BEFORE THE OIL CONSERVATION COMMISSION OF THE STATE OF NEW MEXICO

Entered November 16, 111 -

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

> CASE NO. 4859 Order No. R-4440

APPLICATION OF CONTINENTAL OIL COMPANY FOR TWO NON-STANDARD GAS PRORATION UNITS, LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on November 14, 1972, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this <u>16th</u> day of November, 1972, the Commission, a quorum being present, having considered the testimony, the record, and the recommendations of the Examiner, 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 an 80-acre unit comprising the SW/4 NW/4 of Section 13 and the SE/4 NE/4 of Section 14, Township 21 South, Range 37 East, Lea County, New Mexico, to be dedicated to applicant's Lockhart B-14 "A" Well No. 1 located in Unit H of Section 14, and a 160-acre unit comprising the NW/4 SE/4, N/2 SW/4, and SW/4 SW/4 of Section 13 of the same township, to be simultaneously dedicated to applicant's Lockhart B-13 "A" Wells Nos. 1 and 8 located in Units M and L, respectively, of said Section 13.

(3) That although the proposed non-standard gas proration units do not lie wholly within a single governmental quarter section and therefore are not eligible for administrative approval, each consists of contiguous quarter-quarter sections or lots, and the entire unit in each case may reasonably be presumed to be productive of gas from the Blinebry Gas Pool.

(4) That approval of the subject application will afford the applicant the opportunity to produce its just and equitable share of the gas in the pool, and will otherwise prevent waste and protect correlative rights. -2-Case No. 4859 Order No. R-4440

IT IS THEREFORE ORDERED:

(1) That an 80-acre non-standard gas proration unit in the Blinebry Gas Pool comprising the SW/4 NW/4 of Section 13 and the SE/4 NE/4 of Section 14, Township 21 South, Range 37 East, NMPM, Lea County, New Mexico, to be dedicated to applicant's Lockhart B-14 "A" Well No. 1 located in Unit H of Section 14 is hereby established, and a 160-acre non-standard gas proration unit in the Blinebry Gas Pool comprising the NW/4 SE/4, N/2 SW/4, and SW/4 SW/4 of Section 13 of the same township, to be simultaneously dedicated to applicant's Lockhart B-13 "A" Wells Nos. 1 and 8 located in Units M and L, respectively, of said Section 13 is hereby established.

(2) 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 BRUCE KING, Chai J. ARMIJO, Member ALEX A. L. PORTER, Jr., Member & Secretary

SEAL

dr/