

[REDACTED]

[REDACTED]

-asa 1/10.

2260

Application, Transcript,  
and Exhibits, Etc.

**Memo**

4/24

From  
A. L. Porter, Jr.  
Secretary-Director

To Legal Dept.

I recommend that an  
order of appeal be  
entered in case no.  
2260.

*ALP*



BEFORE THE  
OIL CONSERVATION COMMISSION  
Santa Fe, New Mexico  
April 19, 1961

## EXAMINER HEARING

-----  
IN THE MATTER OF:

Application of Continental Oil Company  
for an unorthodox gas well location.  
Applicant, in the above-styled cause,  
seeks approval of an unorthodox gas well  
location in the Rumont Gas Pool for its  
State F-1 Well No. 1, located 660 feet  
from the South and West lines of Section  
1, Township 21 South, Range 36 East, Lea  
County, New Mexico, said well to serve as  
the unit well for a gas proration unit  
comprising all of said Section 1.

Case 2260

-----  
BEFORE: Mr. A. L. "Pete" Porter,  
Secretary-Director, Alternate Examiner.

TRANSCRIPT OF HEARING

MR. PORTER: Call the next case, 2260.

MR. MORRIS: "Application of Continental Oil Company  
for an unorthodox gas well location."

MR. KELLAHIN: We have one witness for applicant.

(Witness sworn.)

MR. PORTER: Let the record show the witness has been  
previously qualified.

MR. KELLAHIN: At the outset, I would like to point out  
that this is a rather unusual situation, and it's our feeling

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it's a matter for administrative approval. However, Continental Oil Company sought administrative approval of their proposed unit and dedication to the subject well which was denied and the matter set for hearing. The notice of hearing shows the well as being in an unorthodox location, which I believe our testimony will show, is not the case under the applicable rules.

The notice is also in error in saying that the well is to serve as the unit well for gas proration units comprising all Section 1. Section 1 involved in this case, is along the section containing 960 acres. Continental Oil is proposing to dedicate 640 acres consisting of governmental lots to the well.

VICTOR T. LYON

called as a witness, having been first duly sworn, testified as follows:

DIRECT EXAMINATION

BY MR. KELLAHIN:

Q Would you state your name, please?

A Victor T. Lyon.

Q By whom are you employed and in what position?

A By Continental Oil Company as District engineer.

Q Have you previously testified before the Oil Conservation Commission and had your qualifications made a matter of record?

A Yes.

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MR. KELLAHIN: Are the witness' qualifications acceptable?

MR. PORTER: Yes.

Q (By Mr. Kellahin) Are you familiar with the application of Continental Oil Company in Case 2260?

A Yes, sir.

Q Would you describe briefly what is proposed in this application?

A This is an application of Continental Oil Company for the enlargement of a presently approved non-standard gas proration unit of 320-acre size to a standard proration unit of 640 acres for its State F-1 well No. 1, located 660 feet from the south and west lines of Section 1, TWP 21 South, Range 36 East.

Q Referring to what has been marked Exhibit 1, would you discuss the information shown on that exhibit?

A It shows colored in yellow the State -- excuse me -- it shows as a location and ownership plat showing the State F-1 lease and the immediately surrounding area. The State F-1 lease is shown colored in yellow and consists of lots 1, 2, 7, 8, 9, 10, 11, 12, 13, 14, 15 and 16 in the south half of Section 1, TWP 21 South, Range 36 East.

It shows the proposed unit outlined in red and it consists of lots 9 through 16, both inclusive, in the south half of Section 1. The unit, well No. 1, is shown circled in red and is



located 660 feet from the south line, 660 feet from the west line of Section 1.

Q Do you propose to dedicate that area of 640 acres?

A Yes.

Q Is that a standard proration unit?

A No, the Eumont pool -- that is a standard.

Q Give us the history of this well.

A Yes, sir. This well was originally drilled and completed on May 2, 1938 in the Grayburg formation at a total depth of 3935 feet. After extension of the open hole, the well was shut in. In 1954, the well was plugged back to 3595 feet and recompleted in the Queen and Seven Rivers formation, in the intervals from 3225 to 3556, and then after treatment, the well was completed as a gas well and subsequently classified as producing from the Eumont gas pool.

