IN THE MATTER OF THE APPLICATION OF CONTINENTAL)
OIL COMPANY FOR APPROVAL OF AN UNORTHODOX GAS)
PRORATION UNIT CONSISTING OF APPROXIMATELY 160)
ACRES DESCRIBED AS THE W/2 W/2 SECTION 19, TOWN-)
SHIP 25 SOUTH, RANGE 37 EAST, N.M.P.M., LEA)
COUNTY, NEW MEXICO, FOR ITS SHOLES 19 UNIT WELL)
NO. 1 IN THE JALCO POOL)

CASE NO. 632

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APPLICATION

Comes now Continental Oil Company, hereinafter called "applicant", and respectfully requests approval of an unorthodox gas proration unit as described in the caption hereof and in support thereof would show the following:

- 1. Applicant is joint owner and is the operator of a lease known as the Sholes 19 Unit consisting of the W/2 W/2 Section 19, Township 25 South, Range 37 East, Lea County, New Mexico, which unit was formed with the approval of the United States Geological Survey.
- 2. Applicant drilled a well known as the Sholes 19 Unit well No. 1 at a location described as 2,340 feet from the south line and 300 feet from the west line of said Section 19 and completed said well as a shut in gas well in 1929. Said well is located on the lands now designated as the Sholes 19 Unit.
- 3. Said well is located within the limits of the Jalco gas pool as defined by the Oil Conservation Commission, and is the only well producing from said pool on the 160-acre unit described above.
- 4. Pooling of these lands with lands outside this unit to form proration units of governmental quarter sections would be impractical inasmuch as the royalty interests are diverse and equities already established would be disrupted.

Wherefore, applicant respectfully requests the Commission to place this matter on its docket for hearing at the regularly scheduled January, 1954 hearing, cause due notice to be given thereof, and upon hearing enter an order approving an unorthodox gas proration unit for applicant's Sholes 19 Unit well No. 1 as described above.

CONTINENTAL OIL COMPANY

H. L. Johnston Regional Manager of Production

By:

Southwestern Region

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IN THE MATTER OF THE APPLICATION OF CONTINENTAL OIL COMPANY FOR APPROVAL OF AN UNORTHODOX GAS PRORATION UNIT CONSISTING OF APPROXIMATELY 160—ACRES DESCRIBED AS THE W/2 W/2 SECTION 19, TOWN-SHIP 25 SOUTH, RANGE 37 EAST, N.M.P.M., LEA COUNTY, NEW MEXICO, FOR ITS SHOLES 19 UNIT WELL NO. 1 IN THE JALCO PCOL

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CONTINENTAL OIL COMPANY

By:	
	H. L. Johnston
	Regional Manager
	of Production
	Southwestern Region

N.M. Oil & Gas Engineering Committee January 4, 1954 Hobbs, New Mexico