

Casa No.

1406

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Application, Transcript,  
Small Exhibits, Etc.



EXAMINER HEARING  
OIL CONSERVATION COMMISSION  
Santa Fe, New Mexico  
April 9, 1958

IN THE MATTER OF: Case No. 1406

TRANSCRIPT OF PROCEEDINGS

DEARNLEY - MEIER & ASSOCIATES  
INCORPORATED  
GENERAL LAW REPORTERS  
ALBUQUERQUE, NEW MEXICO  
3-6691 5-9546

EXAMINER HEARING  
OIL CONSERVATION COMMISSION  
Santa Fe, New Mexico  
April 9, 1958

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IN THE MATTER OF:

Application of Continental Oil Company for a  
non-standard gas proration unit. Applicant, in  
the above-styled cause, seeks an order establish-  
ing a 200-acre non-standard gas proration unit in ) Case 1406  
the Eumont Gas Pool consisting of the S/2 S/2 and )  
the NW/4 SW/4 of Section 13, Township 20 South, )  
Range 37 East, Lea County, New Mexico, said unit )  
to be dedicated to the applicant's SEMU Permian )  
Well No. 41 located 660 feet from the South and )  
East lines of said Section 13. )  
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BEFORE: Elvis A. Utz, Examiner

TRANSCRIPT OF PROCEEDINGS

MR. UTZ: The next case will be 1406.

MR. PAYNE: Case 1406: Application of Continental Oil  
Company for a non-standard gas proration unit.

MR. KELLAHIN: We have one witness in this case, Mr. E. V.  
Boynton.

MR. UTZ: Are there any other appearances in this case?  
You may proceed.

(Witness sworn.)

E. V. BOYNTON

called as a witness, having been first duly sworn on oath, testi-  
fied as follows:

DIRECT EXAMINATION

By MR. KELLAHIN:

Q Would you state your name, please?

A My name is E. V. Boynton.

Q By whom are you employed, Mr. Boynton?

A Continental Oil Company.

Q In what position?

A District engineer in the Hobbs District at Hobbs, New Mexico.

Q Have you previously testified before this Commission and had your qualifications accepted?

A I have.

MR. KELLAHIN: Are the witness's qualifications acceptable?

MR. UTZ: They are.

Q Are you familiar with Case 1406?

A I am.

Q Would you state briefly what is proposed under that application?

A Case 1406 is an application of Continental Oil Company for a non-standard gas proration unit consisting of the South Half of the South Half and the Northwest Quarter of the Southwest Quarter of Section 13, Township 20 South, Range 37 East.

(Continental's Exhibit No. 1  
marked for identification.)

Q Now referring to what has been marked as Exhibit No. 1, would you state what that shows?

A Exhibit 1 is a plat showing the area surrounding the proposed non-standard unit. It has the proposed unit outlined in red and the subject well circled in red. It shows the offset proration units outlined in green, and the offset gas wells circled in green. It also shows the structure of the area contoured on top of the Queen formation.

Q You state that the proposed unit is outlined in red. Is that lease ownership all common ownership, Mr. Boynton?

A It is, yes.

Q Is there any reason for not including other portions of the Section 13 within the proposed unit?

A Well, yes, the area outlined in red is within the Southeast Monument Unit, and it would take rather complicated communitization proceedings to include any of the rest of the acreage in Section 13 in the gas proration unit. However, we do have plans for additional development in the area.

(Continental's Exhibit No. 2  
marked for identification.)

Q Now, referring to what has been marked as Exhibit No. 2, will you state what that shows?

A Exhibit No. 2 is a radioactive log of the well that shows the present plug-back depth and the proposed plug-back depth. It shows the top of the Queen formation and the top of the Penrose formation and the top of the Grayburg formation, and it shows the proposed intervals for perforation to complete as a gas well.

Q What is the present completion of that well, Mr. Boynton?

A It is presently shut-in.

Q How is it presently completed? Was it originally completed as an oil well?

A It was originally completed as an oil well in the Skaggs Pool.

Q Just what is proposed to be done with the well if this application is approved?

A We propose to plug it back to the casing seat and perforate in the Queen formation for gas.

Q Referring back to Exhibit No. 1, Mr. Boynton, would it be practical to include the acreage involved in this application with other acreage other than that in Section 13 to which you testified?

A No, sir, I believe it would not.

Q Now, on the basis of the structure location, the information obtained on the log, and in your opinion, would a well located as is the SEMU Permian No. 41 Well, would a well so located, if it produces gas from this formation, be presumed to drain the entire acreage dedicated to this well?

A Yes, I believe so.

Q On what do you base that, Mr. Boynton?

A Well, the structural location of this well, if it is gas productive, the entire acreage will certainly be productive of gas.

Q Now, as shown by your Exhibit No. 1, the well No. 46 lying to the west is productive from the pool, is it not?

