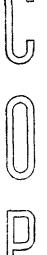
OIL CONSERVATION COMMISSION P. O. BOX 871 SANTA FE, NEW MEXICO

February 29, 1960



Box 1713 Santa Fe, New Mexico Dear Mr. Kellahin:

Mr. Jason Kellahin

On behalf of your client, Continental Oil Company, we enclose two copies of Order R-1612 in Case 1889 issued by the Oil Conservation Commission on February 26, 1960.

Very truly yours,

A. L. PORTER, Jr. Secretary-Director

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BEFORE THE OIL CONSERVATION COMMISSION OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION COMMISSION OF NEW MEXICO FOR THE PURPOSE OF CONSIDERING:

> CASE No. 1889 Order No. R-1612

APPLICATION OF CONTINENTAL OIL COMPANY FOR THREE NON-STANDARD GAS PRORATION UNITS IN THE JALMAT GAS POOL, LEA COUNTY, NEW MEXICO

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on February 10, 1960, at Santa Fe, New Mexico, before Daniel S. Nutter, Examiner duly appointed by the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission," in accordance with Rule 1214 of the Commission Rules and Regulations.

NOW, on this <u>determinant</u> day of February, 1960, the Commission, a quorum being present, having considered the application, the evidence adduced, and the recommendations of the Examiner, Daniel S. Nutter, and being fully advised in the premises,

FINDS:

(1) That due public notice having been given as required by law, the Commission has jurisdiction of this cause and the subject matter thereof.

(2) That the applicant, Continental Oil Company, is the owner and operator of Section 32, Township 22 South, Range 36 East, NMPM, Lea County, New Mexico.

(3) That the applicant presently has the following-described non-standard Jalmat gas proration units in said Section 32:

(a) A 320-acre non-standard gas proration unit consisting of the W/2 of said Section 32 and dedicated to the State A-32 Well No. 4, located in the SE/4 NW/4 of said Section 32.

(b) A 160-acre non-standard gas proration unit consisting of the NE/4 of said Section 32 and dedicated to the State A-32 Well No. 2, located in the SW/4 NE/4 of said Section 32. -2-Case No. 1889 Order No. R-1612

(c) A 160-acre non-standard gas proration unit consisting of the SE/4 of said Section 32 and dedicated to the State A-32 Well No. 3, located in the SE/4 SE/4 of said Section 32.

(4) That the applicant proposes that the above-described non-standard gas provation units in the Jalmat Gas Pool be cancelled and the following-described non-standard gas provation units established:

(a) A 400-acre non-standard gas proration unit consisting of the NE/4 and the N/2 NW/4 and the N/2 S/2 of said Section 32, to be dedicated to the State A-32 Well No. 2, located in the SW/4 NE/4 of said Section 32.

(b) An 80-acre non-standard gas proration unit consisting of the S/2 NW/4 of said Section 32, to be dedicated to the State A-32 Well No. 4, located in the SE/4 NW/4 of said Section 32.

(c) A 160-acre non-standard gas proration unit consisting of the S/2 S/2 of said Section 32, to be dedicated to the State A-32 Well No. 3, located in the SE/4 SE/4 of said Section 32.

(5) That approval of the subject application will neither cause waste nor impair correlative rights.

IT IS THEREFORE ORDERED:

(1) That the following-described non-standard gas proration units in the Jalmat Gas Pool, Lea County, New Mexico, be and the same are hereby established, and those units in conflict therewith are hereby cancelled:

(a) A 400-acre non-standard gas proration unit consisting of the NE/4, the N/2 NW/4 and the N/2 S/2 of Section 32, Township 22 South, Range 36 East, NMPM, Lea County, New Mexico, said unit to be dedicated to the State A-32 Well No. 2, located in the SW/4 NE/4 of said Section 32.

(b) An 80-acre non-standard gas proration unit consisting of the S/2 NW/4 of said Section 32, to be dedicated to the State A-32 Well No. 4, located in the SE/4 NW/4 of said Section 32.

(c) A 160-acre non-standard gas proration unit consisting of the S/2 S/2 of said Section 32, to be dedicated to the State A-32 Well No. 3, located in the SE/4 SE/4 of said Section 32.

(2) That each of the above-described wells be and the same is hereby assigned an acreage factor for allowable purposes in the proportion that the acreage in the non-standard unit dedicated to it bears to the acreage in a standard gas proration unit in the Jalmat Gas Pool. -3-Case No. 1889 Order No. R-1612

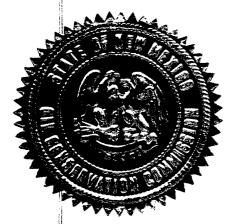
DONE at Santa Fe, New Maxico, on the day and year hereinabove designated.

> STATE OF NEW MEXICO OIL CONSERVATION COMMISSION

JOHN BURROUGHS, Chairman

MURRAY E. MORGAN, Member

PORTER, Jr., Member & Secretary A. L.



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