

IN THE MATTER OF THE APPLICATION OF
CONTINENTAL OIL COMPANY FOR AN EXCEPTION
TO RULE 5 (a) OF THE SPECIAL RULES AND
REGULATIONS FOR THE JALMAT GAS POOL CON-
TAINED IN ORDER NO. R-520, IN ESTABLISH-
MENT OF A NON-STANDARD GAS PRORATION UNIT
OF 120 ACRES CONSISTING OF S/2 SE/4 SECTION
20 AND THE SW/4 SW/4 SECTION 21, T24S, R-37
E, NMPM, LEA COUNTY, N. M. TO BE ALLOCATED
TO ITS JACK A-21 WELL NO. 1

CASE 969

Comes now Continental Oil Company, hereinafter called "applicant", and would respectfully show unto the Commission:

1. That applicant is the co-owner and is the operator of a lesase designated the Jack "A" lease containing, among other lands, the E/2 Section 20 and the SW/4 SW/4 Section 21, T24S, R37E, NMPM, Lea County, New Mexico.
2. That applicant drilled and completed on November 18, 1937 an oil well on said lease located 660 feet from the south and west lines of said Section 21.
3. That said well was plugged back and recompleted on April 24, 1949 as a gas well producing from the presently defined vertical limits of the Jalmat gas pool.
4. That the NE/4 and N/2 SE/4 of said Section 20 is presently allocated to the Jack "A" No. 4 well, but that the S/2 SE/4 is not allocated to any producing well.
5. That in the interests of the prevention of waste and the protection of correlative rights the S/2 SE/4 should be allocated to a producing gas well and that the proposed gas proration unit is the most practical method of allocating said acreage to a producing gas well.
6. That the offset operators are as follows:

Stanolind Oil & Gas Co., P. O. Box 68, Hobbs, New Mexico
Texas Co., Continental Life Bldg., Fort Worth, Texas
Shell Oil Co., Box 845, Roswell, New Mexico
Skelly Oil Co., Box 1135, Eunice, New Mexico
Western Natural Gas Co., 823 Midland Tower, Midland, Texas
Two States Drlg., Co., 528 Wilson Bldg., Dallas, Texas

Wherefore applicant prays that this application be set for hearing before the Commission's duly appointed examiner, that appropriate notice thereof be given and that upon hearing an order be issued grating applicant an exception to rule 5 (a) of the special rules and regulations for the Jalmat gas pool contained in order no. R-520 for the non-standard gas proration unit described above.

Respectfully submitted,

CONTINENTAL OIL COMPANY
H. L. Johnston
Regional Manager of Production
Southwestern Region

NEW MEXICO OIL & GAS ENGINEERING COMMITTEE
HOBBS, NEW MEXICO
October 10, 1955