

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 CONSIST-
ING OF APPROXIMATELY 40 ACRES DESCRIBED AS
THE NW/4 SW/4, SECTION 19, TOWNSHIP 19
SOUTH, RANGE 37 EAST, N.M.P.M., LEA COUNTY,
NEW MEXICO, FOR ITS STATE A-19 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 State A-19 No. 1 well as described in the caption hereof, and in support thereof would show the following:

1. Applicant is owner and the operator of a lease known as the State "A" Lease covering the NW/4 SW/4, Section 19, Township 19 South, Range 37 East, N.M.P.M., Lea County, New Mexico, in addition to other lands outside said Section 19.

2. Applicant drilled its State A-19 No. 1 well at a location described as 1,980 feet from south and 660 feet from west lines of Section 19 on said lease and completed said well on February 14, 1936, as a bradenhead gas well producing into the annular space between 7 5/8" and 5 1/2" casing strings from a depth interval of approximately 2599 to 3600 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 the formation of a larger proration unit provided such a communitization is determined to be practicable.

5. The above described unit consists of less acreage than a standard proration unit, lies 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 State A-19 well No. 1 as described above.

CONTINENTAL OIL COMPANY

By James L. Lee