Q Does that complete your story, Mr. Lyon?

A Yes, sir.

MR. KELLAHIN: If the Commission please, under the rules, I think the problem we have here is that in the adoption of Order No. 1670 there was a hiatus resulted which leaves a question in regard to this particular situation. Under the general rules and regulations for prorated gas pools of southeastern New Mexico, under Rule 2, it sets out that "after the effective date of this order, each well drilled or recompleted





on a standard gas proration unit within a gas pool regulated by this order shall be located --" and then it sets out below the footage boundary. Now 1640 under that would be 1980 feet, so our well location, of course, would comply, but that is after the effective date of this order. The well was completed in the Eumont pool prior to the effective date of this order.

Now, if you go back to Order R-520, we are entitled to exception under the provisions of that order as well; regardless of which order is applied, the well was definitely entitled to relocation, which it was in that sense, and it was not an unorthodox location. Under the provisions of Rule 3, we don't feel that that rule applies against us because the well was already there. The provisions for obtaining an exception -- under Rule 5, we come to the question of acreage dedication and again we have a peculiar situation here for the reason that this is a section which contains, I would say, approximately 960 acres. We may be willing to dedicate 960 acres and dedicate the whole section; however, what we are applying for here is dedication of 640 acres, which we submit under the circumstances here is a standard unit. That is covered by the provisions of Rule 5-A of our 1670. It says "for the purpose of allocation in the gas pool by this order a standard proration unit -----".

Our 640 acres is a standard proration unit well. That's our situation; it's a 640 acre standard proration unit and shall

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be a legal subdivision of public land surveys. These are all legal surveys of public lands. There is in the rule, however, a matter in parenthesis which sets a quarter section or half section as applicable. In this instance, of course, that isn't applicable. We submit we have a standard 640-acre unit with a well which was drilled prior to the adoption of the rule and we are entitled to dedicate that acreage to the subject well.

MR. MORRIS: I'd like to point out to the Examiner that at the time Order R-1670 was adopted, there were also special rules adopted in the Eumont pool which superseded the general portions of Rule 1670 and as pertaining to the Eumont, I'd like to call attention to Rules 5-A and B. Standard gas proration units in the Eumont Gas Pool shall be 640 acres. Rule 5-B then provides that any well drilled to and producing from the Eumont Gas Pool as defined herein prior to August 12, 1954 at a location conforming with the specific requirements affecting Rule 5 at the time said well was drilled, shall be granted a tolerance not exceeding 330 feet with respect to the required distance from the boundary line. I submit from that reading that first of all, this well was not drilled to and producing from the Eumont Gas Pool prior to August 12, 1954 and therefore should be granted no tolerance, and then, if it were granted tolerance it would only be granted a tolerance of 330 feet at the most which would still not bring



it within the 1980 feet required for an orthodox location.

MR. KELLAHIN: The well was completed in January, 1954.

MR. MORRIS: Producing from Eumont at that time?

MR. KELLAHIN: Yes.

MR. MORRIS: Granting that, the maximum tolerance that could be granted under this rule was 330 feet which would mean 1980 minus 330 would be 1650 feet which would be the closest distance it would be to a unit log.

MR. KELLAHIN: 1990 feet.

MR. MORRIS: I stand corrected. It would be 1990 feet which would be conforming to the requirements of 1980 feet.

MR. PORTER: Your position is that a hearing is required?

MR. MORRIS: Yes. It's rather moot since we are all here, anyway.

MR. PORTER: Mr. Kellahin, do you have any rebuttal to that?

THE WITNESS: May I ask if there's a special rule for Eumont, Rule 5-B supersedes Rule 5-B for the general rules?

MR. MORRIS: It does.

THE WITNESS: Rule 5-B refers to a non-standard pool.

MR. MORRIS: Special rules always supersede general rules, and 5-B in this instance is under the general heading "Well Location and Acreage Required."

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MR. KELLAHIN: But it refers to a non-standard location which this is not. The only question we have here is the question of location of the well.

THE WITNESS: Could I say something off the record?

MR. PORTER: Off the record.

(Whereupon, a discussion was held off the record.)

MR. PORTER: Back on the record. Has anybody anything else?

MR. KELLAHIN: Mr. Lyon, was Exhibit 1 prepared by you or under your supervision?

