



MAIN OFFICE

file

CONTINENTAL OIL COMPANY

825 PETROLEUM BUILDING
ROSWELL, NEW MEXICO

WM. A. MEAD
DIVISION SUPERINTENDENT
OF PRODUCTION
NEW MEXICO DIVISION

September 15, 1959

New Mexico Oil Conservation Commission
Mr. A. L. Porter, Jr., Secretary-Director
Post Office Box 871
Santa Fe, New Mexico

Gentlemen:

Re: Continental Oil Company's Application for Exception to Rule 10-R-520 & R-586 of Order No. R-967 for nine over-produced wells in the Jalmat Gas Pool, Lea County, New Mexico

We are forwarding three copies of Continental Oil Company's subject application as per Mr. Dan Nutter's telephone conversation with Mr. J. A. Queen, and the confirming telegram sent September 9, 1959. It is our understanding that this matter will be set for hearing September 30, 1959, as per the above-mentioned telephone conversation.

The Jalmat Gas Pool wells and their locations are as follows:

Well	Location
Ascarate D-24 No. 1 ✓	J 1980' FS&EL, Sec. 24-25S-36E ✓
Danciger A-8 No. 2 ✓	P 660' FS&EL, Sec. 8-23S-36E ✓
Jack A-20 No. 4 ✓	G 1980' FN&EL, Sec. 20-24S-37E ✓
Jack A-29 No. 3 ✓	H 1970' FN, 300' FEL, Sec. 29-24S-37E ✓
Meyer A-29 No. 1 ✓	O 660' FS & 1980' FEL, Sec. 29-22S-36E ✓
Meyer B-28 No. 1 ✓	C 2310' FNL, 330' FWL, Sec. 28-22S-36E ✓
State A-32 No. 4 ✓	F 1980' FN&WL, Sec. 32-22S-36E ✓
Stevens A-34 No. 1 ✓	E 1980' FN & 660' FWL, Sec. 34-23S-36E ✓
Wells B-1 No. 1 ✓	A 660' FN&EL, Sec. 1-25S-36E ✓

Yours very truly,

W. A. Mead

WAM-BR
Enc

W. A. Mead

BEFORE THE OIL CONSERVATION COMMISSION
OF THE
STATE OF NEW MEXICO

IN THE MATTER OF THE APPLICATION OF
CONTINENTAL OIL COMPANY FOR EXCEPTION
TO RULE 10-R-520 AND R-586 OF ORDER
NO. R-967 FOR NINE OVERPRODUCED WELLS
IN THE JALMAT GAS POOL, LEA COUNTY,
NEW MEXICO.

A P P L I C A T I O N

Comes now applicant, Continental Oil Company, and respectfully requests an exception to Rule 10-R-520 and R-586 of Order No. R-967 for nine overproduced gas wells in the Jalmat Gas Pool, Lea County, New Mexico, and in support thereof would show:

1. That applicant is the operator of the following gas wells in the Jalmat Gas Pool, Lea County, New Mexico:

not listed

Ascarate D-24 No. 1
Danciger A-8 No. 2
Jack A-20 No. 4
Jack A-29 No. 3
Meyer A-29 No. 1
Meyer B-28 No. 1
State A-32 No. 4
Stevens A-34 No. 1
Wells B-1 No. 1

Subsidiary

J-24-25-36 Ex 1
P-2-23-36 Ex 2
G-20-24-37 Ex 1
H-29-24-37 Ex 1
O-29-22-36 Ex 2
E-28-22-36 Ex 2
F-32-22-36 Ex 2
E-34-23-36 Ex 3
A-1-25-36 Ex 1

*as of Aug 1
overproduction*

①	19,778 MCF
②	69,798
③	56,871
④	22,012
⑤	46,264
⑥	76,439
⑦	119,969
⑧	10,271
⑨	20,313

2. That said wells were classified as marginal on or before May, 1958, and reclassified non-marginal on the July, 1959, proration schedule.

3. That during the period of classification as marginal the said wells became overproduced in comparison to a comparable non-marginal well.

4. That Rule-10-R-520 and R-586 of Order No. R-967 requires that a well which is overproduced six times its current allowable shall be shut-in.

5. That the said wells are troubled with fluid accumulations in the well bore and may suffer serious damage if they are shut-in.

6. That the said rule further provides that overproduction may be made up at a lesser rate than would be the case if the well were completely shut-in if showing is made at public hearing that such damage to the well would result from shut-in.

What rate?

ILLEGIBLE

7. That the granting of this application would be in the interest of the prevention of waste.

Wherefore, applicant prays that this matter be set for hearing before the Commission's duly qualified examiner, and, that upon hearing, an order be entered granting applicant exception to Rule 10-R-520 and R-586 of Order No. R-967 as described above.

Respectfully submitted,

W. A. Mead

W. A. Mead
Division Superintendent
of Production
New Mexico Division

WAM-BLF