and 3, 1-192. . Course UP

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. 5374 Order No. R-4931

APPLICATION OF CONTINENTAL OIL COMPANY FOR SIMULTANEOUS DEDICATION, LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on November 26, 1974, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this <u>3rd</u> day of December, 1974, 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, is the operator of a non-standard 480-acre gas proration unit comprising the N/2 and SE/4 of Section 23, Township 22 South, Range 36 East, NMPM, Lea County, New Mexico, which is presently dedicated to applicant's Meyer B-23 Wells Nos. 1, 2, and 3, located at unorthodox locations in Units C, O, and E, respectively, of said Section 23.

(3) That the producing capacity of the aforesaid wells has declined to the extent that they are incapable of producing the allowable for said unit.

(4) That applicant has drilled its Meyer B-23 Well No. 4, located in Unit G of said Section 23, and said well is capable of production from the Jalmat Gas Pool.

(5) That the applicant seeks approval for the simultaneous dedication of the subject non-standard proration unit to its Meyer B-23 Wells Nos. 1, 2, 3, and 4, with the allowable assigned to said unit to be produced from said wells in any proportion.

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(6) That approval of the subject application will better enable the applicant to produce its just and equitable share of the gas in the Jalmat Gas Pool and will otherwise prevent waste and protect correlative rights.

IT IS THEREFORE ORDERED:

(1) That the applicant, Continental Oil Company, is hereby authorized simultaneously to dedicate its 480-acre non-standard gas proration unit, consisting of the N/2 and SE/4 of Section 23, Township 22 South, Range 36 East, NMPM, Jalmat Gas Pool, Lea County, New Mexico, to its Meyer B-23 Wells Nos. 1, 2, 3, and 4, located in Units C, O, E, and G, respectively, of said Section 23.

(2) That the allowable assigned to the above-described non-standard gas proration unit shall be based on the unit size of 480-acres and that the operator may produce the allowable assigned to the unit from the subject wells in any proportion.

(3) 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

I. R. TRUJILLO, Chairman

ALEX J. ARMIJO, Member & Secretary PORTER, Jr., Membe

SEAL

jr/