

MAIN OFFICE OCC

1930 JUN 20 PM 1:00

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 309(a) OF THE NEW
MEXICO OIL CONSERVATION COMMISSIONS
RULES AND REGULATIONS FOR ESTABLISH-
ING MEASUREMENT OF PRODUCED OIL WITH
LEASE AUTOMATIC CUSTODY TRANSFER
ALLOCATED TO ITS MILLER "BX" LEASE,
MALJAMAR POOL, LEA COUNTY, NEW MEXICO.

Case 2017

A P P L I C A T I O N

Comes now applicant, Continental Oil Company, and petitions the Commission for an order approving automatic custody transfer from its Miller "BX" lease located in the E/2 of Section 14, T-17S, R-32E, Maljamar Pool, Lea County, New Mexico, and in support thereof would show:

1. That applicant is owner and operator of said lease containing, among other lands, the E/2 of Section 14, T-17S, R-32E, Lea County, New Mexico.

2. That applicant completed its Miller "BX" No. 1 well as a producer from the Grayburg-San Andres formation, located 660 feet from the South and East lines of said section, and presently plans to drill seven more wells on this lease, subject to encountering commercial quantities of oil.

3. That production will be transferred from said wells to a battery located approximately in the center of subject lease, and custody transfer will be from this point.

Wherefore, applicant prays that this application be set for hearing before the Commission's duly appointed examiner, that appropriate notice be given, and that upon hearing, an order be entered granting applicant an exception to Rule 309(a)

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of the New Mexico Oil Conservation Commissions Rules and Regulations for automatic custody transfer of production from its Miller "BX" lease.

Respectfully submitted,

CONTINENTAL OIL COMPANY



J. R. Parker
Alternate for
Division Superintendent
of Production
New Mexico Division

JRP-EL