

MAIN OFFICE CCC
CONTINENTAL OIL COMPANY

1958 NOV 10 AM 8:29
Roswell, New Mexico
November 7, 1958

NSP-455

(on waiting period)

Due 10/10/58

New Mexico Oil Conservation Commission
Box 871
Santa Fe, New Mexico

Attention: Mr. A. L. Porter, Jr., Secretary-Director

Re: Continental Oil Company application for a 280-acre non-standard gas proration unit for its Stevens A-34 No. 2 in Section 34, T23S, R36E, NMPM, Jalmat Gas Pool, Lea County, New Mexico.

Gentlemen:

Continental Oil Company respectfully requests administrative approval under the provisions of Rule 5 (b) of the Special Rules and Regulations for the Jalmat Gas Pool of Order No. R-520 for the enlargement of the presently approved 160-acre unit to a 280-acre non-standard gas proration unit consisting of the NE $\frac{1}{4}$, N $\frac{1}{2}$ NW $\frac{1}{4}$, & SE $\frac{1}{4}$ NW $\frac{1}{4}$ of Section 34, Township 23 South, Range 36 East, for its Stevens A-34 No. 2 well located 1650 feet from the North line and 1650 feet from the East line of Section 34, Township 23 South, Range 36 East, Lea County, New Mexico in the Jalmat Gas Pool.

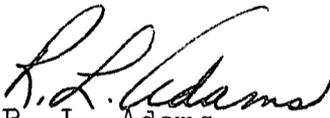
In support of this request we should like to point out that the proposed unit conforms with the requirements of said Rule 5 (b) in all respects as follows:

1. Said proposed non-standard gas proration unit consists of contiguous quarter-quarter sections.
2. Said proposed non-standard gas proration unit lies wholly within a single governmental section.
3. The entire proposed non-standard gas proration unit may be reasonably presumed to be productive of gas.
4. The length or width of said unit does not exceed 5,280 feet.
5. Copies of this application have been furnished this date by registered mail to all offset operators and all operators within 1,500 feet of said well, as required by the provisions of said Rule 5 (b).

A plat is attached hereto showing to the best of our knowledge and belief the proposed unit, the location of the No. 2 well and other wells on the lease, offset wells and ownership thereof.

The granting of this application is in the interest of preventing waste and the protection of correlative rights.

In view of the facts set out herein it is respectfully requested that the Commission enter an order approving the non-standard gas proration unit for Continental Oil Company's Stevens A-34 No. 2 well as described above.


R. L. Adams
Division Superintendent
of Production
New Mexico Division

STATE OF NEW MEXICO)
COUNTY OF CHAVES) ss

R. L. Adams, upon being duly sworn, deposes and says that he is the Division Superintendent of Production for Continental Oil Company, and as such is authorized to file the foregoing application, that he has read said application and knows the contents thereof, and that the statements made therein are true, as he is credibly informed and believes.



(Signature)

Subscribed and sworn to before me this 7th day of November
1958.



My Commission expires:

