Contract 1.11anch 25, 1975-

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. 5425 Order No. R-4988

APPLICATION OF CONTINENTAL OIL COMPANY FOR AN UNORTHODOX LOCATION 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 March 5, 1975, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 25th day of March, 1975, 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 Lockhart B Wells Nos. 7, 4, and 8, located, respectively, at unorthodox locations in Unit D of Section 13 and in Units H and P of Section 14, Township 21 South, Range 36 East, Eumont Gas Pool, Lea County, New Mexico.
- (3) That the applicant seeks approval for the simultaneous dedication of a 480-acre non-standard gas proration unit comprising the W/2 of said Section 13 and the E/2 E/2 of said Section 14 to the above-described wells.
- (4) That the applicant is also the owner and operator of the State KN-12 Wells Nos. 1 and 2, located, respectively, at an unorthodox location in Unit P and at an orthodox location in Unit N of Section 12, Township 19 South, Range 36 East, NMPM, Eumont Gas Pool, Lea County, New Mexico.
- (5) That the applicant seeks approval for the simultaneous dedication of a 320-acre non-standard gas proration unit comprising the S/2 of said Section 12 to the above-described wells.

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- (6) That the applicant further seeks authority to produce the allowable assigned to each of the units from the aforesaid wells on each unit in any proportion.
- (7) That approval of the application will better enable the applicant to produce the gas under each of the subject proration units and will otherwise prevent waste and protect correlative rights.

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IT IS THEREFORE ORDERED:

- (1) That the applicant, Continental Oil Company, is hereby authorized to simultaneously dedicate a 480-acre non-standard gas proration unit comprising the W/2 of Section 13 and the E/2 E/2 of Section 14, Township 21 South, Range 36 East, NMPM, Eumont Gas Pool, Lea County, New Mexico, to its Lockhart B Wells Nos. 7, 4, and 8, located, respectively, at unorthodox locations in Unit D of said Section 13 and in Units H and P of said Section 14.
- (2) That the allowable assigned to the above-described unit shall be based upon the unit size of 480 acres; that the operator may produce the allowable assigned to the unit from the subject wells in any proportion.
- (3) That the applicant is further authorized to simultaneously dedicate a 320-acre non-standard gas proration unit comprising the S/2 of Section 12, Township 19 South, Range 36 East, NMPM, Eumont Gas Pool, Lea County, New Mexico, to its State KN-12 Wells Nos. 1 and 2, located, respectively, at an unorthodox location in Unit P and at an orthodox location in Unit N of said Section 12.
- (4) That the allowable assigned to the above-described unit shall be based upon the unit size of 320 acres; that the operator may produce the allowable assigned to the unit from the subject wells in any proportion.
 - (5) That Commission Order No. R-3490 is hereby superseded.
- (6) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

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

STATE OF NEW MEXICO OIL CONSERVATION COMMISSION

I. R. TRUJILLO, Chairman

PHIL R. LUCERO, Member

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

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