the subject application will afford the applicant the opportunity to produce his 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.

IT IS THEREFORE ORDERED:

(1) That effective June 1, 1973, a 360-acre non-standard gas proration unit in the Eumont Gas Pool comprising Lots 14, 15, and 16 and the SE/4 and E/2 SW/4 of Section 4, Township 21 South, Range 36 East, NMPM, Lea County, New Mexico, is hereby established and dedicated to its Meyer B-4 Well No. 4 located in Unit S of said Section 4.

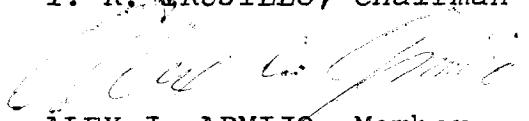
(2) That the balancing status of said proration unit shall be the same as prior to the effective date of this order.

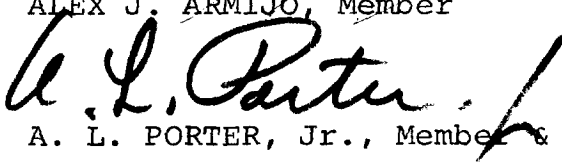
(3) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION


I. R. TRUJILLO, Chairman


ALEX J. ARMIJO, Member


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

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