

Entered September 17, 1963
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 NEW MEXICO FOR
THE PURPOSE OF CONSIDERING:

CASE No. 2868
Order No. R-2539

APPLICATION OF CONTINENTAL OIL COMPANY
FOR A NON-STANDARD OIL PRORATION UNIT,
LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on July 24, 1963, 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 7th day of August, 1963, 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, seeks approval of a 48.99-acre non-standard oil proration unit comprising Lots 2 and 3 of Section 31, Township 26 South, Range 32 East, NMPM, Lea County, New Mexico, to be dedicated to its Russell Federal 31 Well No. 1, located in Lot 3 of said Section 31.

(3) That one well will efficiently and economically drain and develop the proposed non-standard unit.

(4) That in order to prevent the economic loss caused by the drilling of unnecessary wells, to avoid the augmentation of risks arising from the drilling of an excessive number of wells and otherwise prevent waste and protect correlative rights, the proposed non-standard oil proration unit should be approved.

(5) That the Russell Federal 31 Well No. 1 is within one mile of the North Mason-Delaware Pool and completed in the same formation and should therefore be operated and prorated in

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accordance with the Special Rules and Regulations for the North Mason-Delaware Pool.

IT IS THEREFORE ORDERED:

(1) That a 48.99-acre non-standard oil proration unit comprising Lots 2 and 3 of Section 31, Township 26 South, Range 32 East, NMPM, Lea County, New Mexico, is hereby approved and dedicated to the Russell Federal 31 Well No. 1, located in Lot 3 of said Section 31.

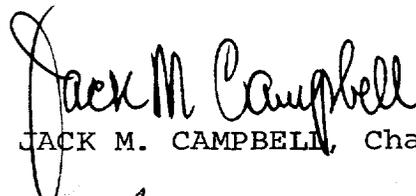
(2) That the above-described non-standard unit shall be operated and prorated in accordance with the Special Rules and Regulations for the North Mason-Delaware Pool.

(3) That the allowable assigned to the above-described 48.99-acre non-standard oil proration unit shall bear the same ratio to a standard allowable in the North-Mason Delaware Pool as the acreage in said unit bears to 40.

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

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION


JACK M. CAMPBELL, Chairman


E. S. WALKER, Member


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

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