



CONTINENTAL OIL COMPANY

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PRODUCTION DEPARTMENT
HOBBS DIVISION

L. P. THOMPSON
Division Manager

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Assistant Division Manager

February 4, 1971

Case 4508

New Mexico Oil Conservation Commission
P. O. Box 2088
Santa Fe, New Mexico 87501

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

Gentlemen:

**Subject: Application for Temporary Pool Rules and Discovery Allowable -
SEMU No. 10**

Enclosed in triplicate is our Application for Temporary Pool Rules for the Warren Devonian Pool calling for 80-acre spacing, and for a Discovery Allowable to be assigned to our SEMU No. 10, which was recently recompleted in that pool. Please set this matter for hearing on your February 24, Examiner Hearing Docket.

By letter dated January 13, we requested administrative approval to commingle two Federal leases allocating production on the basis of monthly well tests. Recognizing the possibility that this situation could not be given administrative approval, we requested in that letter that, if a hearing was necessary, the matter be docketed as a companion case to another application for hearing. If this indeed is the situation, we should appreciate that matter being docketed as a companion to the enclosed application.

Yours very truly,

LPT-RW

- CC: RLA, JJB, JWK,
- A. D. Kloxin
- Atlantic Richfield Company - Roswell
- G. A. Schurman
- Chevron Oil Company - Midland
- Alex Clarke
- Amoco Production Company - Fort Worth
- V. E. Staley
- Amoco Production Company - Hobbs

DOCKET MARKED

Date 2-11-71

BEFORE THE OIL CONSERVATION COMMISSION
OF THE
STATE OF NEW MEXICO

IN THE MATTER OF THE APPLICATION OF
CONTINENTAL OIL COMPANY FOR TEMPORARY
POOL RULES FOR THE WARREN DEVONIAN OIL
POOL, PROVIDING FOR 80-ACRE SPACING
AND FOR THE ASSIGNMENT OF A DISCOVERY
ALLOWABLE TO ITS SEMU NO. 10 WELL LO-
CATED IN UNIT F SECTION 29, TOWNSHIP
20 SOUTH, RANGE 38 EAST, LEA COUNTY,
NEW MEXICO

Case 4508

A P P L I C A T I O N

Comes now applicant, Continental Oil Company, and respectfully requests the promulgation of temporary pool rules providing for 80-acre drilling and spacing units for the Warren Devonian Pool; and for a discovery allowable for its SEMU Well No. 10 located in Unit F Section 29, Township 20 South, Range 38 East, Lea County, New Mexico, and in support thereof would show:

1. Applicant is operator and co-owner of the Southeast Monument Unit, containing 5,403.58 acres, more or less, in Township 20 South, Ranges 37 and 38 East, Lea County, New Mexico.
2. Applicant, in 1949, drilled its SEMU Well No. 10 at a location 1980' from north and west lines of Section 29, Township 20 South, Range 38 East, and completed said well in the McKee formation as an oil well in the Warren McKee Pool.
3. During the drilling of said well, applicant recovered oil on drill stem test in the Devonian formation.
4. Said well was plugged back and recompleted January 10, 1971, in the Devonian formation which was perforated 7764-7787, in what has been designated the Warren Devonian Pool.
5. Evidence available to applicant indicates that said well is capable of draining at least 80-acres in the Devonian formation.
6. Temporary field rules providing for 80-acre drilling and spacing units should be promulgated in the interest of preventing waste and protecting correlative rights.

WHEREFORE, applicant respectfully requests that this application be set for hearing before the Commission's duly appointed Examiner and that, upon hearing, an order be entered promulgating temporary pool rules providing for 80-acre drilling and spacing units for the Warren Devonian Pool; and granting a discovery allowable to SEMU No. 10 well as described above.

Respectfully submitted,


L. P. THOMPSON
Division Manager
of Production

VTL-RW