THE WITNESS: Yes, sir.

MR. KELLAHIN: I'd like to offer in evidence Exhibit 1.

MR. PORTER: Continental Oil Company's Exhibit No. 1 will be admitted to the record.

MR. KELLAHIN: That's all.

MR. PORTER: If there's nothing else to be offered --

MR. NUTTER: I have some cross examination.

CROSS EXAMINATION

BY MR. NUTTER:

Q Mr. Lyon, what is the number three well in the northwest portion of the proposed unit completed in?

A It's completed in the Eumont oil well producing from the Lower Queen and Penrose formations.

Q That's from the same interval that this gas well



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is producing from?

A We don't have an electric log in No. 3, but as best we can correlate from sample logs, there is one small interval in the Queen which is open in both wells. No. 5 produces from this interval that is common to both additional zones in the Queen and in zones from Seven Rivers.

No. 3 produces from the common zone and the remainder of the Queen below that zone and the Penrose formation.

Q Is the No. 1 gas well productive of gas in that portion of the proposed unit, or is the zone that No. 1 well is completed in productive of gas in the unit?

A That would be difficult to say. It's my opinion that by far the majority of the production from No. 3 is coming from zones below that, but I have no way of knowing. I have no information.

Q What do you know of the ratio that No. 3 produces?

A Nearly all the wells in this are -- this is an old Hardy pool area and in an advanced stage of depletion and all of them to the best of my knowledge are high gas-oil ratio wells.

Q Do you know the ratio of No. 3 well?

A I don't have that with me, no.

Q What is the No. 5 well?

A A shut-in gas well.

Q What formation was it prorated in?



A In the Yates, Seven Rivers and Queen.

Q This is the Eumont pool, is that correct?

A Yes, sir.

MR. NUTTER: I believe that's all.

MR. PORTER: Any further questions of the witness?

He may be excused.

(Witness excused.)

MR. PORTER: If there is nothing further to be offered, we'll take the case under advisement. Hearing is adjourned.

STATE OF NEW MEXICO )  
COUNTY OF BERNALILLO ) SS

I, TOM HORNE, Reporter, do hereby certify that the foregoing and attached transcript of proceedings before the New Mexico Oil Conservation Commission at Santa Fe, New Mexico, is a true and correct record to the best of my knowledge, skill and ability.

T. Horne  
Reporter

I do hereby certify that the foregoing is a complete record of the proceedings in the Examiner hearing of Case No. 2260, heard by me on April 19, 1961.  
A. L. Porter, Jr., Examiner  
New Mexico Oil Conservation Commission

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PHONE CH 3-6691

ALBUQUERQUE, NEW MEXICO



CONTINENTAL OIL COMPANY

ROSWELL, NEW MEXICO

ROSWELL, NEW MEXICO

MAR 14 1961

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

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

Re: Continental Oil Company  
Application for Approval of  
a Non-Standard Location for  
its State F-1 No. 1 located  
660 feet from the south and  
west lines of Section 1,  
T-21S, R-36E, NMPPM, Eumont  
Gas Pool, Lea County, New  
Mexico

Gentlemen:

Continental Oil Company respectfully requests administrative approval under the provisions of Rule 3 of the "General Rules and Regulations for the Prorated Gas Pools of Southeastern New Mexico" contained in Order No. R-1670 for a non-standard location for its State F-1 Well No. 1, located 660 feet from the south and west lines of Section 1, T-21S, R-36E, Eumont Pool, Lea County, New Mexico.

This well was drilled and completed on May 2, 1938, as a gas well in the Grayburg formation. It was plugged back and re-completed in the Eumont Gas Pool on January 14, 1954.

It is proposed to allocate to the well a standard gas proration unit consisting of Lots 9 through 16, both inclusive, and S/2 of Section 1, T-21S, R-36E.

The provisions of the said Rule 3 have been met as follows:

1. The necessity for the unorthodox location is occasioned by the recompletion of a well previously drilled to another horizon.

2. The operators of properties located within 1980 feet of said well have this day been furnished a copy of this application by registered mail.

A plat is attached hereto showing to the best of our knowledge and belief the location of the lease, the Well No. 1 mentioned above, the other wells on the lease, offset wells and the ownership thereof.

