

R. L. ADAMS DIVISION SUPERINTENDENT OF PRODUCTION NEW MEXICO DIVISION

CONTINENTAL OIL COMPANY PETROLEUM BUILDING ROSWELL, NEW MEXICO November 13, 1956 co Oil Conservation Commission , New Mexico

New Mexico Oil Conservation Commission Box 871 Santa Fe, New Mexico

Attention: Mr. A. L. Porter, Jr. - Secretary-Director

Re: Applications for non-standard gas proration units for our State F-1 wells Nos. 1 and 5 in Sec. 1, T21S, R36E

Gentlemen:

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We forward herewith applications in triplicate for approval of non-standard gas proration units for the above mentioned wells. Please place these two matters on your docket for hearing by an examiner in Hobbs, New Mexico, at the earliest convenient time.

PIONEERING IN PETROLEUM PROGRESS SINCE 1875

1181 30 July RIA-BC cc: HLJ, FZK

Yours very truly,

BEFORE THE OIL CONSERVATION COMMISSION OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE APPLICATION OF CONTINENTAL OIL COMPANY FOR AN EXCEPTION TO RULE 5 (a) OF THE SPECIAL RULES AND REGULATIONS FOR THE EUMONT GAS POOL CONTAINED IN ORDER NO. R-520 IN ESTABLISHMENT OF A NON-STANDARD GAS PRORATION UNIT OF 360 ACRES CONSISTING OF LOTS 2, 7, 10, 11, 12, 13, 14, 15 and 16 Cr³ SECTION 1, T 21S, R 36E, NMPM, LEA COUNTY, NEW MEXICO, TO BE ALLOCATED TO ITS STATE F-1 WELL NO. 5.

<u>A P P L I C A T I O N</u>

Comes now applicant, Continental Oil Company and petitions the Commission for an order approving a non-standard gas proration unit consisting of lots 2, 7, 10, 11, 12, 13, 14, 15, and 16 of Section 1, T 21S, R 36E, NMPM, Eumont gas pool, Lea County, New Mexico, to be allocated to its State F-1 No. 5 well located 3300 feet from the north line and 1980 feet from the west line of said Section 1 and in support thereof would show:

1. That applicant is owner and operator of a lease designated as the State F-l lease consisting of, in addition to other lands, lots 2, 7, 10, 11, 12, 13, 14, 15, and 16 of Section 1, T 21S, R 36E, NMPM, Lea County, New Mexico.

2. That applicant is drilling the State F-1 No. 5 at a location 3300 feet from the north line and 1980 feet from the west line of said Section 1.

3. That no portion of the above described lands is allocated to any gas well, and that all of said acreage may reasonably be presumed to be productive of gas from the Eumont Pool and should be allocated to a gas well in the interests of the prevention of waste and the protection of correlative rights.

4. That the most practical and economical method of allocating said acreage for Eumont Pool gas production is

to establish a 360-acre non-standard gas proration unit for assignment to the State F-1 well No. 5.

Wherefore, applicant prays that this application be set for hearing before the Commission's duly appointed examiner, in Hobbs, New Mexico, that appropriate notice thereof be given, and that upon hearing an order be entered granting applicant an exception to Rule 5 (a) of the special rules and regulations for the Eumont gas pool contained in order No. R-520 for the non-standard gas proration unit described above.

> Respectfully submitted, CONTINENTAL OIL COMPANY

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R. L. Adams Division Superintendent of Production New Mexico Division

