

Entered March 30, 1976



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. 5654
Order No. R-5190

APPLICATION OF CONTINENTAL OIL COMPANY
FOR A NON-STANDARD GAS PRORATION UNIT
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 17, 1976,
at Santa Fe, New Mexico, before Examiner, Daniel S. Nutter.

NOW, on this 30th day of March, 1976, 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 for a 480-acre non-standard gas proration unit
comprising the N/2 and SE/4 of Section 2, in Township 22
South, Range 36 East, NMPM, Eumont Gas Pool, Lea County, New
Mexico.

(3) That the applicant seeks to simultaneously dedicate
to said non-standard unit its State J-2 Wells Nos. 9 and 12,
located in Units G and D, respectively, of said Section 2, with
unit production to be taken from said wells in any proportion.

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

(5) 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 and will otherwise
prevent waste and protect correlative rights.

-2-

Case No. 5654
Order No. R-5190

(6) That Administrative Order NSP-342, which originally approved the above-described non-standard gas proration unit, should be superseded.

IT IS THEREFORE ORDERED:

(1) That effective at 7:00 a.m. on April 1, 1976, the applicant, Continental Oil Company, is hereby authorized to simultaneously dedicate its 480-acre non-standard gas proration unit comprising the N/2 and SE/4 of Section 2 in Township 22 South, Range 36 East, NMPM, Eumont Gas Pool, Lea County, New Mexico, to its State J-2 Wells Nos. 9 and 12, located in Units G and D, respectively, of said Section 2, with unit production to be taken from said wells in any proportion.

(2) That the allowable assigned to the above-described gas proration unit shall be based upon the unit size of 480 acres and that the operator may produce the allowable assigned to the unit from the subject wells in any proportion.

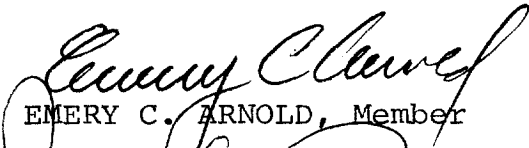
(3) That Administrative Order NSP-342 is hereby superseded.

(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


PHIL R. LUCERO, Chairman


EMERY C. ARNOLD, Member


JOE D. RAMEY, Member & Secretary

S E A L

dr/