

IN THE MATTER OF THE APPLICATION OF
CONTINENTAL OIL COMPANY FOR AN EXCEPTION
TO RULE 7(A) OF ORDER NO. R-369-A FOR
AN UNORTHODOX GAS PRORATION UNIT CONSIST-
ING OF APPROXIMATELY 40 ACRES DESCRIBED
AS THE SW/4 SW/4 SECTION 21, TOWNSHIP 24
SOUTH, RANGE 37 EAST, N.M.P.M., LEA COUNTY,
NEW MEXICO, FOR ITS JACK A-21 WELL NO. 1
IN THE LANGMAT POOL

APPLICATION

Comes now Continental Oil Company, hereinafter called "applicant", and respectfully requests an exception to Rule 7 (a) of Order No. R-369-A and approval by the Commission of an unorthodox gas proration unit for applicant's Jack A-21 well No. 1 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 Jack "A" Lease, covering the SW/4 SW/4, Section 21, Township 24 South, Range 37 East, N.M.P.M., Lea County, New Mexico, in addition to other lands outside the section.
2. Applicant drilled its Jack A-21 No. 1 well at a location described as 660 feet from the south and west lines of Section 21 on said lease and completed said well as an oil well producing from the Lower Seven Rivers Formation on November 18, 1937. Said well was subsequently recompleted on April 24, 1949, as a gas well producing from 3015 to 3200 feet in the Yates Formation.
3. Said well is located within the limits of the Langmat 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 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 Jack A-21 No. 1 well as described above.

CONTINENTAL OIL COMPANY

By *James E. Latta*