Entered June 12, 1958

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. 1437 Order No. R-1192

APPLICATION OF CONTINENTAL OIL COMPANY FOR A 320-ACRE NON-STANDARD GAS PRORATION UNIT IN THE JALMAT 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 May 6, 1958, at Santa Fe, 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 $\mathcal{W}^{\underline{th}}$ day of June 1958, 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 operator and co-owner of the N/2 of Section 7, Township 23 South, Range 37 East, NMPM, Lea County, New Mexico.

(3) That the applicant is the operator and co-owner of the Stevens B-7 Unit Well No. 1, located 990 feet from the North line and 990 feet from the West line of said Section 7, which well is presently assigned a non-standard gas proration unit in the Jalmat Gas Pool comprising the NW/4 of said Section 7.

(4) That the applicant proposes to enlarge the existing 160-acre unit to a 320-acre unit by including the NE/4 of said Section 7 in the acreage dedicated to the above-described well.

(5) That the applicant has failed to prove that the NE/4 of said Section 7 can reasonably be expected to be productive of gas from the Jalmat Gas Pool and that the application should therefore be denied.

-2-Case No. 1437 Order No. R-1192

IT IS THEREFORE ORDERED:

That the application of Continental Oil Company for the establishment of a 320-acre non-standard gas provation unit in the Jalmat Gas Pool comprising the N/2 of Section 7, Township 23 South, Range 37 East, NMPM, Lea County, New Mexico, to be dedicated to the applicant's Stevens B-7 Unit Well No. 1 located 990 feet from the North line and 990 feet from the West line of said Section 7, be and the same is hereby denied.

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

Petter

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

SEAL

ir/