

1
FROM 2000: April. of CONTINENTAL
OIL CO. FOR A NEW STANDARD UNIT,
LAS CUEVAS, NEW MEXICO.

4909

Application
Transcripts.

Small Exhibits

ETC.

dearnley, meier & mc cormick

209 SIMMS BLDG., P.O. BOX 1092, PHONE 243-6691, ALBUQUERQUE, NEW MEXICO 87103
1216 FIRST NATIONAL BANK BLDG. EAST ALBUQUERQUE, NEW MEXICO 87108

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BEFORE THE
NEW MEXICO OIL CONSERVATION COMMISSION
CONFERENCE ROOM, STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO
February 28, 1973

EXAMINER HEARING

IN THE MATTER OF:

Application of Continental Oil Company
for a non-standard unit, Lea County,
New Mexico.

Case No. 4909

BEFORE: Elvis A. Utz
Examiner

TRANSCRIPT OF HEARING

1 MR. UTZ: Call Case 4909.

2 MR. CARR: Case 4909. Application of Continental
3 Oil Company for a non-standard unit, Lea County, New Mexico.

4 MR. UTZ: Call for appearances.

5 MR. KELLAHIN: Mr. Examiner, Tom Kellahin, Kellahin
6 and Fox, appearing on behalf of the Applicant, Continental
7 Oil Company. I have one witness to be sworn.

8 (Whereupon, Mr. V. T. Lyon was called to the stand
9 and sworn.)

10 * * * * *

11 V. T. LYON,
12 having been first duly sworn according to law, upon his oath,
13 testified as follows:

14 DIRECT EXAMINATION

15 BY MR. KELLAHIN

16 Q Will you please state your name, by whom you are
17 employed, and in what capacity?

18 A My name is V. T. Lyon. I'm employed by Continental Oil
19 Company as conservation coordinator in the Hobbs
20 Division office.

21 Q Have you previously testified before the Commission or
22 one of its Hearing Examiners and had your qualifications
23 as an expert witness accepted and made a matter of
24 record?

25 A Yes, I have.

1 Q Have you examined and are you familiar with the facts
2 surrounding this particular application by Continental?

3 A Yes, sir.

4 MR. KELLAHIN: Mr. Examiner, are the Witness'
5 qualifications acceptable?

6 MR. UTZ: Yes, sir, they are.

7 Q (By Mr. Kellahin) Mr. Lyon, will you please state
8 briefly for the record what Continental is seeking by
9 this application?

10 A Case 4909 is the Application of Continental Oil Company
11 for approval of a 160-acre non-standard gas proration
12 unit in the Blinebry Pool to be allocated jointly to
13 its Hawk B-1 Wells Numbers 2 and 4, located in Section
14 9, Township 21 South, Range 37 East, Lea County, New
15 Mexico.

16 Q I refer you to what has been marked as Continental's
17 Exhibit Number 1 and ask you to identify that in general
18 terms.

19 A Exhibit Number 1 is a location plat which shows the
20 Hawk B-1 lease, the wells which are involved in this
21 application, and the proposed proration unit, the
22 location and ownership of offsetting properties and
23 wells.

24 The Hawk B-1 lease is shown by the dotted line and
25 is described as the Southeast quarter and East half of

1 the Southwest quarter of Section 8, the South half and
2 East half of the Northwest quarter of Section 9.

3 The proposed proration unit is outlined in red and
4 consists of the North half of the Southwest quarter,
5 the Southeast quarter of the Southwest quarter, the
6 Northwest quarter of the Southeast quarter of Section 9.

7 Wells 2 and 4 are circled in red. Well Number 2
8 is located 1,980 feet from the East and South lines of
9 Section 9. Well Number 4 is located 660 feet from the
10 West line, 1,980 feet from the South line of Section 9.

11 Q Will you describe for us the acreage involved in the
12 existing 120-acre gas proration unit?

13 A At the present time under the provisions of Order
14 Number R-4065, there is a 120-acre unit consisting of
15 the East half of the Southwest quarter and the Northwest
16 quarter of the Southeast quarter of Section 9, jointly
17 allocated to Well Number 2 as I previously described and
18 to Well Number 6 which is located in Unit N of that
19 Section.

