

Entered June 26, 1979
JLR

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
DIVISION FOR THE PURPOSE OF
CONSIDERING:

CASE NO. 6571
Order No. R-6043

APPLICATION OF CONTINENTAL OIL
COMPANY FOR VERTICAL POOL LIMIT
REDEFINITION, LEA COUNTY, NEW
MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on June 13, 1979,
at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 26th day of June, 1979, the Division
Director, 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 Division has jurisdiction of this cause and the
subject matter thereof.

(2) That the applicant, Continental Oil Company, seeks an
order extending the vertical limits of the Langlie Mattix Pool
in Lea County, New Mexico, to include the lowermost 165 feet of
the Seven Rivers formation and the concomitant contraction of
the vertical limits of the Jalmat Gas Pool underlying the
following described lands:

TOWNSHIP 23 SOUTH, RANGE 36 EAST, NMPM
Section 35: SW/4, W/2 SE/4, and SE/4 SE/4

TOWNSHIP 24 SOUTH, RANGE 36 EAST, NMPM
Section 1: NW/4, W/2 NE/4 and SE/4 NE/4

(3) That the applicant, Continental Oil Company, is the
owner and operator of certain wells on its leases comprising
the above-described lands.

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(4) That an offset operator to the above-described lands, through error in identification of the upper limits of the Langlie Mattix Pool, recently perforated certain wells in the lower portion of the Jalmat Pool and the upper portion of the Langlie Mattix Pool, whereupon he sought and did receive approval for the redelineation of the vertical limits of the pools in the area offsetting the above-described lands in a manner similar to that sought by the applicant in this case.

(5) That in order to protect its correlative rights, the applicant in this case seeks the proposed amendment to the vertical limits of said Langlie Mattix and Jalmat Pools to permit production from the zones perforated by the offset operator without the necessity for dually completing its wells on the aforesaid lands or drilling new wells thereon.

(6) That no offset operator or other owner in either of said pools appeared and objected to the application.

(7) That the proposed change in the vertical limits of said pools should apply only to the applicant's acreage in said Section 35 and said Section 1.

(8) That to avoid drilling unnecessary wells, to prevent waste, and to protect correlative rights, the application to amend the vertical limits of said pools should be approved as to applicant's acreage in said Section 35 and said Section 1.

IT IS THEREFORE ORDERED:

(1) That effective July 1, 1979, the vertical limits of the Langlie Mattix Pool in Lea County, New Mexico, are hereby extended to include the lowermost 165 feet of the Seven Rivers formation and the vertical limits of the Jalmat Gas Pool are concomitantly contracted by exclusion of said lowermost 165 feet of the Seven Rivers formation underlying the following described lands:

TOWNSHIP 23 SOUTH, RANGE 36 EAST, NMPM
Section 35: SW/4, W/2 SE/4, and SE/4 SE/4

TOWNSHIP 24 SOUTH, RANGE 36 EAST, NMPM
Section 1: NW/4, W/2 NE/4, and SE/4 NE/4

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

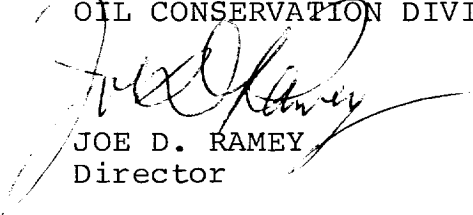
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DONE at Santa Fe, New Mexico, on the day and year herein-
above designated.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION



JOE D. RAMEY
Director

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