*Max 22 60*  
*April 5*  
*245*  
*NSL*  
*(Waiting period)*

*Goebel*  
*4-5-61*

The granting of this application is in the interest of preventing waste and protecting correlative rights.

In view of the facts set out herein, it is respectfully requested that the Commission enter an order approving the non-standard location for Continental Oil Company's State F-1 No. 1 as described above.

*W. A. Mead*  
Wm. A. Mead  
Division Superintendent  
of Production  
New Mexico Division

STATE OF NEW MEXICO }  
COUNTY OF CHAVES }

Wm. A. Mead, upon being duly sworn, deposes and says that he is the Division Superintendent, of Continental Oil Company, applicant herein; that he is familiar with the facts involved in this application and that the matters and things stated therein are true and correct to the best of his information and belief.

W. A. Mead  
Subscribed and sworn to before me this 14<sup>th</sup> day of March, 1964.

Louis B. Houston  
Notary Public

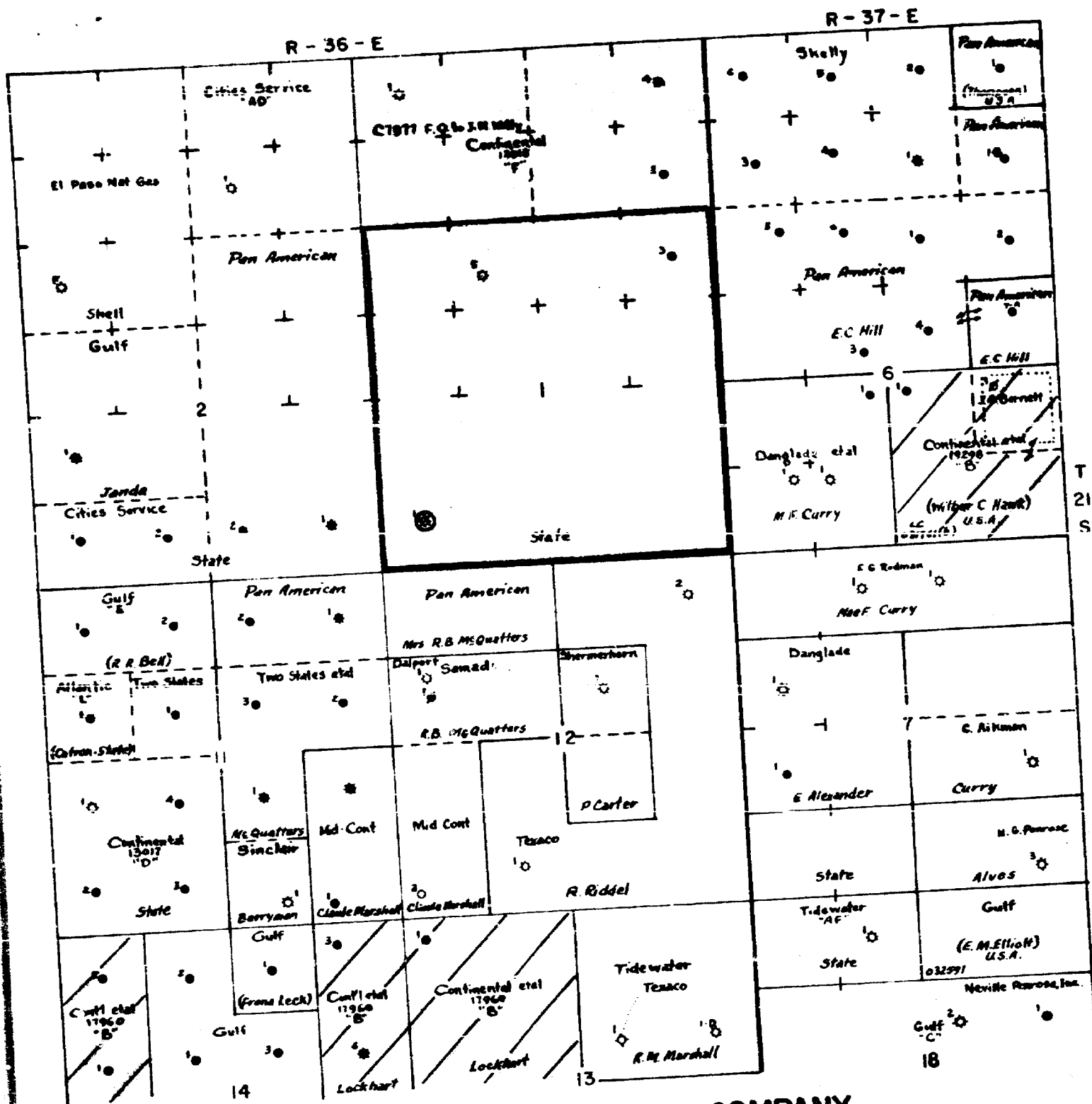
My commission expires May 25, 1964.