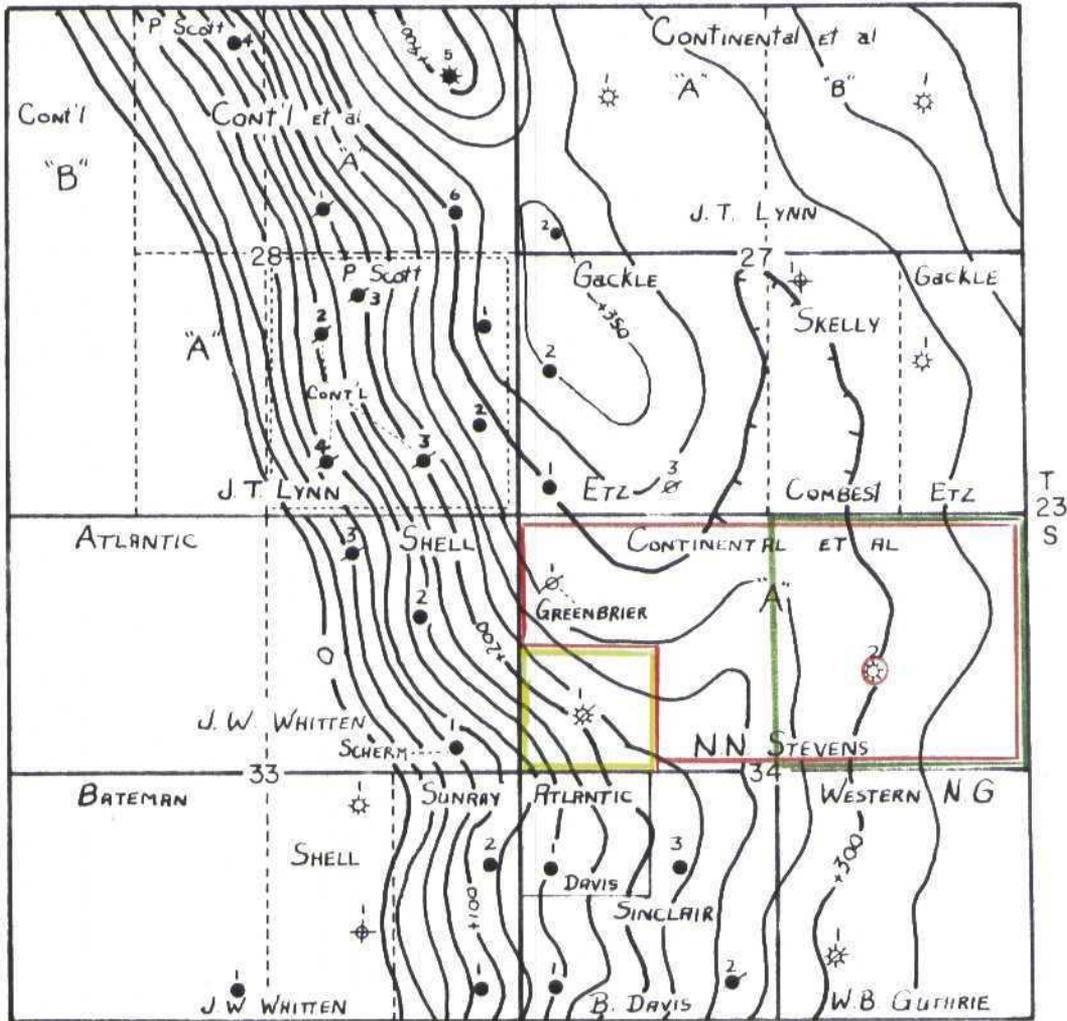
May 25, 1960

Copies to: NMOCC -3 ✓
HLJ -2
JRP
File

Copies by registered mail to:

Atlantic Refining Co., P. O. Box 1023, Denver City, Texas
Western Natural Gas Co., 823 Midland Tower, Midland, Texas
Sinclair Oil & Gas Co., 520 E. Broadway, Hobbs, New Mexico
Shell Oil Co., Box 1957, Hobbs, New Mexico
Schermerhorn Oil Corp., Box 1537, Hobbs, New Mexico
Gackle Oil Company, Box 2076, Hobbs, New Mexico
Skelly Oil Company, Box 38, Hobbs, New Mexico
Sunray Mid-Continent Oil Company, 1101 Wilco Bldg., Midland, Texas

R-36-E



CONTINENTAL OIL COMPANY
 STRUCTURE MAP - JALMAT POOL
 CONTOURED ON TOP OF YATES

CONTOUR INT: 25'

SCALE: 1" = 2000'

- UNIT WELL ○
- PRESENT UNIT —
- PROPOSED UNIT —
- PROPOSED ADJOINING UNIT —

GOVERNOR

EDWIN L. MECHEM
CHAIRMAN

New Mexico

OIL CONSERVATION COMMISSION

LAND COMMISSIONER, MURRAY E. MORGAN
MEMBER

STATE GEOLOGIST, A.L. PORTER JR.
SECRETARY DIRECTOR



P. O. BOX 2045
HOBBS, NEW MEXICO

November 21, 1958

Oliver E. Payne
Oil Conservation Commission
Santa Fe, New Mexico

Re: Continental Oil Co.,
NSP #454 & #455

Dear Ollie:

We have discussed the above problem, and all of us believe that we cannot deny the redistribution of acreage.

If we recalculate the allowables for September and October, we observe the following conditions:

September allowable for 320 Acres.

| | |
|---------|-------------|
| Well #1 | 3095 |
| Well #2 | <u>5051</u> |
| | 8146 |

Assigned allowables - Revised allowables with deliverability calculations into formula, 40 acres to #1 and 280 acres to #2.

| | |
|---------|-------------|
| Well #1 | 661 |
| Well #2 | <u>8786</u> |
| | 9447 |

Revised allowables assuming $\frac{1}{4}$ of marginal allowable assigned to #1 (40 Ac.) and #2 on 280 Ac. spacing and considering its deliverability.

| | |
|---------|-------------|
| Well #1 | 774 |
| Well #2 | <u>8786</u> |
| | 9560 |

Assigning the complete marginal allowable to #1 and 280 ac. assigned for #2, the 320 allowable is:

| | |
|---------|-------------|
| Well #1 | 3095 |
| Well #2 | <u>8786</u> |
| | 11881 |

October allowable for 320 Acre ^{use} Tabulated for comparison in the same sequence and considering the same conditions as for September.

| | (1) | (2) | (3) | (4) |
|---------|-------------|-------------|-------------|-------------|
| Well #1 | 3095 | 729 | 774 | 3095 |
| Well #2 | <u>5549</u> | <u>9711</u> | <u>9711</u> | <u>9711</u> |
| | 8644 | 10440 | 10485 | 12806 |

Albert Gackle, Etz #4-I, Sec. 27-23-36, which is the north offset, has an acreage factor of 200, D=2946. Western Natural Gas, Guthrie #1-0, Sec. 34-23-36, which is the south offset, has an acreage factor of 100, D=332.

