Case 732

IN THE MATTER OF THE APPLICATION OF CONTINENTAL OIL COMPANY FOR AN EXCEPTION TO RULE 7(A) OF ORDER NO. R-370-A, FOR AN UNORTHODOX GAS PRORATION UNIT CONSISTING OF APPROXIMATELY 40 ACRES DESCRIBED AS THE NE/4 NW/4 SECTION 8, TOWNSHIP 20 SOUTH, RANGE 37 EAST, N.M.P.M. LEA COUNTY, NEW MEXICO, FOR ITS BRITT B-8 NO. 1 WELL IN THE EUMONT POOL

APPLICATION

Comes now Continental Oil Company, hereinafter called "applicant", and respectfully requests an exception to Rule 7(a) of Order No. R-370-A and approval by the Commission of an unorthodox gas proration unit for applicant's Britt B-8 No. 1 well 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 Britt "B" Lease, covering the NE/4 NW/4, Section 8, Township 20 South, Range 37 East, N.M.P.M., Lea County, New Mexico, in addition to other lands outside said Section 8.
- 2. Applicant drilled its Eritt B-8 No. 1 well at a location described as 660 feet from north and 1980 feet from west lines of Section 8 on said lease and completed said well on February 14, 1937, as an oil well producing from the Grayburg Formation. Said well subsequently was plugged back and recompleted as a gas well producing from a depth interval of approximately 2900 to 2962 feet.
- 3. Said well is located within the limits of the Eumont Gas Pool as defined by the Oil Conservation Commission and is the only well producing from said pool on the 40-acre unit described above.
- 4. Pooling of these lands with lands outside the above described unit to form gas proration units consisting of governmental quarter sections has not been accomplished to date. Operators owning interests within this quarter section have been contacted for the purpose of investigating the feasibility of effecting a communitization. The purpose of this application is to secure an allowable to the above mentioned well, pending formation of a larger unit provided such communitization is determined to be practicable.
- 5. The above described unit consists of less acreage than a standard proration unit, lies wholly within a regular quarter section and contains a well which was capable of producing gas into a gas transportation facility prior to January 1, 1954.

Wherefore, applicant respectfully requests the Commission to place this matter on its docket for hearing at an early date in June, 1954, cause due notice to be given thereof and upon hearing, enter an order approving an unorthodox gas proration unit for applicant's Britt B-8 No. 1 well as described above.

CONTINENTAL OIL COMPANY

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