

case 1288

Ex. Hg.
C. H. Hobbs
Early in August



CONTINENTAL OIL COMPANY

825 PETROLEUM BUILDING
ROSWELL, NEW MEXICO

July 10, 1957

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

Sent copy
of
to Adams
on 7/24/57

✓ New Mexico Oil Conservation Commission
P. O. Box 871
Santa Fe, New Mexico

Attention: Mr. A. L. Porter, Jr.

Re: Continental Oil Company's
Application for exception
to Rule 309(a) for its
Southeast Monument Unit
(McKee production), T-20-S,
R-38-E, Lea County, New
Mexico

Gentlemen:

We forward herewith application in triplicate for
exception to Rule 309(a) of the rules and regulations of the
New Mexico Oil Conservation Commission for our Southeast
Monument Unit (McKee production) in Sections 19, 20, and 29,
T-20-S, R-38-E, Lea County, New Mexico.

Please set this matter for hearing by an examiner in
Hobbs, New Mexico, at the earliest convenient date.

Yours very truly,

R. L. Adams

RIA-BC

Enc

cc: HLJ, JWK, FTE

IN THE MATTER OF THE APPLICATION OF
CONTINENTAL OIL COMPANY FOR AN
EXCEPTION TO RULE 309 (a) OF THE
RULES AND REGULATIONS OF THE NEW
MEXICO OIL CONSERVATION COMMISSION,
AUTHORIZING THE PRODUCTION INTO A
COMMON TANK BATTERY OF MORE THAN EIGHT
WELLS IN WARREN MCKEE POOL WITHIN THE
BOUNDARIES OF THE SOUTHEAST MONUMENT
UNIT.

) BEFORE THE
)
) OIL CONSERVATION
)
) COMMISSION
)
) OF THE
)
) STATE OF
)
) NEW MEXICO

APPLICATION

Comes now CONTINENTAL OIL COMPANY, a Delaware corporation, hereinafter referred to as "Applicant," and would respectfully show unto the Commission as follows:

1.

That Applicant is the operator of the Southeast Monument Unit covering lands located in Sections 13, 14, 15, 22, 23, 24, 25, 26, and 27, T-20-S, R-37-E, and Sections 19, 20, 29, and 30, T-20-S, R-38-E, N.M.P.M., Lea County, New Mexico.

2.

That up to the time of the filing of this application Applicant has drilled and completed within the boundaries of said Southeast Monument Unit a total of 8 wells which are producing from the Warren McKee pool, said wells being located in Sections 19, 20, and 29, T-20-S, R-38-E, all as shown on Exhibit "A" attached hereto.

3.

Two additional Warren McKee pool wells are currently being drilled within the boundaries of the Southeast Monument Unit, and the drilling of at least one additional well is being considered at this time.

4.

That the Applicant proposes to produce eleven wells producing from the Warren McKee pool, or as many as may hereafter be drilled and completed in the pool within the Southeast Monument

Unit into the tank battery located in the Southwest quarter of Section 20, T-20-S, R-38-E as shown on the attached Exhibit "A".

5.

That present equipment is adequate to test each well individually at regular intervals.

6.

That the production of said wells into common storage will result neither in waste nor the impairment of correlative rights.

7.

That there is attached hereto and made a part hereof a plat, marked Exhibit "A", showing the easterly portion of the Southeast Monument Unit and the current boundary lines of the Warren McKee participating area; the location of the 11 wells currently producing or that will produce from the Warren McKee pool within the boundaries of said unit; the location of the proposed common tank battery; and the manner in which said wells are to be connected to tank battery.

8.

That in the event Applicant should drill and complete any additional well or wells in said Warren McKee pool within the boundaries of said Southeast Monument Unit, Applicant be authorized to produce such well or wells into the aforesaid common tank battery. ~~by administrative order of the Commission upon Applicant's filing with the Commission an application therefor accompanied by a plat showing the location of such additional well or wells.~~

✓WR

9.

That Applicant desires a hearing before an examiner at the Commission's District Office in the City of Hobbs, New Mexico, at the earliest practical date.

10.

That the names and addresses of all interested parties known to Applicant are:

The Atlantic Refining Company
Attn: Mr. S. L. Smith
P. O. Box 871
Midland, Texas

Pan American Petroleum Corporation
Attn: Mr. C. L. Kelley
P. O. Box 899
Roswell, New Mexico

Standard Oil Company of Texas
Attn: Mr. H. W. Mathews
P. O. Box 1249
Houston, Texas

WHEREFORE, Applicant prays that this application be set for hearing upon due notice and that upon hearing an order be entered granting Applicant an exception to Rule 309 (a) authorizing Applicant to produce into a common tank battery the 11 wells to produce from the Warren McKee pool within the boundaries of the Southeast Monument Unit, as aforesaid, and authorizing ~~administrative~~ approval of the production of any additional well or wells which may be drilled and completed in said pool in said unit by Applicant, ~~upon application by Applicant showing the location of such additional well or wells.~~

Respectfully submitted,

CONTINENTAL OIL COMPANY

By R. L. Adams