A It is from this same interval, yes, sir.

Q And to the south, is there a well located there?

A Our SEMU Monument No. 67 is productive from this same pool.

Q In your opinion would approval of this application be in the interest of conservation and the prevention of waste?

A Yes.

Q Would correlative rights be protected?

A It would.

Q Is the proposed unit in excess of 5,280 feet?

A No, it is not.

Q Is it composed of contiguous quarter-quarter sections or lots?

A It is.

Q Then it all lies within one section?

A It does.

MR. KELLAHIN: That's all the questions we have. At this time we offer in evidence Exhibits No. 1 and 2.

MR. UTZ: Is there objection to the entrance of Exhibits 1 and 2 in this case? If not, they will be accepted.

Any questions of the witness? Mr. Nutter.

CROSS EXAMINATION

By MR. NUTTER:

Q Mr. Boynton, what is the number of the well directly west of your No. 41 well?

A That's Hawk No. 2.



Q No, directly west on the same lease?

A I beg your pardon. 45.

Q 45. What interval is that well completed in?

A It's in the Grayburg formation primarily.

Q What is the well's number directly to the west of it?

A No. 42, 44, and 43, I believe to the north of No. 44.

Q What interval are those wells completed in?

A They are all in the Skaggs Pool.

Q All Skaggs wells?

A Yes.

MR. UTZ: Any other questions?

By MR. UTZ:

Q Mr. Boynton, is there a Eumont gas well to the north and east of this unit?

A Not that I'm aware of, no.

Q This is the only Eumont gas well in Section 13?

A Yes, sir.

MR. UTZ: Do you have anything further?

MR. KELLAHIN: No.

MR. UTZ: Any other questions of the witness? Mr. Cooley.

By MR. COOLEY:

Q Are there any Eumont oil wells in Section 13 or 18? Any Eumont completions of any sort?

A Those wells are all in the Skaggs Pool. They're classified as being in the Skaggs Pool.

Q How is this Well No. 41 located with respect to the horizontal limits of the Eumont Gas Pool? Is it near the edge?

A I'm not sure, but it's probably included in the horizontal limits because the entire Section 24 is in the Eumont Gas Pool.

Q How far, sir, is it from the subject well, the No. 41 well, to the further-most point of the proposed non-standard unit, approximately?

A Well, it's approximately one mile, a little over one; yes, approximately one mile.

Q What is the prescribed spacing for a standard unit in the Eumont Gas Pool?

A For a standard unit?

Q Yes.

A I believe the standard unit is 1980, 1980 from the lines.

Q Then the proposed well would have to drain considerably farther, would it not, than a well located on a standard unit draining 640 acres?

A Yes, it would.

Q Approximately how many acres would it drain, assuming a radial drainage pattern to include the entire unit?

A Well, I don't know.

Q Well, assume a radius of approximately one mile and radial drainage pattern, what would be the area of a circle?

A Well, I would have to figure the area out. I don't know exactly.

Q It would be considerably in excess of 640, wouldn't it?

A Oh, yes.

MR. COOLEY: That's all the questions I have. Thank you.

MR. UTZ: Mr. Stamets.

By MR. STAMETS:

Q Has there been a drill stem test in the Queen zone there?

A I don't think so.

Q Has there been a drill stem test in any of the other wells in the proposed non-standard unit in the Queen?

A Not that I'm aware of, no.

MR. STAMETS: Thank you. That's all.

By MR. UTZ:

Q This well is not completed in the Queen as yet, is it?

A No, sir.

Q What reason do you have to believe that the Queen is productive in this unit?

A Well, the Queen is shown to be well developed on the radioactive log and that is the only reason for assuming that it is productive. It's comparable to the Queen formation in other areas where it is productive.

Q If the Queen does not prove to be productive, what would you do with this well?

A That would be up to management, sir, I couldn't say exactly what we would do.

Q If it isn't productive, you will not want this unit, will you?

A No, sir, we couldn't use the unit.

Q If the well is not productive, would you assume that there is a part of this unit that is productive?

A I think we would have to do that, yes.

MR. UTZ: Any other questions? If not, the witness may be excused.

(Witness excused.)

MR. UTZ: Are there any statements in this case? If no statements, the case will be taken under advisement.

\* \* \* \* \*

C E R T I F I C A T E

STATE OF NEW MEXICO     )  
                                   ) ss  
 COUNTY OF BERNALILLO    )

I, ADA DEARNLEY, Notary Public in and for the County of Bernalillo, State of New Mexico, do hereby certify that the foregoing and attached Transcript of Proceedings before the New Mexico Oil Conservation Commission was reported by me in stenotype and reduced to typewritten transcript under my personal supervision, and that the same is a true and correct record to the best of my knowledge, skill and ability.

