STATE OF NEW MEXICO

Case 2181

EN THE MATKER OF THE APPLICATION OF CONTENENTAL ORL COMPANY FOR AN EXCEPTION TO RULE 5(A) OF THE GENERAL RULES AND RECULATIONS FOR PRORATED GAS POOLS IN SOUTHEAST HEW MEXICO CONTAINED IN ORDER NO. R-1670 FOR AN 80 ACRE EXPANSION OF THE 320 ACRE NON-STANDARD EUMONT POOL GAS PRORATION UNIT ASSIGNED TO ITS SEMU EUMONT WELL NO. 65.

R-714

APPLICATION

Commission for an order approving the expansion of the 320-acre non-standard gas provation unit consisting of the W/2 W/2 of Section 26 and the F/2 F/2 of Section 27, T-20S, R-37E, assigned to its SEMU Euront well No. 65 located 2363 feet arom the South line and O feet from the West line of Section 26, T-20S, R-37E, MMPM, Lea County, New Mexico, in the Euront Gas Pool, to include the F/2 of the SE/4 of Section 22, T-20S, R-37E and in support thereof would show.

- I. That applicant is co-owner and operator of the SEMU Eumont lease containing, among other lands, the W/2 W/2 of Section 26, the E/2 F/2 of Section 27 and the E/2 of the SE/4 of Section 22, T-20S, R-37H HMPM, Lea County, New Mexico.
- 2. That applicant's SFMU Eumont Well No. 65 is capable of producing gas in excess of a 400-acre unit gas allowable for the Eumont Pool.
 - 3. That no part of the acreage comprising the E/2 of the SE/4 of Section 22 is allocated to a gas well and that all said acreage may reasonably be presumed to be productive of gas from the Famont Pool and should be allocated to a gas well in the interests of the prevention of waste and the protection of correlative rights.
 - 4. That the most practical and oconomical method of allocating said acreage for Eumont Pool gas production is to expand the 320-acre non-standard gas provided unit assigned to the SEAU Suport well No. 65.

Wherefore, applicant prays that this application be set for hearing before the Commission's duly appointed examiner, that appropriate notice thereof be given, and that upon hearing an order be entered granting applicant an example to Fule 5(a) of the General Raice and Regulations for promise gas each in Southeast New Mexico contained in Order No. 3-1670 approving 3.

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expension of the present non-standard gas proration unit by 80 acres for Consideratival Cil. Company's SEMU Eumont well No. 65 as described above.

Respectfully submitted,

CONTINUENAL CIL COMPANY

Was A. Mead

Division Superintendent

of Production New Mexico Division

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