20 Q What is the status of Well Number 6?

21 A Well Number 6 was squeezed in the Blinbry and deepened
22 for an exploratory test in the Fusselman formation and
23 is presently shut-in, and we do not have any present
24 intention of reopening the Blinbry in this well.

25 Q Will you discuss for us the status of Well Number 4?

1 A Well Number 4 was reclassified from a Blinebrv Oil Well
2 to a Blinebry Gas Well on July 1st of 1971. It was
3 connected to El Paso Natural Gas gathering system on
4 February 1st, 1972, and produced for a few months, but
5 encountered difficulty with fluids and liquids
6 accumulating in the wellbore.

7 We are in the process of installing a pumping unit
8 and downhole pump to lift the fluids out of this well
9 at which time we hope that it will be able to produce
10 at or around a normal 40-acre allowable.

11 Q Will you describe for the Examiner's benefit, the status
12 of Well Number 2?

13 A Well Number 2 has excellent producing characteristics
14 and is capable of producing for the 160-acre unit by
15 itself.

16 However, we would prefer for Well Number 4 to carry
17 as much of the gas allowable as it is capable of doing.

18 Q Do you have anything further with regards to this
19 exhibit?

20 A No, I believe this is all I have to say about the
21 exhibit.

22 Q In your opinion, then, Mr. Lyon, will the granting of
23 this application prevent waste and protect the
24 correlative rights of others?

25 A Yes, I believe it will.

1 Q Was Exhibit 1 prepared by you or under your direction or
2 supervision?

3 A Yes, it was.

4 MR. KELLAHIN: Mr. Examiner, we move the
5 introduction of Exhibit 1.

6 MR. UTZ: Without objection, Exhibit 1 will be
7 entered into the record of this case.

8 MR. KELLAHIN: That completes our direct testimony

9 CROSS-EXAMINATION

10 BY MR. UTZ

11 Q I believe in the application or the letter
12 accompanying the application there was some mention of
13 whether we should supercede Order 4065 or leave it in
14 effect and use another order.

15 Do you recall this?

16 A You are correct. I had overlooked this point because
17 of the current section of classification and
18 reclassification in the Brinebry Pool. It certainly
19 isn't beyond the realm of possibility that Well Number
20 4 could be reclassified to an oil well, in which case
21 it would be necessary to go back to the 120-acre unit
22 which was approved by Order Number R-4065.

23 And just in the interest of eliminating the
24 necessity of an additional hearing, should that occur,
25 we would like to have that order suspended rather than

1 superceded.

2 MR. UTZ: Do you see any problem of doing that?

3 MR. CARR: No, I don't.

4 MR. UTZ: Are there other questions of the Witness?

5 The case will be taken under advisement.

6 * * * * *

7 STATE OF NEW MEXICO)
8) ss
COUNTY OF BERNALILLO)

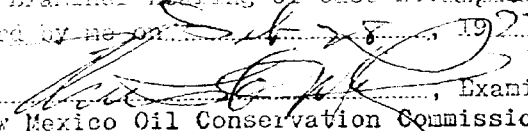
9 I, JANET RUSSELL, a Notary Public, in and for the County
10 of Bernalillo, State of New Mexico do hereby certify that the
11 foregoing and attached Transcript of Hearing before the New
12 Mexico Oil Conservation Commission was reported by me; and
13 that the same is a true and correct record of the said
14 proceedings to the best of my knowledge, skill and ability.

15
16
17 
18 NOTARY PUBLIC

19 My Commission Expires:

20 November 24, 1976
21

22
23 I do hereby certify that the foregoing is
24 a complete record of the proceedings in
the Examiner hearing of Case No. 4809.
heard by me on 11-28-73, 1973.

25 , Examiner
New Mexico Oil Conservation Commission

I N D E XWITNESS

V. T. LYON

Direct Examination by Mr. Kellahin

3

Cross-Examination by Mr. Utz

7

E X H I B I T SADMITTEDOFFERED

Continental Exhibit Number 1

7

4



OIL CONSERVATION COMMISSION

STATE OF NEW MEXICO
P. O. BOX 2088 - SANTA FE
87501

GOVERNOR
BRUCE KING
CHAIRMAN

LAND COMMISSIONER
ALEX J. ARMIJO
MEMBER

STATE GEOLOGIST
A. L. PORTER, JR.
SECRETARY - DIRECTOR

March 16, 1973

Mr. Tom Kellahin
Kellahin & Fox
Attorneys at Law
Post Office Box 1769
Santa Fe, New Mexico

Re: Case No. 4909

Order No. R-4489

Applicant:

Continental Oil Company

Dear Sir:

Enclosed herewith are two copies of the above-referenced Commission order recently entered in the subject case.