WITNESS my Hand and Seal this 28<sup>th</sup> day of April, 1958, in the City of Albuquerque, County of Bernalillo, State of New Mexico.

*Ada Dearnley*  
 NOTARY PUBLIC

My commission expires:  
 June 19, 1959.

I do hereby certify that the foregoing is  
 a true and correct copy of the original  
 filed for record on April 14 1958  
1406  
1958  
 Notary Public for the State of New Mexico  
*Thurston W. Meier*

BEFORE THE OIL CONSERVATION COMMISSION  
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING  
CALLED BY THE OIL CONSERVATION  
COMMISSION OF THE STATE OF NEW  
MEXICO FOR THE PURPOSE OF  
CONSIDERING:

CASE NO. 1406  
Order No. E-1155

APPLICATION OF CONTINENTAL OIL  
COMPANY FOR THE ESTABLISHMENT  
OF A 200-ACRE N-E-STANDARD GAS  
PRORATION UNIT IN THE EUMONT GAS  
POOL, LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on April 9, 1958, at Santa Fe, New Mexico, before Elvis A. Utz, Examiner duly appointed by the New Mexico Oil Conservation Commission, herein-after referred to as the "Commission," in accordance with Rule 1214 of the Commission Rules and Regulations.

NOW, on this 22<sup>nd</sup> day of April, 1958, the Commission, a quorum being present, having considered the application, the evidence adduced and the recommendations of the Examiner Elvis A. Utz, 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 co-owner and operator of an oil and gas lease known as the SEMU Permian Lease, a portion of which consists of the E 3 5/2 and the NW/4 SW/4 of Section 13, Township 20 South, Range 37 East, NMPM, Lea County, New Mexico.

(3) That the applicant is the operator of the SEMU Permian Well No. 41, located 660 feet from the South line and 660 feet from the East line of said Section 13.

(4) That the applicant proposes to recomplete said well as a gas well in the Eumont Gas Pool.

(5) That the applicant proposes to dedicate the above-described acreage to the said SEMU Permian Well No. 41.

(6) That the establishment of the proposed non-standard gas proration unit will not cause waste nor impair correlative rights.

(7) That the application should be granted.

Case No. 1406  
Order No. R-1155

IT IS THEREFORE ORDERED:

1. That the application of Continental Oil Company for the establishment of a 250-acre non-standard gas proration unit in the Eminent Gas Pool, consisting of the E/4 E/4 and the NE/4 SE/4 of Section 13, Township 33 North, Range 27 East, NMR, Lea County, New Mexico, be and the same is hereby granted, said unit to be dedicated to the applicant's SEMU Permian Well No. 41 located 600 feet from the South line and 600 feet from the East line of said Section 13.

2. That the said SEMU Permian Well No. 41 be designated as the unit well for said unit upon recognition as a gas well in the Eminent Gas Pool, and that the same be granted an allowance in the proportion that the above-described acreage bears to the standard proration unit for the Eminent Gas Pool, subject to the Special Rules and Regulations for the Eminent Gas Pool as set forth in Order No. R-520.

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

STATE OF NEW MEXICO  
OIL CONSERVATION COMMISSION

*E. L. Mechem*

EDWIN L. MECHEM, Chairman

*M. E. Morgan*

MURRAY E. MORGAN, Member

*A. L. Porter, Jr.*

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



OIL CONSERVATION COMMISSION  
SANTA FE, NEW MEXICO

Date 4-11-58

CASE 1406

Hearing Date 4-9-58

My recommendations for an order in the above numbered cases are as follows:

1. approve as requested.
2. Unit will consist of  $S/2 S/2$  and  $NW/4 SW/4$  of sec. 13, 20S-37E, 2 ~~70~~ Acres.
3. Unit well in the Continental - SEMO Permian #41, 660/S+E lines of sec. 13-20S-37E.
4. Unit can reasonably be productive of Gas from the Turnout Gas Pool.

*Ernest W. [Signature]*  
Examined

\_\_\_\_\_  
Staff Member



Case 1116

BEFORE THE OIL CONSERVATION COMMISSION  
OF THE  
STATE OF NEW MEXICO

IN THE MATTER OF THE APPLICATION OF  
CONTINENTAL OIL COMPANY FOR AN EXCEPTION  
TO RULE 5(a) OF THE SPECIAL RULES AND  
REGULATIONS FOR THE EUMONT GAS POOL  
CONTAINED IN ORDER NO. R-520 IN ESTABLISH-  
MENT OF A NON-STANDARD GAS PRORATION UNIT  
OF 200 ACRES CONSISTING OF THE S/2 OF THE  
S/2 AND THE NW/4 OF THE SW/4 OF SECTION  
13, T20S, R37E, NMPM, LEA COUNTY, NEW  
MEXICO TO BE ALLOCATED TO ITS SEMU PERMIAN  
WELL NO. 41.

