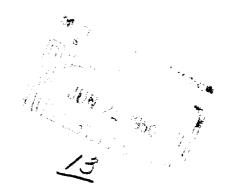


CONTINENTAL OIL COMPANY

1710 Fair Building Fort Worth 2, Texas June 20, 1950

IN THE MATTER OF THE APPLICATION OF CONTINENTAL OIL COMPANY FOR AN ORDER GRANTING TEMPORARY EXCEPTION TO RULE 404 IN THAT PERMISSION BE GRANTED TO GAS LIFT SIX WELLS LOCATED IN THE SOUTH EUNICE AND COOPER-JAL POOLS, LEA COUNTY, NEW MEXICO



APPLICATION

COMES NOW Continental Oil Company, a Delaware Corporation operating in the State of New Mexico from a field office in Hobbs, New Mexico, and respectfully represents to the Oil Conservation Commission of the State of New Mexico that it is the operator of the following wells located within the defined limits of the Cooper-Jal and South Eunice Pools:

Cooper-Jal Pool

- (1) Gates A-27 No. 1, located in the Southeast Quarter of the Southeast Quarter (SE/4 SE/4) of Section 27, Township 24 South, Range 36 East, Lea County, New Mexico.
- (2) Vaughan A-14 No. 2, located in the Southeast Quarter of the Southwest Quarter (SE/4 SW/4) of Section 14, Township 24 South, Range 36 East, Lea County, New Mexico.

Cooper-Jal Pool (Continued)

- (3) Vaughan A-14 No. 3, located in the Southwest Quarter of the Northwest Quarter (SW/4 NW/4) of Section 14, Township 24 South, Range 36 East, Lea County, New Mexico.
- (4) Farney A-5 No. 4, located in the Northwest Quarter of the Northeast Quarter (NW/4 NE/4) of Section 5, Township 23 South, Range 36 East, Lea County, New Mexico.

South Eunice Pool

- (1) Meyer A-29 No. 2, located in the Southwest Quarter of the Southwest Quarter (SW/4 SW/4) of Section 29, Township 22 South, Range 36 East, Lea County, New Mexico.
- (2) Meyer A-29 No. 4, located in the Northwest Quarter of the Southwest Quarter (NW/4 SW/4) of Section 29, Township 22 South, Range 36 East, Lea County, New Mexico.

Applicant further represents that the above named wells are being produced by gas lift with the aid of high pressure dry gas and, at the present time, no market is available for the produced gas.

Oil Conservation Commission Rule No. 404 is stated as follows:

"After the completion of a natural gas well, no gas from such well shall be (1) permitted to escape to the air, (2) used expansively in engines or pumps and then vented, (3) used to gas lift oil wells unless all gas produced is processed in a gasoline plant or beneficially used thereafter without waste, or (4) used for manufacturing of carbon black".

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WHEREFORE, applicant respectfully requests an exception to that portion of the rule numbered 3 for a period of six months in order to provide sufficient time to obtain market facilities for flared gas produced from the above named wells.

Done at Fort Worth, Texas, on this 20th day of June 1950.

Respectfully submitted, CONTINENTAL OIL COMPANY

HLJ-DF