Very truly yours,

A. L. PORTER, Jr.
Secretary-Director

ALP/ir

Copy of order also sent to:

Hobbs OCC X
Artesia OCC _____
Aztec OCC _____

OTHER _____

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
COMMISSION OF NEW MEXICO FOR
THE PURPOSE OF CONSIDERING:

CASE NO. 4909
Order No. R-4489

APPLICATION OF CONTINENTAL OIL
COMPANY FOR A NON-STANDARD UNIT,
LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on February 28, 1973, at Santa Fe, New Mexico, before Examiner Elvis A. Utz.

NOW, on this 16th day of March, 1973, the Commission, a quorum being present, having considered the testimony, the record, and the recommendations of the Examiner, and being fully advised in the premises,

FINDS:

(1) That due public notice having been given as required by law, the Commission has jurisdiction of this cause and the subject matter thereof.

(2) That the applicant, Continental Oil Company, seeks approval of a 160-acre non-standard gas proration unit comprising the N/2 SW/4, SE/4 SW/4, and NW/4 SE/4 of Section 9, Township 21 South, Range 37 East, NMPM, to be simultaneously dedicated to its Hawk B-1 Wells Nos. 2 and 4 located in Units J and L, respectively, of said Section 9, Blinebry Gas Pool, Lea County, New Mexico.

(3) That the proposed non-standard gas proration unit can be efficiently and economically drained and developed by the subject wells.

(4) That approval of the subject application will afford the applicant the opportunity to produce its just and equitable share of the gas in the Blinebry Gas Pool, will prevent the economic loss caused by the drilling of unnecessary wells, avoid the augmentation of risk arising from the drilling of an excessive number of wells, and will otherwise prevent waste and protect correlative rights.

IT IS THEREFORE ORDERED:

(1) That a 160-acre non-standard gas proration unit is

-2-

Case No. 4909
Order No. R-4439

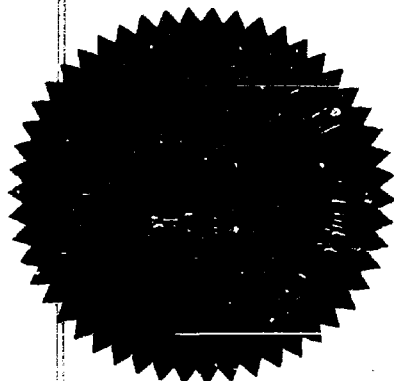
hereby established comprising the N/2 SW/4, SE/4 SW/4, and NW/4 SE/4 of Section 9, Township 21 South, Range 37 East, NMPM, to be simultaneously dedicated to its Hawk B-1 Wells Nos. 2 and 4 located in Units J and L, respectively, of said Section 9, Blinebry Gas Pool, Lea County, New Mexico.

(2) That this order shall become effective at 7:00 a.m. April 1, 1973.

(3) That Commission Order No. R-4065 and NSP-788 are hereby superseded.

(4) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.



STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

Bruce King
BRUCE KING, Chairman

Alex J. Armijo
ALEX J. ARMILLO, Member

A. L. Porter, Jr.
A. L. PORTER, Jr., Member & Secretary

S E A L

dr/

Case 4909

Heard 2-28-73

Rec. 3-2-73

Grant Corb a NSU for their
Hawk B-1 #1's 2+4 units J & L Ref.
consisting of N/2 SW/4, SE/4 SW/4, NW/4
SE/4 and 9-215-37E-160 Acre.

~~Order~~ R-4065 grants a NSU for
their Hawk B-1 wells #1's 2+6 J & N
ref. same sec. 9, consisting of the
E/2 SW/4, NW/SE/4 120 Acre. Please
suspend this order & issue
a new # for the later NSU.