A P P L I C A T I O N

Comes now applicant, Continental Oil Company and petitions the Commission for an order approving a non-standard gas proration unit consisting of the S/2 of the S/2 and the NW/4 of the SW/4 of Section 13, T20S, R37E, NMPM, Lea County, New Mexico, to be allocated to its SEMU Permian No. 41 well located 660 feet from the South and East lines of said Section 13 and in support thereof would show:

1. That applicant is co-owner and operator of the SEMU Permian lease containing, among other lands, the S/2 of the S/2 and the NW/4 of the SW/4 of Section 13, T20S, R37E, NMPM, Lea County, New Mexico.
2. That applicant drilled the SEMU Permian No. 41 at a location 660 feet from the South and East lines of said Section 13 and completed it January 22, 1952, as an oil well in the Skaggs Oil Pool.
3. That said well is now plugged back from the Skaggs Oil Pool because of mechanical difficulties encountered during a recompletion operation and will be recompleted in the Eumont Gas Pool.
4. That no part of the acreage comprising the S/2 of the S/2 and the NW/4 of the SW/4 of said Section 13 is allocated to a gas well and that all said acreage may reasonably be presumed to be productive of gas from the Eumont Pool and should be allocated to a gas well in the interests of the prevention of waste and the protection of correlative rights.
5. That the most practical and economical method of allocating said acreage for Eumont Pool gas production is to establish a 200-acre non-standard gas proration unit, as described above, for assignment to the SEMU Permian Well No. 41.

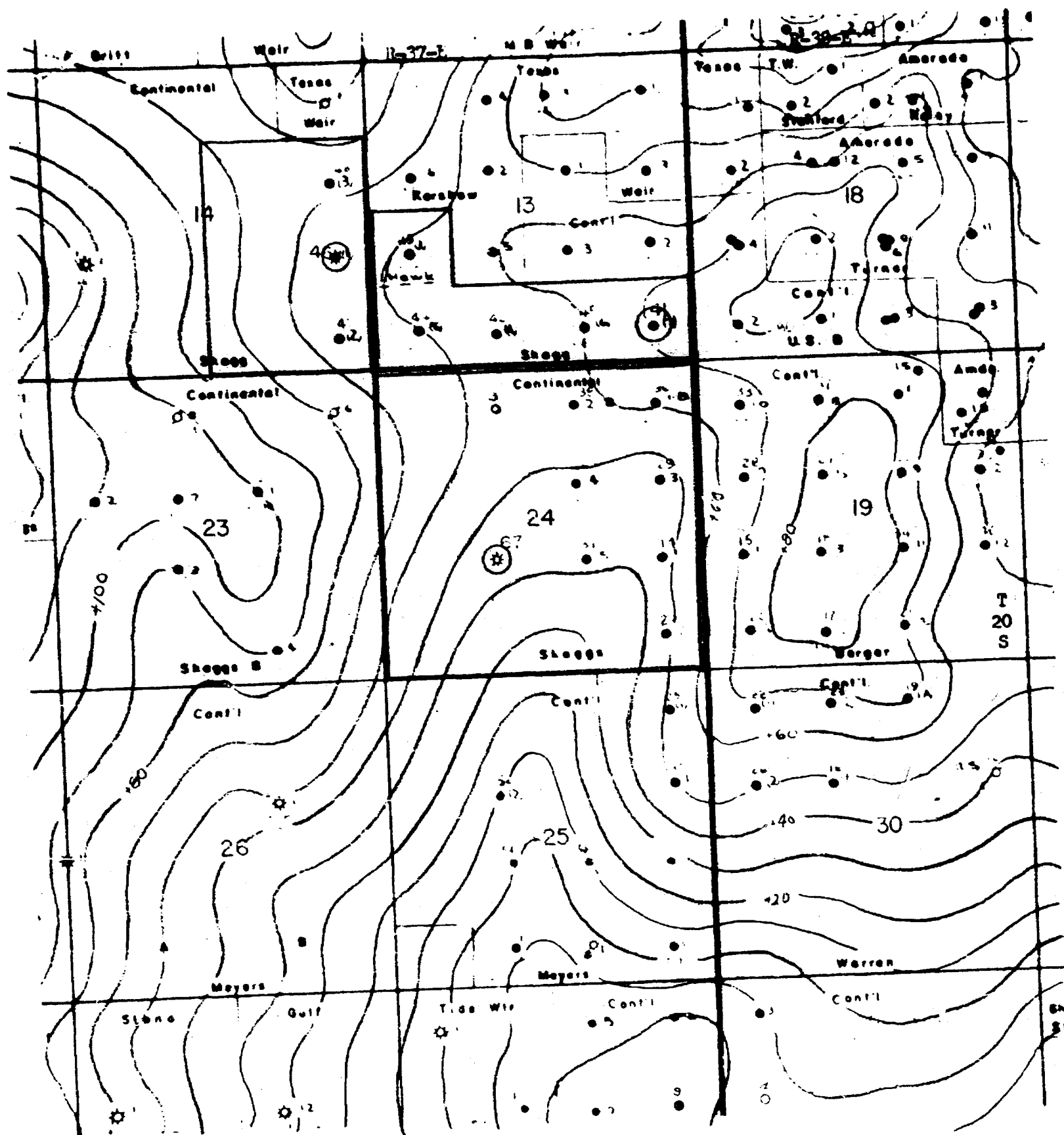
New Mexico Oil Conservation Commission  
Page 2

