Entered July 5, 1957 A.R. P.

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. 1259 Order No. R-1015

APPLICATION OF CONTINENTAL OIL COMPANY FOR A 320-ACRE NON-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 1 o'clock p.m., on May 28, 1957, at Hobbs, New Mexico, before Daniel S. Nutter, Examiner duly appointed by the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission," in accordance with Rule 1214 of the Commission Rules and Regulations.

NOW, on this $28^{\frac{1}{2}}$ day of June, 1957, the Commission, a quorum being present, having considered the application, the evidence adduced, and the recommendations of the Examiner, Daniel S. Nutter, 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 of a State of New Mexico oil and gas lease covering the W/2 of Section 20, Township 21 South, Range 36 East, NMPM, Lea County, New Mexico.

(3) That the applicant is the owner and operator of the State "C-20" Well No. 5, located 660 feet from the South line and 660 feet from the West line of said Section 20, which well is presently completed in the Eumont Gas Pool on a 160-acre non-standard gas proration unit consisting of the SW/4 of said Section 20.

(4) That the applicant proposes to dedicate the entire W/2 of said Section 20 to its aforementioned State "C-20" Well No. 5.

(5) That approval of the subject application will not cause waste nor impair correlative rights.

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IT IS THEREFORE ORDERED:

(1) That the application of Continental Oil Company for a 320-acre non-standard gas proration unit consisting of the W/2 of Section 20, Township 21 South, Range 36 East, NMPM, Lea County, New Mexico, be and the same is hereby approved, said unit to be dedicated to the applicant's State "C-20" Well No. 5, located in the SW/4 SW/4 of said Section 20.

That the applicant's State "C-20" Well No. 5 be granted (2) an allowable in the proportion that the above-described acreage bears to a standard proration unit for the Eumont Gas Pool, subject to the provisions of Rule 8 of the Special Rules and Regulations concerning increase in dedicated acreage for the Eumont Gas Pool as set forth in Order R-520.

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

> STATE OF NEW MEXICO OIL CONSERVATION COMMISSION

EDWIN L. MECHEM, Chairman

MURRAY E. MORGAN, Member

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

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