Wm. B. King

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
COMMISSION OF NEW MEXICO FOR
THE PURPOSE OF CONSIDERING:

CASE No. 4461
Order No. R-4065

APPLICATION OF CONTINENTAL OIL COMPANY
FOR A NON-STANDARD GAS PRORATION UNIT,
LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9:30 a.m. on November 18, 1970, at Santa Fe, New Mexico, before Examiner Elvis A. Utz.

NOW, on this 23rd day of November, 1970, the Commission, a quorum being present, having considered the testimony, the record, and the recommendations of the Examiner, and being fully advised in the premises,

FINDS:

(1) That due public notice having been given as required by law, the Commission has jurisdiction of this cause and the subject matter thereof.

(2) That the applicant, Continental Oil Company, is the co-owner and operator of the Hawk B-1 Lease which, in addition to other lands, comprises the S/2 and E/2 NW/4 of Section 9, Township 21 South, Range 37 East, NMPM, Lea County, New Mexico.

(3) That by Administrative Order NSP-718, the Commission approved a 120-acre non-standard gas proration unit in the Blinebry Gas Pool consisting of the S/2 SW/4 and NE/4 SW/4 of said Section 9 to be dedicated to the applicant's Hawk B-1 Well No. 6 located in Unit N of said Section 9 and authorized reduction to an 80-acre unit consisting of the E/2 SW/4 of said Section 9 upon the completion of an oil well in the SW/4 SW/4 of the section; and that by Administrative Order NSP-787, the

Commission approved a 40-acre non-standard gas proration unit in the Blinebry Gas Pool consisting of the NW/4 SE/4 of said Section 9 to be dedicated to the applicant's Hawk B-1 Well No. 2 located in Unit J of said Section 9.

(4) That the applicant now seeks the consolidation of the two existing non-standard gas proration units to form one 120-acre non-standard gas proration unit in the Blinebry Gas Pool comprising the E/2 SW/4 and NW/4 SE/4 of said Section 9, to be simultaneously dedicated to the aforesaid Hawk B-1 Wells Nos. 2 and 6.

(5) That the applicant further seeks authority to produce the allowable assigned to the unit from either of the aforesaid wells in any proportion.

(6) That the proposed non-standard gas proration unit can be efficiently and economically drained and developed by the aforesaid Hawk B-1 Wells Nos. 2 and 6.

(7) That approval of the subject application will afford the applicant the opportunity to produce its just and equitable share of the gas in the Blinebry Gas Pool, will prevent the economic loss caused by the drilling of unnecessary wells, will avoid the augmentation of risk arising from the drilling of an excessive number of wells, and will otherwise prevent waste and protect correlative rights.

(8) That Administrative Orders NSP-718 and NSP-787 should be superseded.

IT IS THEREFORE ORDERED:

(1) That, effective November 1, 1970, a 120-acre non-standard gas proration unit in the Blinebry Gas Pool comprising the E/2 SW/4 and NW/4 SE/4 of Section 9, Township 21 South Range 37 East, NMPM, Lea County, New Mexico, is hereby established and simultaneously dedicated to the Continental Oil Company Hawk B-1 Wells Nos. 2 and 6, located in Units J and N, respectively, of said Section 9.

(2) That the allowable assigned to the above-described non-standard gas proration unit shall be based upon the unit size of 120 acres; that the operator may produce the allowable assigned to the unit from the subject wells in any proportion; and that

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CASE No. 4461

Order No. R-4065

the status of said consolidated unit shall be the combined status as of October 31, 1970, of the two units being consolidated.

(3) That Administrative Orders NSP-718 and NSP-787 are hereby superseded.

(4) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

DAVID F. CARGO, Chairman

ALEX J. ARMIJO, Member

A. L. PORTER, Jr., Member & Secretary

S E A L

esr/

DOCKET: EXAMINER HEARING - WEDNESDAY - FEBRUARY 28, 1973

9 A. M. - OIL CONSERVATION COMMISSION CONFERENCE ROOM,
STATE LAND OFFICE BUILDING - SANTA FE, NEW MEXICO

The following cases will be heard before Elvis A. Utz, Examiner, or Richard L. Stamets, Alternate Examiner:

CASE 4907: Application of Eastern Petroleum Company for water disposal, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced water into the Dakota formation through its Navajo Well No. 21 located in Unit C of Section 3, Township 27 North, Range 17 West, Table Mesa-Dakota Oil Pool, San Juan County, New Mexico.