Wherefore, applicant prays that this application be set for hearing before the Commission's duly appointed examiner, in Hobbs, New Mexico, that appropriate notice thereof be given, and that upon hearing an order be entered granting applicant an exception to Rule 5 (a) of the special rules and regulations for the Eumont Gas Pool contained in Order No. R-520 for the non-standard gas preration unit described above.

Respectfully submitted,  
CONTINENTAL OIL COMPANY



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



STRUCTURE PLAT - EUMONT AREA  
 Contoured on Top of Queen  
 Contour Int: 10'  
 Scale: 1"=2,000'

○ Proposed Recompletion  
 — Proposed Gas Unit

○ Offset Gas Well  
 — Offset Gas Unit

Hobbs Dist. Office

February, 1958

Cell 1406



## CONTINENTAL OIL COMPANY

825 PETROLEUM BUILDING  
ROSWELL, NEW MEXICO

March 13, 1958

R. L. ADAMS  
DIVISION SUPERINTENDENT  
OF PRODUCTION  
NEW MEXICO DIVISION

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

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

We attach herewith our application in triplicate for a 200-acre non-standard gas proration unit consisting of the S/2 of the S/2 and the NW/4 of the SW/4 of Section 13, T20S, R37E, NMPM, Lea County, New Mexico, to be assigned to our SEMU Permian Well No. 41. It is requested that this matter be set for hearing at your earliest convenience.

Yours very truly,

RIA-MW

Enc

DOCKET: EXAMINER HEARING APRIL 9, 1958

OIL CONSERVATION COMMISSION 9 a.m., MABRY HALL, STATE CAPITOL, SANTA FE, NM

The following cases will be heard before Elvis A. Utz, Examiner:

- - -

CASE 1356: Application of Cities Service Oil Company for an order amending Order No. R-1128. Applicant, in the above-styled cause, seeks an order amending Order No. R-1128 to authorize the transfer of allowable from water injection wells to other wells on the same basic lease, to establish a lease allowable for the applicant's Government "B" Lease, and to authorize administrative approval for additions to, or deletions from the pilot area and/or injection wells.

CASE 1404: Application of Continental Oil Company for permission to produce more than eight oil wells into a common tank battery. Applicant, in the above-styled cause, seeks an order authorizing the production of a maximum of eleven oil wells in the Jalmat Gas Pool into a common tank battery. Said wells are located on the applicant's Eaves A-19 lease comprising the S/2, S/2 NW/4, and NW/4 NW/4 of Section 19, Township 26 South, Range 37 East, Lea County, New Mexico.

CASE 1405: Application of Continental Oil Company for an oil-oil dual completion. Applicant, in the above-styled cause, seeks an order authorizing the dual completion of its A. M. Lockhart B-14 "A" No. 1-D Well, located 1980 feet from the North line and 660 feet from the East line of Section 14, Township 21 South, Range 37 East, Lea County, New Mexico, in such a manner as to produce oil from the Terry Blinebry Oil Pool and oil from the Drinkard Oil Pool through parallel strings of tubing.

CASE 1406: Application of Continental Oil Company for a non-standard gas proration unit. Applicant, in the above-styled cause, seeks an order establishing a 200-acre non-standard gas proration unit in the Eumont Gas Pool consisting of the S/2 S/2 and the NW/4 SW/4 of Section 13, Township 20 South, Range 37 East, Lea County, New Mexico, said unit to be dedicated to the applicant's SEMU Permian Well No. 41 located 660 feet from the South and East lines of said Section 13.

CASE 1407: Application of Delhi-Taylor Oil Corporation for a non-standard gas proration unit. Applicant, in the above-styled cause, seeks an order establishing a 169.42-acre non-standard gas proration unit in the Aztec-Pictured Cliffs Gas Pool consisting of the SW/4 and S/2 NW/4 of Section 31, Township 29 North, Range 8 West, San Juan County, New Mexico, said unit to be dedicated to the applicant's Prichard Well No. 4-C, located 1450 feet from the South line and 790 feet from the West line of said Section 31.