cc: NMOCG-3  
RGP -1  
HGD -1  
File -1

Copies by registered mail to:

Pan American Petroleum Corporation  
Post Office Box 68  
Hobbs, New Mexico





State F-1 No. 1 ○

Proposed Gas Proration Unit

Case 2260

DOCKET: EXAMINER HEARING - WEDNESDAY, APRIL 19, 1961

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 A. L. Porter, Secretary-Director, as alternate examiner:

CASE 2246: Application of Sinclair Oil & Gas Company for an exception to Rule 303 (a) and Rule 309 (a). Applicant, in the above-styled cause, seeks permission to commingle, without separate measurement, the oil production from the Tubb Gas Pool, the oil production from the Blinbry Gas Pool and the oil production from the Drinkard Pool from all wells presently completed on its J. R. Cone "A" lease, comprising the W/2 SW/4 of Section 26, Township 21 South, Range 37 East, Lea County, New Mexico, and on its J. R. Cone "B" lease comprising the SE/4 SW/4 and the SW/4 SE/4 of said Section 26.

CASE 2247: Application of Sinclair Oil & Gas Company for an exception to Rule 303 (a). Applicant, in the above-styled cause, seeks permission to commingle, without separate measurement, the distillate production from the Tubb Gas Pool, the distillate production from the Blinbry Gas Pool, the oil production from the Drinkard Pool and the oil production from the Wantz-Abo Pool from all wells presently completed on the S. J. Sarkeys lease, comprising the the SE/4 of Section 23, Township 21 South, Range 37 East, Lea County, New Mexico.

CASE 2248: Application of Sinclair Oil & Gas Company for an exception to Rule 303 (a). Applicant, in the above-styled cause, seeks permission to commingle, without separate measurement, the oil production from the Drinkard Pool with the oil production from the Tubb Gas Pool from all wells presently completed on its A. M. York "B" lease, comprising the NE/4 NE/4 of Section 20, Township 21 South, Range 37 East, Lea County, New Mexico.

CASE 2249: Application of Southern Union Production Company for an order force-pooling a standard 160-acre proration unit in the Tapacito-Pictured Cliffs Gas Pool. Applicant, in the above-styled cause, seeks an order force pooling all mineral interests in the Tapacito-Pictured Cliffs Gas Pool in the SW/4 of Section 2, Township 25 North, Range 3 West, NMPM, Rio Arriba County, New Mexico, to form a standard 160-acre gas proration unit.

- CASE 2250: Application of Texaco, Inc. for an exception to Rule 309 (a) and for an automatic custody transfer system. Applicant, in the above-styled cause, seeks permission to commingle the Paduca-Delaware Pool production from all wells presently completed or hereafter drilled on the Cotton Draw Unit, comprising portions of Townships 24 and 25 South, Ranges 31 and 32 East, Eddy and Lea Counties, New Mexico. Applicant further proposes to install an automatic custody transfer system to handle said commingled production.
- CASE 2251: Application of Texaco, Inc. for a non-standard gas proration unit. Applicant, in the above-styled cause, seeks the establishment of a 280-acre non-standard gas proration unit in the Jalmat Gas Pool consisting of the SW/4, the E/2 SE/4 and the NW/4 SE/4 of Section 31, Township 23 South, Range 37 East, Lea County, New Mexico, to be dedicated to its E. E. Blinbry Well No. 2, located 1980 feet from the South line and 660 feet from the East line of said Section 31.
- CASE 2252: Application of Cities Service Petroleum Company for an automatic custody transfer system. Applicant, in the above-styled cause, seeks permission to install an automatic custody transfer system to handle the production from the Vacuum-Abo Pool from all wells presently completed or hereafter drilled on its State B "J" lease, S/2 of Section 35, Township 17 South, Range 35 East, Lea County, New Mexico.
- CASE 2253: Application of G. E. Reagin for permission to operate a treating plant. Applicant, in the above-styled cause, seeks permission to operate a sediment oil treating plant to be located at or near the City of Hobbs, New Mexico.
- CASE 2254: Application of The Ohio Oil Company for exception to Rule 309 (a) and for two automatic custody transfer systems. Applicant, in the above-styled cause, seeks permission to commingle, prior to measurement, the Lea-Devonian Pool production from all wells presently completed or hereafter drilled in the Lea Unit Area, comprising portions of Township 20 South, Ranges 34 and 35 East, Lea County, New Mexico, and to commingle, prior to measurement, the Lea-Bone Springs Pool production from all wells presently completed or hereafter drilled in said Lea Unit Area. Applicant further proposes to install two automatic custody transfer systems, one to handle the Devonian production, the other to handle the Bone Springs production.