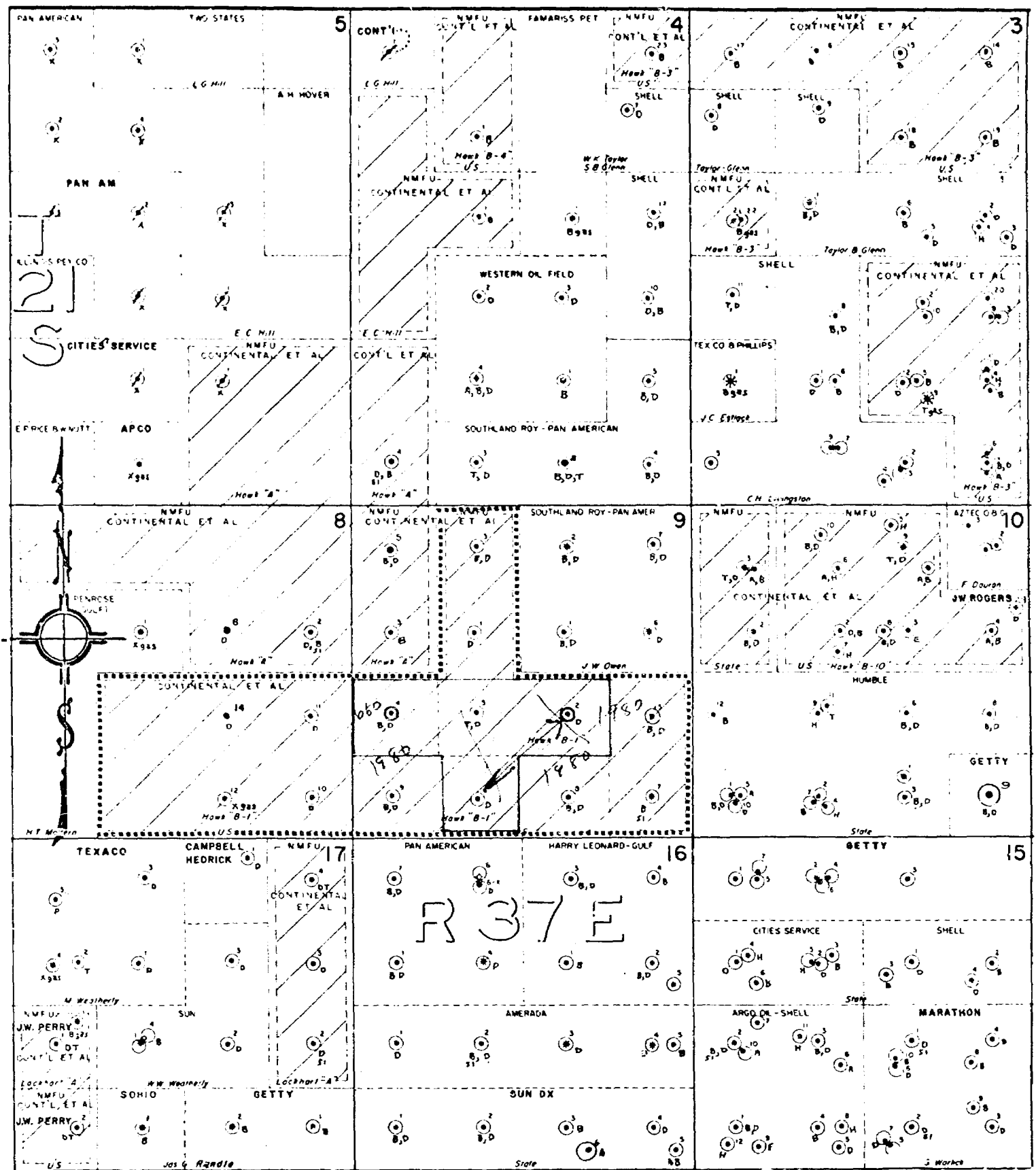
CASE 4908: Application of El Paso Natural Gas Company for a dual completion, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks authority to dually complete its Vaughn Well No. 22 located in Unit G of Section 29, Township 26 North, Range 6 West, Rio Arriba County, New Mexico, in such a manner as to permit the production of gas from the South Blanco-Pictured Cliffs Pool and the Otero Chacra Pool through parallel strings of tubing cemented in a common wellbore.

