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. 5414 Order No. R-4977

APPLICATION OF CONTINENTAL OIL COMPANY FOR AN UNORTHODOX GAS WELL LOCATION AND SIMULTANEOUS DEDICATION, LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

1. 7.

This cause came on for hearing at 9 a.m. on March 5, 1975, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this <u>llth</u> day of March, 1975, 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 the approval for a non-standard 360-acre gas proration unit comprising the SE/4 and E/2 SW/4 of Section 28, and the N/2 NE/4 and NE/4 NW/4 of Section 33, both in Township 20 South, Range 37 East, NMPM, Eumont Gas Pool, Lea County, New Mexico.
- (3) That the applicant seeks to simultaneously dedicate to said non-standard unit its Meyer B-28 A Com Acct. 2 Wells Nos. 2 and 3 located, respectively, at unorthodox locations, in Unit O of said Section 28 and in Unit C of said Section 33, with unit production to be taken from said wells in any proportion.
- (4) That the proposed non-standard gas proration unit can be efficiently and economically drained and developed by the subject wells.
- (5) That approval of the subject application will afford the applicant the opportunity to produce its just and equitable share of the gas in the Eumont Gas Pool and will otherwise prevent waste and protect correlative rights.

IT IS THEREFORE ORDERED:

- (1) That effective at 7:00 a.m. April 1, 1975, the applicant, Continental Oil Company, is hereby authorized to simultaneously dedicate a non-standard 360-acre gas proration unit comprising the SE/4 and E/2 SW/4 of Section 28, and the N/2 NE/4 and NE/4 NW/4 of Section 33, both in Township 20 South, Range 37 East, NMPM, Eumont Gas Pool, Lea County, New Mexico, to its Meyer B-28 A Com Acct. 2 Wells Nos. 2 and 3 located, respectively, at unorthodox locations in Unit O of said Section 28 and in Unit C of said Section 33, with unit production to be taken from said wells in any proportion.
- (2) That the allowable assigned to the above-described gas proration unit shall be based upon the unit size of 360 acres and that the operator may produce the allowable assigned to the unit from the subject wells in any proportion.
- (3) 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.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

I. R. TRUJILLO, Chairman

PHIL R. LUCERQ, Member

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

SEAL