- CASE 2255: Application of Tenneco Corporation for approval of the Kemnitz-Wolfcamp Unit Agreement and for a pressure maintenance project. Applicant, in the above-styled cause, seeks approval of the Kemnitz-Wolfcamp Unit Agreement, which unit embraces 4,520 acres of State lands in Township 16 South, Ranges 33 and 34 East, Lea County, New Mexico. Applicant further seeks an order authorizing it to institute a pressure maintenance project in said Kemnitz-Wolfcamp Unit Area by the injection of gas into 5 wells in said area, and for special rules governing the operation of said project.
- CASE 2256: Application of Hondo Oil & Gas Company for an automatic custody transfer system. Applicant, in the above-styled cause, seeks permission to install an automatic custody transfer system to handle the production from the Culwin-Queen Pool from all wells presently completed or hereafter drilled on the State RD Lease in Section 36, Township 18 South, Range 30 East, Eddy County, New Mexico.
- CASE 2257: Application of J. R. Cone for an exception to Rule 303 (a). Applicant, in the above-styled cause, seeks permission to commingle, without separate measurement, the production from the Blinebry Oil Pool, the Drinkard Pool and the Tubb Gas Pool from all wells presently completed on the Anderson Lease, comprising the NE/4 SE/4 of Section 21, Township 21 South, Range 37 East, Lea County, New Mexico.
- CASE 2258: Application of Markham, Cone & Redfern for an exception to Rule 303 (a). Applicant, in the above-styled cause, seeks permission to commingle, without separate measurement, the production from the Drinkard Pool, the Blinebry Gas Pool and the Tubb Gas Pool from all wells presently completed on the Eubanks lease, comprising the SW/4 of Section 14, Township 21 South, Range 37 East, Lea County, New Mexico.
- CASE 2259: Application of Southwest Production Company for a non-standard oil proration unit and for an unorthodox oil well location. Applicant, in the above-styled cause, seeks the establishment of a 71.3-acre non-standard oil proration unit in the Cha Cha-Gallup Oil Pool comprising that portion of the SW/4 of Section 16, Township 29 North, Range 14 West, San Juan County, New Mexico, lying North of the mid-channel of the San Juan River. Applicant further seeks approval for an unorthodox oil well location in said pool at a point 1850 feet from the South line and 330 feet from the West line of said Section 16, to serve as the unit well.

-4-

Docket No. 12-61

CASE 2260:

Application of Continental Oil Company for an unorthodox gas well location. Applicant, in the above-styled cause, seeks approval of an unorthodox gas well location in the Eumont Gas Pool for its State F-1 Well No. 1, located 660 feet from the South and West lines of Section 1, Township 21 South, Range 36 East, Lea County, New Mexico, said well to serve as the unit well for a gas proration unit comprising all of said Section 1.

