

Case 1259

BEFORE THE OIL CONSERVATION COMMISSION

OF THE

STATE OF NEW MEXICO

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 EUMONT GAS POOL CONTAINED IN ORDER NO. R-520 IN ENLARGEMENT TO 320 ACRES OF THE PRESENTLY APPROVED 160-ACRE NON-STANDARD GAS PRORATION UNIT ALLOCATED TO ITS STATE C-20 WELL NO. 5; SAID ENLARGED UNIT TO CONSIST OF W/2 OF SECTION 20, T-21-S, R-36-E, NMPM, LEA COUNTY, NEW MEXICO

A P P L I C A T I O N

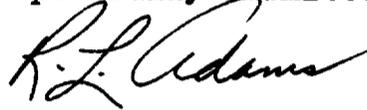
Comes now applicant, Continental Oil Company, and petitions the Commission for an order enlarging the gas proration unit allocated to its State C-20 well No. 5 from the presently approved 160-acre unit, consisting of the SW/4 of Section 20, T-21-S, R-36-E, NMPM, Lea County, New Mexico, to a 320-acre unit consisting of W/2 of said Section 20; and in support thereof would show:

1. That applicant is the owner and operator of a lease designated the State C-20 lease, consisting of the W/2 of Section 20, T-21-S, R-36-E, NMPM, Lea County, New Mexico.
2. That applicant drilled the State C-20 well No. 5 at a location 660 feet from the South line and 660 feet from the West line of said Section 20, and completed it June 13, 1935, as an oil well.
3. That said well was recompleted July 29, 1949, as a gas well producing from formations now designated as the Eumont Pool.
4. That for gas proration purposes the well is presently allocated to the SW/4 of said Section 20; that the NW/4 has never been allocated to any gas well for gas proration purposes; that the entire area sought to be allocated to said well is gas productive and should be allocated to a gas well in the interests of the prevention of waste and the protection of correlative rights.
5. That the most practical and economical method of allocating said acreage for Eumont Pool gas production is to establish a 320-acre non-standard gas proration unit as described

above for assignment to the State C-20 No. 5.

Wherefore, applicant prays that this application be set for hearing before the Commission's duly appointed examiner, in Hobbs, New Mexico, that appropriate notice thereof be given, and that upon hearing, an order be entered granting applicant an exception to Rule 5 (a) of the special rules and regulations for the Eumont gas pool contained in order No. R-520 for the non-standard gas proration unit described above.

Respectfully submitted,

A handwritten signature in cursive script, appearing to read "R. L. Adams".

CONTINENTAL OIL COMPANY