- CASE 1408: Application of Delhi-Taylor Oil Corporation for a non-standard gas proration unit. Applicant, in the above-styled cause, seeks an order establishing a 170.58-acre non-standard gas proration unit in the Aztec-Pictured Cliffs Gas Pool consisting of the SW/4 of Section 30 and the N/2 NW/4 of Section 31, all in Township 29 North, Range 8 West, San Juan County, New Mexico, said unit to be dedicated to the applicant's Jones Well No. 3, located 1750 feet from the South line and 1090 feet from the West line of said Section 30.
- CASE 1409: Application of Gulf Oil Corporation for an oil-oil dual completion. Applicant, in the above-styled cause, seeks an order authorizing the dual completion of its Lea State "CL" Well No. 1, located 2651 feet from the North line and 1650 feet from the East line of Section 2, Township 16 South, Range 32 East, Lea County, New Mexico, in such a manner as to permit the production of oil from the Wolfcamp formation adjacent to the Anderson Ranch-Wolfcamp Pool and oil from the Anderson Ranch-Devonian Pool through parallel strings of tubing.
- CASE 1410: Application of Gulf Oil Corporation for an oil-oil dual completion. Applicant, in the above-styled cause, seeks an order authorizing the dual completion of its Lea State "R" Well No. 1, located 990 feet from the North line and 660 feet from the East line of Section 2, Township 16 South, Range 32 East, Lea County, New Mexico, in such a manner as to permit the production of oil from the Wolfcamp formation adjacent to the Anderson Ranch-Wolfcamp Pool and oil from the Anderson Ranch-Devonian Pool through parallel strings of tubing.
- CASE 1411: Application of Gulf Oil Corporation for an oil-oil dual completion. Applicant, in the above-styled cause, seeks an order authorizing the dual completion of its J. F. Janda "F" Well No. 3, located 1980 feet from the North and West lines of Section 4, Township 22 South, Range 36 East, Lea County, New Mexico, in such a manner as to permit the production of oil from the Jalmat Gas Pool and oil from the South Eunice (Oil) Pool through parallel strings of tubing.
- CASE 1412: Application of John M. Kelly for a non-standard gas proration unit. Applicant, in the above-styled cause, seeks an order establishing a 240-acre non-standard gas proration unit in the Eumont Gas Pool consisting of the E/2 SW/4, W/2 SE/4, and W/2 NE/4 of Section 16, Township 19 South, Range 37 East, Lea County, New Mexico, said unit to be dedicated to the applicant's Humble State No. 1 Well located 1980 feet from the South and West lines of said Section 16.
- CASE 1413: Application of Austral Oil Exploration Company for an exception to Rule 309 of the Commission Rules and Regulations. Applicant, in the above-styled cause, seeks an order authorizing it to commingle the production from all wells completed in the Townsend-Wolfcamp Pool, Lea County, New Mexico, on the following described leases:

CASE 1413

Continued:

W. M. Snyder "B" Lease - Township 16 South, Range 36 East  
Section 6: Lots 9, 10, 15, & 16  
and SE/4

W. M. Snyder "C" Lease - Township 16 South, Range 36 East  
Section 5: Lot 5  
Section 6: Lots 1, 7, & 8

CASE 1414:

Application of The Texas Company for an oil-oil dual completion. Applicant, in the above-styled cause, seeks an order authorizing the dual completion of its C. H. Weir "B" Well No. 1, located in the SE/4 NE/4 of Section 11, Township 20 South, Range 37 East, Lea County, New Mexico, in such a manner as to permit the production of oil from the Skaggs-Drinkard Pool and oil from an undesignated Glorieta oil pool through parallel strings of tubing.

CASE 1415:

Application of Phillips Petroleum Company for authority to effect an oil-oil dual completion and to commingle the production from two separate pools. Applicant, in the above-styled cause, seeks an order authorizing the dual completion of its Santa Fe Well No. 18, located in the NW/4 NE/4 of Section 34, Township 17 South, Range 35 East, Lea County, New Mexico, in such a manner as to produce oil from the Yates formation adjacent to the Vacuum-Yates Pool and from the Vacuum (San Andres) Pool through parallel strings of tubing. Applicant further seeks authority to commingle the oil produced from the separate reservoirs in common storage after measuring the Yates oil through dump-type meters.

CASE 1416:

Application of Aztec Oil and Gas Company for a non-standard location. Applicant, in the above-styled cause, seeks an order authorizing a non-standard gas well location for its Culpepper-Martin Well No. 9, to be located 1850 feet from the North line and 1950 feet from the West line of Section 30, Township 32 North, Range 12 West, Blanco Mesaverde Pool, San Juan County, New Mexico.