CASE 4909: Application of Continental Oil Company for a non-standard unit, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for a 160-acre non-standard gas proration unit comprising the N/2 SW/4, SE/4 SW/4, and NW/4 SE/4 of Section 9, Township 21 South, Range 37 East, Blinebry Gas Pool, Lea County, New Mexico, said unit to be simultaneously dedicated to its Hawk B-1 Wells Nos. 2 and 4 located in Units J and L, respectively, of said Section 9.

CASE 4910: Application of Continental Oil Company for downhole commingling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to commingle Blinebry and Drinkard production in its wellbore of its Lockhart B-1 Well No. 7 located in Unit G of Section 1, Township 22 South, Range 36 East, Blinebry and Drinkard Oil Pools, Lea County, New Mexico.

CASE 4911: Application of Anadarko Production Company for a unit agreement, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval of the Ballard Grayburg-San Andres Unit Area, comprising 2581 acres, more or less, of Federal and fee lands in Township 18 South, Range 29 East, Eddy County, New Mexico.

CASE 4912: Application of Anadarko Production Company for a waterflood project, special rules, unorthodox locations, and pool redelineation, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a waterflood project by the injection of water into the Grayburg-San Andres formation through 23 injection wells, some at unorthodox locations, in its Ballard Grayburg-San Andres Unit in Sections 4, 5, 6, 7, 8, and 17, Township 18 South, Range 29 East, Loco Hills Pool, Eddy County, New Mexico. Applicant



- Blinebry-Terry Blinebry Completion
- Drinkard Oil Completion
- Tubb Oil Completion
- Hare Oil Completion
- Wantz Abo Oil Completion
- Brunson Ellenburger Oil Completion
- Penrose Skelly Oil Completion
- Eumont Queen Oil Completion

..... Hawk B-1 Lease

BEFORE THE STATE OF NEW MEXICO
OIL AND GAS COMMISSION

FILE NO. 4909

Continental Oil Co.

Feb. 28, 1973

PROPOSED GAS UNIT
BLINEBRY GAS WELL
PRESENT GAS UNIT

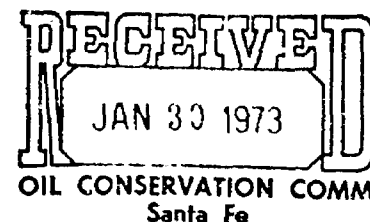
CONTINENTAL OIL COMPANY
PRODUCTION DEPARTMENT
HOBBS DIVISION
HAWK B-1 LEASE
LOCATION PLAT
LEA COUNTY, NEW MEXICO
Scale: 1" = 2000'



L. P. Thompson
Division Manager
Production Department
Hobbs Division

Western Hemisphere Petroleum Division
Continental Oil Company
P.O. Box 460
1001 North Turner
Hobbs, New Mexico 88240
(505) 393-4141

Case 4909



January 26, 1973

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

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

Gentlemen:

Application for Non-Standard Gas Proration Unit, Blinebry Pool, Lea
County, New Mexico

Attached, in triplicate, is our application for a 160-acre non-standard gas proration unit in the Blinebry Gas Pool to be jointly allocated to our Hawk B-1 Wells Nos. 2-J and 4-L in Section 9, Township 21 South, Range 37 East, Lea County, New Mexico. As you know, the Blinebry wells have been notorious for changing from gas to oil and vice versa. Consequently, we expect to request at the hearing that Order No. ~~R-4065 be suspended~~ rather than superceded in order that it may be reactivated, in the event that Well No. 4 is reclassified from gas to oil.

Please set this matter for hearing on the next Examiner Docket.

Yours very truly,

rw
Enc
CC + enc:
RLA: JWK: GAD

DOCKET MAILED

Date 2/16/73

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE APPLICATION OF
CONTINENTAL OIL COMPANY FOR A 160-ACRE
NON-STANDARD GAS PRORATION UNIT IN
THE BLINEBRY GAS POOL TO BE JOINTLY
ALLOCATED TO ITS HAWK B-1 WELLS NOS.
2 AND 4 IN SECTION 9, TOWNSHIP 21
SOUTH, RANGE 37 EAST, LEA COUNTY,
NEW MEXICO.

