

BEFORE THE OIL CONSERVATION COMMISSION
OF THE
STATE OF NEW MEXICO

IN THE MATTER OF THE APPLICATION OF
CONTINENTAL OIL COMPANY FOR AN EXCEP-
TION TO RULE 5(a) OF THE SPECIAL RULES
AND REGULATIONS FOR THE JALMAT GAS
POOL CONTAINED IN ORDER NO. R-520 IN
ESTABLISHMENT OF A NON-STANDARD GAS
PRORATION UNIT OF 320 ACRES CONSISTING
OF THE NE/4 SECTION 28 AND NW/4 SEC-
TION 27, T-23S, R-36E, NMPM, LEA COUNTY,
NEW MEXICO, TO BE ALLOCATED TO ITS
LYNN A-28 WELL NO. 5.

A P P L I C A T I O N

Comes now applicant, Continental Oil Company and petitions the Commission for an order approving the enlargement of the 160-acre non-standard gas proration unit consisting of the NE/4 of Section 28, T-23S, R-36E, NMPM, Lea County, New Mexico, to a 320-acre non-standard gas proration unit to consist of the NE/4 of Section 28 and NW/4 of Section 27, T-23S, R-36E, NMPM, Lea County, New Mexico. The acreage is to be allocated to its Lynn A-28 No. 5 well located 660 feet from the North and East lines of said Section 28 and in support thereof would show:

1. That applicant is co-owner and operator of the Lynn A-27 and Lynn A-28 Leases containing, among other lands, the NE/4 Section 28 and NW/4 Section 27, T-23S, R-36E, NMPM, Lea County, New Mexico.
2. That applicant drilled the Lynn A-28 No. 5 at a location 660 feet from the North and East lines of said Section 28 and completed it March 1, 1942, as a gas well in the Cooper-Jal Pool.
3. That said well, in compliance with order No. R-242, was deepened and dual completed May 13, 1953, as a Yates gas and Seven Rivers oil producer.
4. That a 160-acre standard gas proration unit in the Jalco Pool consisting of the NE/4 of Section 28 was approved upon commencement of gas proration January 1, 1954.
5. That by virtue of subsequent orders of the Commission the well is currently classified as a Jalmat oil - Jalmat gas dual completion.

6. That the NW/4 Section 27, T-23S, R-36E, was allocated for Jalmat gas production to applicant's Lynn A-27 Well No. 1 until January 29, 1958, when this well was reclassified as an oil well.

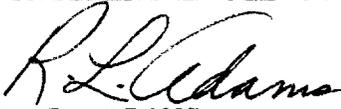
7. That the NW/4 of said Section 27 is not now allocated to any well for Jalmat gas production, that all the acreage therein is reasonably presumed productive of gas and should be allocated to a gas well in the interests of the prevention of waste and protection of correlative rights.

8. That the most practical and economical method of allocating said acreage for Jalmat Pool gas production is to establish a 320-acre non-standard gas proration unit, as described above, for assignment to the Lynn A-28 Well No. 5.

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 entered granting 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


R. L. ADAMS
Division Superintendent
of Production
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