CASE 1417:

Application of Sinclair Oil and Gas Company for an oil-oil dual completion. Applicant, in the above-styled cause, seeks an order authorizing the dual completion of its A. M. York "B" Well No. 2, located in the NE/4 NE/4 Section 20, Township 21 South, Range 37 East, Lea County, New Mexico, to produce oil from the Tubb Gas Pool and from the Drinkard Oil Pool through parallel strings of tubing.

CASE 1418:

Application of Shell Oil Company for an exception to Rule 309 of the Commission Rules and Regulations. Applicant, in the above-styled cause, seeks an order authorizing the transportation, prior to measurement, of oil produced on its E. W. Mudge No. 4 Lease, comprising All of Sections 21, 28, 33, and 34, to its L. M. Phillips No. 2 Lease, comprising the S/2, NE/4, and Lots 1 and 2 of Section 4, N/2 Section 9, SW/4 and E/2 Section 10, All Section 15, N/2 and SE/4 Section 22, and W/2 Section 27,

-4-  
Docket No. 10-58

Examiner Hearing April 9, 1958

CASE 1418  
Continued:

all in Township 25 North, Range 12 West, San Juan County,  
New Mexico. Applicant further seeks authority to commingle  
the production from each of said leases after separately  
measuring said production by means of positive displacement  
meters.

