



# CONTINENTAL OIL COMPANY

825 PETROLEUM BUILDING  
ROSWELL, NEW MEXICO

April 24, 1961

WM. A. MEAD  
DIVISION SUPERINTENDENT  
OF PRODUCTION  
NEW MEXICO DIVISION

New Mexico Oil Conservation Commission  
Box 871  
Santa Fe, New Mexico

Attention: Mr. A. L. Porter, Jr., Secretary-Director

Re: CONTINENTAL OIL COMPANY'S  
APPLICATION FOR EXCEPTION  
TO RULE 5 (a) OF THE SPECIAL  
RULES AND REGULATIONS FOR  
PRORATED GAS POOLS OF SOUTH-  
EAST NEW MEXICO CONTAINED  
IN ORDER NO. R-1670 FOR THE  
ENLARGEMENT OF THE PRESENTLY  
APPROVED 120-ACRE UNIT TO A  
NON-STANDARD GAS PRORATION  
UNIT OF 240-ACRES CONSISTING  
OF E/2 E/2, SW/4 SE/4 AND SE/4  
SW/4 SECTION 17, T21S, R37E,  
NMPM, LEA COUNTY, NEW MEXICO  
TO BE ALLOCATED TO ITS LOCK-  
HART A-17 WELL NO. 2-EUMONT  
GAS POOL

Gentlemen:

We are attaching three copies of Continental Oil  
Company's Application as described above.

We respectfully request that you set this matter for  
hearing at the earliest possible date.

Yours very truly,

*W. A. Mead*

WAM-sk  
cc: RGP HGD JRP JWK

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 PRORATED GAS POOLS  
OF SOUTHEAST NEW MEXICO CONTAINED IN  
ORDER NO. R-1670 FOR THE ENLARGEMENT OF  
THE PRESENTLY APPROVED 120-ACRE UNIT TO  
A NON-STANDARD GAS PRORATION UNIT OF  
240 ACRES CONSISTING OF E/2 E/2, SW/4  
SE/4 AND SE/4 SW/4 SECTION 17, T21S,  
R37E, NMPM, LEA COUNTY, NEW MEXICO TO  
BE ALLOCATED TO ITS LOCKHART A-17 WELL  
NO. 2, EUMONT GAS POOL

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 present 120-acre gas proration unit to one of 240 acres consisting of E/2 E/2, SW/4 SE/4 and SE/4 SW/4 of Section 17, T21S, R37E, NMPM, Eumont Gas Pool, Lea County, New Mexico, to be allocated to its Lockhart A-17 No. 2 well located 1980 feet from the south line and 660 feet from the east line of said Section 17 and in support thereof would show:

1. That applicant is co-owner and operator of a lease designated as the Lockhart A-17 Lease, consisting of E/2 NE/4 and NE/4 SE/4 of Section 17, T21S, R37E, NMPM, Lea County, New Mexico.

2. That Tidewater Oil Company is owner and operator of a lease designated as the Percy Hardy Lease, consisting of the S/2 SE/4 of said Section 17, and that N.G. Penrose, Inc. is owner and operator of a lease designated as the Hardy Lease consisting of the SE/4 SW/4 of said Section 17.

3. That this acreage contained in these two tracts will be communitized with the above mentioned Lockhart A-17 Lease to form a 240-acre non-standard gas proration unit consisting of E/2 E/2, SW/4 SE/4 and SE/4 SW/4 of said Section 17.

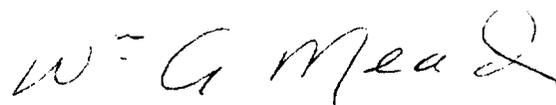
4. That applicant drilled and completed in June, 1947, its Lockhart A-17 No. 2 as a Drinkard oil well, located 1980 feet from the south line and 660 feet from the east line of said Section 17, and on April 21, 1959, the said well was dually completed in the Drinkard Oil and Eumont Gas Pools.

5. That the E/2 NE/4 and NE/4 SE/4 of said Section 17 is presently assigned the said Well No. 2, but that the S/2 SE/4 and SE/4 SW/4 is not assigned to any Eumont gas well and that all of said acreage may reasonably be presumed to be productive of gas from the Eumont Pool and should be allocated to a gas well in the interests of the prevention of waste and the protection of correlative rights.

6. That the most practical and economical method of allocating said acreage for Eumont Pool gas production is to enlarge the existing 120-acre unit to a 240-acre non-standard gas proration unit for assignment to the Lockhart A-17 Well No. 2.

Wherefore, applicant prays that this application be set for hearing before the Commission's duly appointed examiner, in Santa Fe, 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 prorated gas pools of southeast New Mexico, contained in Order No. R-1670 for the non-standard gas proration unit described above.

Respectfully submitted,  
CONTINENTAL OIL COMPANY



Wm. A. MEAD  
Division Superintendent  
of Production  
New Mexico Division