Enclosed is a subsurface schematic prepared by John of the geologic correlation in this tract.

Yours very truly,

OIL CONSERVATION COMMISSION



Eric F. Engbrecht
Oil & Gas Inspector

EFE/eb

Encl.

cc-R. F. Montgomery, Hobbs
File

GOVERNOR
EDWIN L. MECHEM
CHAIRMAN

New Mexico

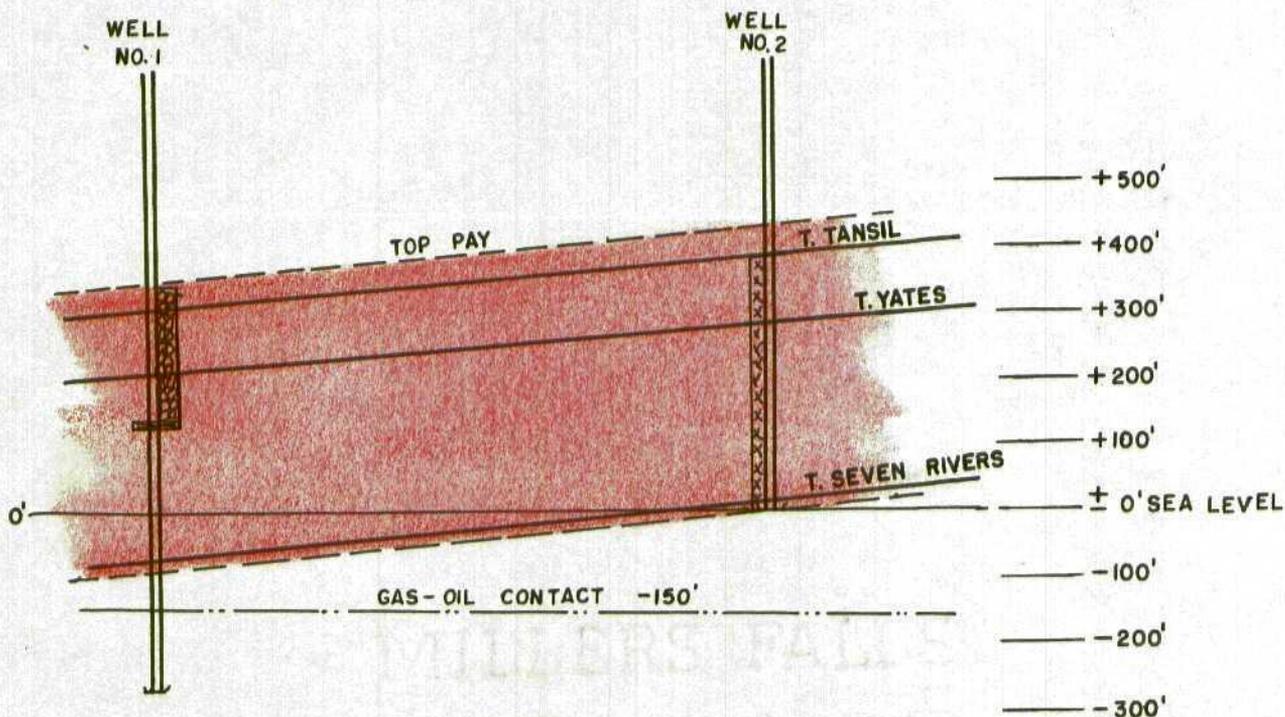
OIL CONSERVATION COMMISSION

LAND COMMISSIONER, MURRAY E. MORGAN
MEMBER

STATE GEOLOGIST, A.L. PORTER JR.
SECRETARY DIRECTOR



P. O. BOX 2045
HOBBS, NEW MEXICO



Elev. = 3417'
Perf. = 3070' - 3260'
P.B. = 3260'
T.D. = 3691'
T. Pay = 3070'

Elev. = 3405'
Open Hole = 3024' to 3400'
T.D. = 3400'
T. Pay = 3127'
Cgs. = 3029'

- (1) Well No. 2 is capable of draining the gas from the entire proposed 280 acres, and without producing fluid.
- (2) There is no geological reasons why the 280 acres cannot be assigned to Well No. 2.

John W. Runyan
John W. Runyan
Geologist, OCC

MAIN OFFICE OCC
DEC 23 8:42 AM
OIL CONSERVATION COMMISSION

BOX 2045

HOBBS, NEW MEXICO

DATE November 21, 1958

OIL CONSERVATION COMMISSION
BOX 871
SANTA FE, NEW MEXICO

Re: Proposed NSP 455

Proposed NSL _____

Proposed NFC _____

Proposed DC _____

Gentlemen:

I have examined the application dated _____
for the Continental Oil Co. Stevens A-34 #2 34-23-36
Operator Lease and Well No. S-T-R

and my recommendations are as follows:

- O.K.---E.F.E.
- O.K.---J.W.R.
- _____
- _____
- _____

Yours very truly,

OIL CONSERVATION COMMISSION