ir/



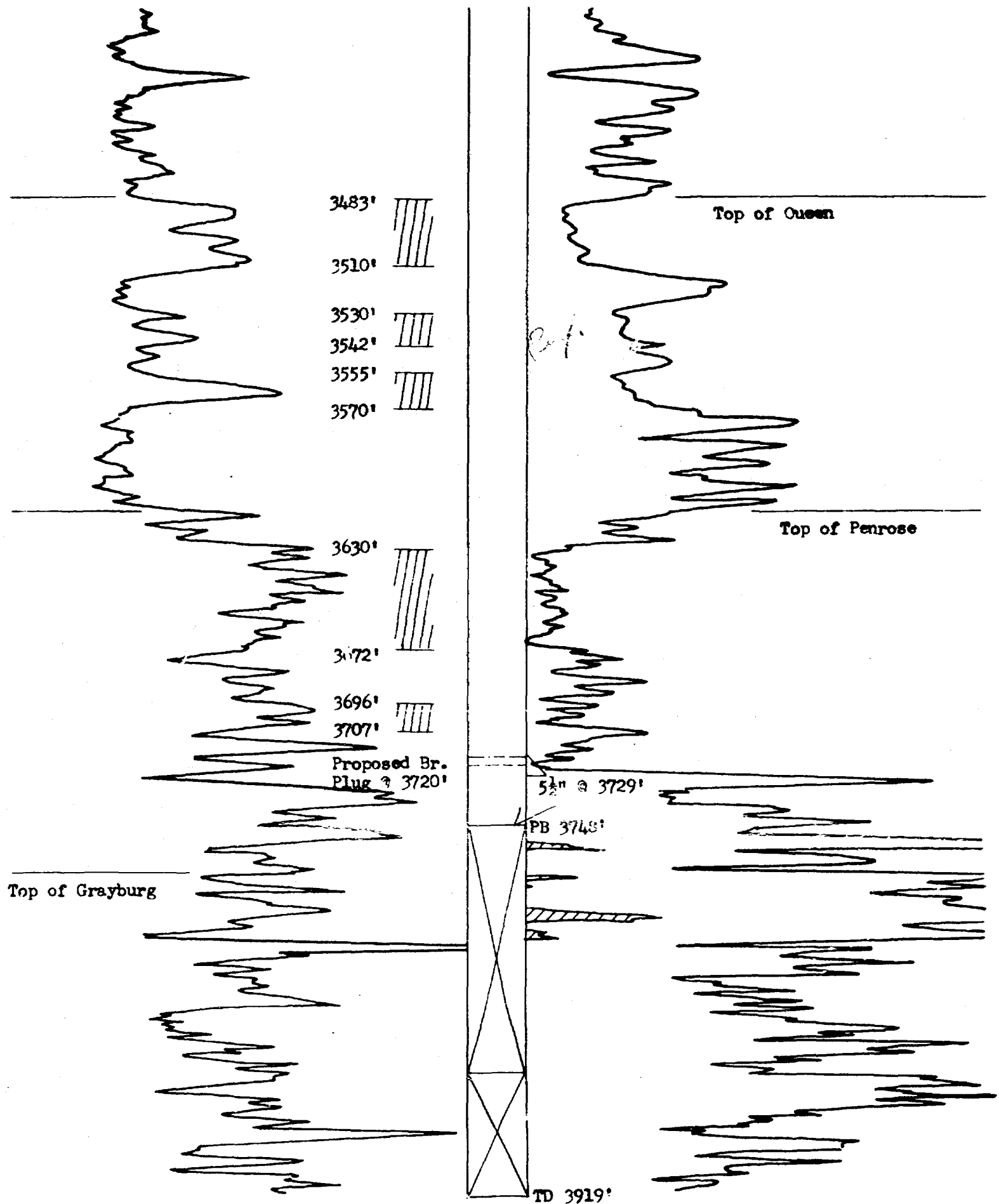


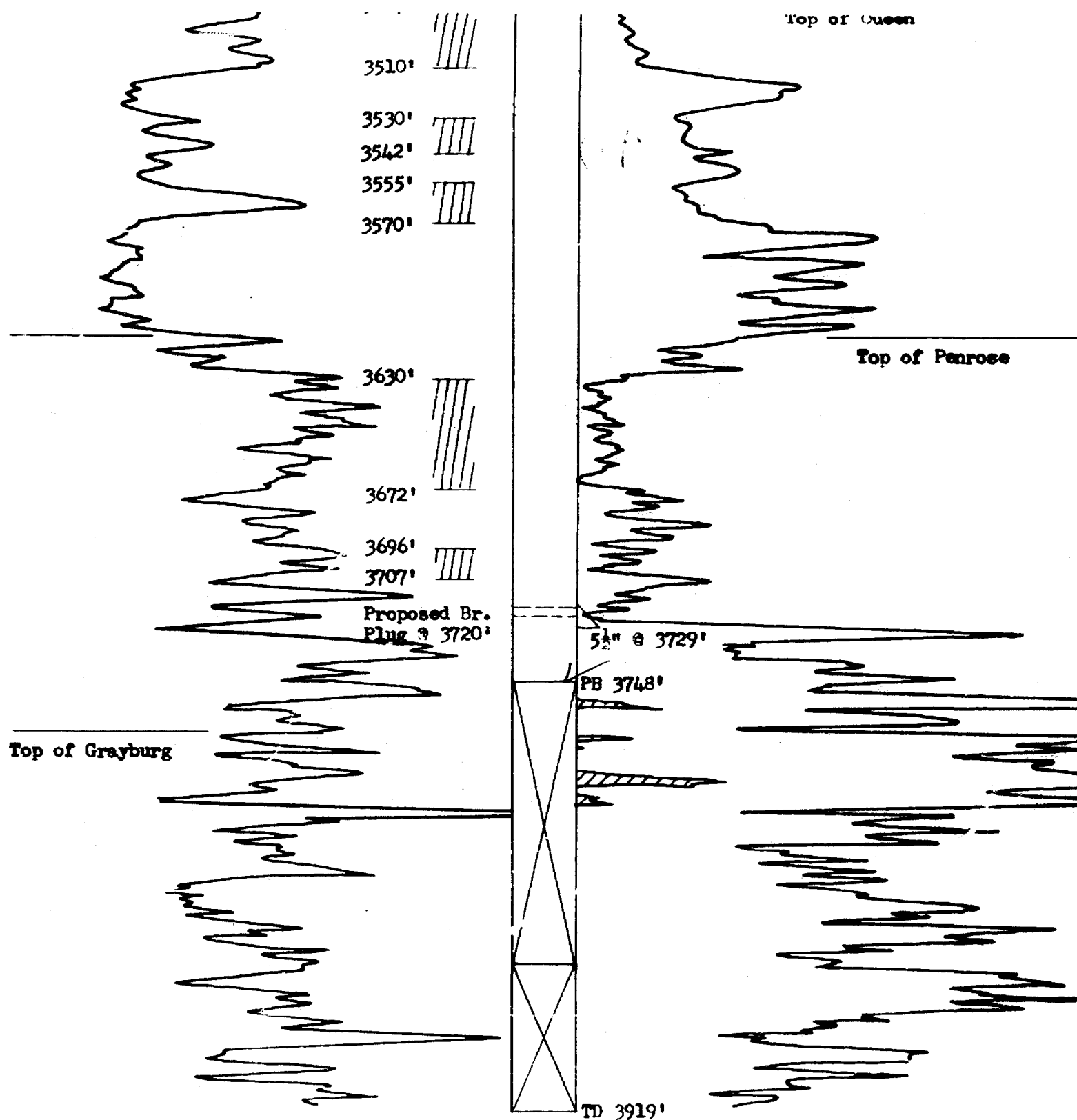
# CONTINENTAL OIL COMPANY

## SEMU-Permian No. 41

Elev: 3556'

BEFORE THE  
OIL CONSERVATION COMMISSION  
SANTA FE, NEW MEXICO  
*Cont.* EXHIBIT No. 2  
CASE 1406





Completed, 1-22-52, @ TD 3919' for 11 BOPD, no water, flowing thru 1" choke.

In March '54, in attempting to squeeze off gas, tools were lost in hole. In Sept. '57, attempts to whipstock failed, well was plugged back to 3748' and shut in. Total oil prod. 1303 bbls.