Contract / Company - 10 ap.

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. 5358 Order No. R-4905

APPLICATION OF CONTINENTAL OIL COMPANY FOR SIMULTANEOUS DEDICATION AND UNORTHODOX GAS WELL LOCATIONS, LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on October 30, 1974, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this <u>4th</u> day of November, 1974, 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 owner and operator of the four wells being the Lynn B-l Well No. 1, in Unit J and Lynn B-l Wells Nos. 3, 4, and 16, at unorthodox locations in Units C, M, and A, respectively, of Section 26, Township 23 South, Range 36 East, NMPM, Jalmat Gas Pool, Lea County, New Mexico.

(3) That the applicant seeks authority to simultaneously dedicate a standard 640-acre gas proration unit comprising all of said Section 26 to the above-described wells.

(4) That the applicant further seeks authority to produce the allowable assigned to the unit from any of the aforesaid wells in any proportion.

(5) That approval of the application will protect correlative rights and prevent waste.

IT IS THEREFORE ORDERED:

(1) That the applicant, Continental Oil Company, is hereby authorized to simultaneously dedicate a standard 640-

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acre gas proration unit comprising all of Section 26, Township 23 South, Range 36 East, NMPM, Jalmat Gas Pool, Lea County, New Mexico, to its Lynn B-1 Well No. 1, in Unit J and Lynn B-1 Wells Nos. 3, 4, and 16, at unorthodox locations in Units C, M, and A, respectively, of said Section 26.

(2) That the allowable assigned to the above-described gas proration unit shall be based upon the unit size of 640 acres; that the operator may produce the allowable assigned to the unit from the subject wells in any proportion.

(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

Hamp

ALEX J. ARMIJO, Member

. L. PORTER, Jr., Member & Secretary

SEAL