*and*



GOVERNOR  
EDWIN L. MECHAM  
CHAIRMAN

*State of New Mexico*  
**Oil Conservation Commission**

LAND COMMISSIONER  
E. S. JOHNNY WALKER  
MEMBER



P. O. BOX 671  
SANTA FE

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

April 28, 1961

Mr. Jason Kellahin  
Kellahin & Fox  
Box 1713  
Santa Fe, New Mexico

Re: Case No. 2280  
Order No. R-1954  
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.*  
A. L. PORTER, Jr.  
Secretary-Director

ir/

Carbon 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. 3260  
Order No. R-1934**

**APPLICATION OF CONTINENTAL OIL  
COMPANY FOR AN UNORTHODOX GAS  
WELL LOCATION IN THE HUNNET GAS  
POOL, LEA COUNTY, NEW MEXICO.**

**ORDER OF THE COMMISSION**

**BY THE COMMISSION:**

**This cause came on for hearing at 9 o'clock a.m. on**  
April 19, 1961, at Santa Fe, New Mexico, before A. L. Porter, Jr.,  
Examiner duly appointed by the Oil Conservation Commission of New  
Mexico, hereinafter referred to as the "Commission," in accordance  
with Rule 1214 of the Commission Rules and Regulations.

**Now, on this 28th day of April, 1961, the Commission,**  
a quorum being present, having considered the application, the  
evidence adduced, and the recommendations of the Examiner,  
A. L. Porter, Jr., 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 an unorthodox gas well location in the Hunnet Gas  
Pool for its State F-1 Well No. 1, at a point 640 feet from the  
South line and 640 feet from the West line of Section 1, Town-  
ship 21 South, Range 36 East, NMPN, Lea County, New Mexico, said  
well to serve as the unit well for a standard gas proration unit  
consisting of Lots 9 through 16 and the S/2 of said Section 1.

(3) That the above-described unorthodox location is  
occasioned by the recompletion of a well previously drilled  
to another horizon.

(4) That approval of the subject application will neither  
~~cause waste nor impair correlative rights.~~

**IT IS THEREFORE ORDERED:**

(1) That the applicant, Continental Oil Company, is hereby  
authorized to locate its State F-1 Well No. 1 at an unorthodox



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CASE No. 2260  
Order No. R-1954

gas well location in the Equest Gas Pool at a point 660 feet from the South line and 660 feet from the West line of Section 1, Township 21 South, Range 36 East, NMPN, Lea County, New Mexico, said well to serve as the unit well for a standard gas protection unit consisting of Lots 9 through 16 and the S/2 of said Section 1.

(2) 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



*[Signature]*

HENRY L. RECHER, Chairman

*[Signature]*

H. S. WALKER, Member

*[Signature]*

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

END/

*RSM*  
*4/24*  
*4/25*

DRAFT

RSM/esr  
April 24, 1961

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. 2260

Order No. P- 1954

*ATP*  
*4/25*

APPLICATION OF CONTINENTAL OIL  
COMPANY FOR AN UNORTHODOX GAS  
WELL LOCATION IN THE EUMONT GAS  
POOL, LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on April 19, 1961, at Santa Fe, New Mexico, before A. L. Porter, Jr., Examiner duly appointed by the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission," in accordance with Rule 1214 of the Commission Rules and Regulations.

NOW, on this \_\_\_\_\_ day of April, 1961, the Commission, a quorum being present, having considered the application, the evidence adduced, and the recommendations of the Examiner, A. L. Porter, Jr., 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 an unorthodox gas well location in the Eumont Gas Pool for its State F-1 Well No. 1, <sup>at a point</sup> ~~located~~ 660 feet from the South line and 660 feet from the West line of Section 1, Township 21 South, Range 36 East, NMPM, Lea County, New Mexico, <sup>said</sup> ~~the~~ well to serve as the unit well for a standard gas proration unit consisting of Lots 9 through 16 and the S/2 of said Section 1.

(3) That the above-described unorthodox location is occasioned by the recompletion of a well previously drilled to another horizon.

(4) That approval of the subject application will neither cause waste nor impair correlative rights.

IT IS THEREFORE ORDERED:

(1) That the applicant, Continental Oil Company, is hereby authorized to locate its State F-1 Well No. 1 at an unorthodox gas well location in the Eumont Gas Pool at a point 660 feet from the South line and 660 feet from the West line of Section 1, Township 21 South, Range 36 East, NMPM, Lea County, New Mexico, said well to serve as the unit well for a standard gas proration unit consisting of Lots 9 through 16 and the S/2 of said Section 1.

(2) 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 herein-above designated.