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CONTINENTAL OIL COMPANY 7: 56

825 PETROLEUM BUILDING ROSWELL, NEW MEXICO

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

October 16, 1957

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

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

Re: Continental Oil Company's application for a 320-acre non-standard proration unit for its State D-15 Well No. 8, Eumont Pool, Section 15, T21S,

R36E.

Gentlemen:

We forward herewith application in triplicate for approval of a 320-acre non-standard proration unit for our State D-15 Well No. 8.

It is respectfully requested that this matter be set for hearing before an examiner in Hobbs, New Mexico at the earliest convenient date.

Yours very truly,

R. L. ADAMS

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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 320 ACRES CONSISTING OF THE E/2 OF SECTION 15, T21S, R36E, NMPM, LEA COUNTY, NEW MEXICO TO BE ALLOCATED TO ITS STATE D-15 WELL NO. 8

APPLICATION

Comes now applicant, Continental Oil Company, and petitions the Commission for an order approving a non-standard gas proration unit consisting of the E/2 of Section 15, T21S, R36E, NMPM, Lea County, New Mexico, to be allocated to its State D-15 No. 8 well located 660 feet from the South and East lines of said Section 15 and in support thereof would show:

- 1. That applicant is owner and operator of the State D-15 lease containing, among other lands, the E/2 of Section 15, T21S, R36E, NMPM, Lea County, New Mexico.
- 2. That applicant drilled the State D-15 No. 8 at a location 660 feet from the South and East lines of said Section 15 and completed it April 12, 1937, as an oil well in the Eunice Pool.
- 3. That said well is now a depleted oil well in the Eunice Pool and will be plugged back and recompleted in the Eumont Gas Pool.
- 4. That no part of the acreage comprising the E/2 of Section 15 is allocated to a gas well and that all 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.
- 5. That the most practical and economical method of allocating said acreage for Eumont Pool gas production is to establish a 320-acre non-standard gas proration unit, as described above, for assignment to the State D-15 Well No. 8.

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

R. L. ADAMS

Division Superintendent

of Production

New Mexico Division