Case 4909

A P P L I C A T I O N

Comes now Applicant, Continental Oil Company, and respectfully requests approval of a 160-acre non-standard gas proration unit in the Blinebry Gas Pool to be allocated jointly to its Hawk B-1 Wells Nos. 2 and 4 located in Section 9, Township 21 South, Range 37 East, Lea County, New Mexico, and in support thereof would show:

1. Applicant is the operator and co-owner of the Hawk B-1 Lease consisting of S/2 and E/2 NW/4 Section 9, Township 21 South, Range 37 East, Lea County, New Mexico.
2. Applicant has drilled several Blinebry wells on said lease including Hawk B-1 Wells Nos. 2, 4, and 6, which are located in Units J, L, and N, respectively, of said Section 9.
3. Order No. R-4065 approved a 120-acre non-standard gas proration unit in the Blinebry Pool consisting of E/2 SW/4 and NW/4 SE/4 of said Section 9 to be allocated jointly to Wells Nos. 2 and 6.
4. Well No. 6 was squeezed in the Blinebry March 18, 1972 and deepened to test a lower formation.
5. Hawk B-1 No. 4 was reclassified to gas well status on July 1, 1971, was connected to El Paso Natural Gas Company's Gathering System on February 1, 1972, and has a 40-acre proration unit consisting of NW/4 SW/4 of said Section 9.

6. The creation of a 160-acre unit, consisting of NW/4 SE/4, E/4 SW/4 and NW/4 SW/4 Section 9, allocated jointly to the two wells, should provide flexibility which will permit the entire allowable to be produced.
7. The granting of this application will prevent waste and protect correlative rights.

WHEREFORE, Applicant respectfully requests that this matter be set for hearing before the Commission's duly appointed Examiner and that upon hearing, an order be entered approving the non-standard gas proration unit described above.

Respectfully submitted,
CONTINENTAL OIL COMPANY


L. P. Thompson
Division Manager

rw



DRAFT

dr/

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
COMMISSION OF NEW MEXICO FOR
THE PURPOSE OF CONSIDERING:

CASE NO. 4909

Order No. R- 4489

APPLICATION OF CONTINENTAL OIL
COMPANY FOR A NON-STANDARD UNIT,
LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on February 28, 1973
at Santa Fe, New Mexico, before Examiner Elvis A. Utz.

NOW, on this day of March, 1973, the Commission,
a quorum being present, having considered the testimony, the record,
and the recommendations of the Examiner, and being fully advised
in the premises,

FINDS:

(1) That due public notice having been given as required by
law, the Commission has jurisdiction of this cause and the subject
matter thereof.

(2) That the applicant, Continental Oil Company, seeks
approval of a 160-acre non-standard gas proration unit comprising
the N/2 SW/4, SE/4 SW/4, and NW/4 SE/4 of Section 9, Township 21
South, Range 37 East, NMPM, to be simultaneously dedicated to its
Hawk B-1 Wells Nos. 2 and 4 located in Units J and L, respectively,
of said Section 9, Blinbry Gas Pool, Lea County, New Mexico.

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Case No. 4909
Order No. R-

(3) That the proposed non-standard gas proration unit can be efficiently and economically drained and developed by the subject wells.

(4) That approval of the subject application will afford the applicant the opportunity to produce its just and equitable share of the gas in the Blinebry Gas Pool, will prevent the economic loss caused by the drilling of unnecessary wells, avoid the augmentation of risk arising from the drilling of an excessive number of wells, and will otherwise prevent waste and protect correlative rights.

IT IS THEREFORE ORDERED:

(1) That a 160-acre non-standard gas proration unit is hereby established comprising the N/2 SW/4, SE/4 SW/4, and NW/4 SE/4 of Section 9, Township 21 South, Range 37 East, NMPM, to be simultaneously dedicated to its Hawk B-1 Wells Nos. 2 and 4 located in Units J and L, respectively, of said Section 9, Blinebry Gas Pool, Lea County, New Mexico.

(2) That this order shall become effective at 7:00 a.m.

April 1, 1973

(3) That Commission Order ~~No. R-4065 and NSP-788~~ ~~NSP-787 and NSP-788~~ are hereby superseded.

(4) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.