

IN THE MATTER OF THE APPLICATION OF
CONTINENTAL OIL COMPANY FOR AN EXCEPTION
TO RULES 3 AND 7(A) OF ORDER NO. R-370-A,
FOR THE UNORTHODOX LOCATION AND UNORTHODOX
GAS PRORATION UNIT CONSISTING OF APPROXI-
MATELY 80 ACRES DESCRIBED AS THE S/2 SE/4,
SECTION 18, TOWNSHIP 21 SOUTH, RANGE 36
EAST, N.M.P.M., LEA COUNTY, NEW MEXICO,
FOR ITS LOCKHART A-18 NO. 1 WELL IN THE
EUMONT POOL

APPLICATION

Comes now Continental Oil Company, hereinafter called "applicant", and respectfully requests an exception to Rules 3 and 7(a) of Order No. R-370-A, and approval by the Commission of an unorthodox location and an unorthodox gas proration unit for applicant's Lockhart A-18 well No. 1 as described in the caption hereof, and in support thereof would show the following:

1. Applicant is joint owner and is the operator of a lease known as the Lockhart Lease covering the S/2 SE/4 of Section 18, Township 21 South, Range 36 East, N.M.P.M., Lea County, New Mexico, in addition to other lands outside of the SE/4 of said Section 18.

2. Applicant drilled its Lockhart A-18 well No. 1 at a location described as 330 feet north of south line and 330 feet west of east line of Section 18 on said lease and completed said well on February 4, 1931, as a bradenhead gas well producing into the annular space between 7" and 9 5/8" casing strings from a depth interval of approximately 2983 to 3825 feet.

3. Said well is located within the limits of the Eumont Gas Pool as defined by the Oil Conservation Commission and is the only well producing from said pool on the 80-acre unit described above. The location of said well conforms to spacing requirements in effect at the time said well was drilled.

4. Pooling of these lands with lands outside the above described unit to form gas proration units consisting of governmental quarter sections has not been accomplished to date. Other lands contained within this particular quarter section are owned by Continental Oil Company. The purpose of this application is to secure an allowable to the above mentioned well, pending the formation of a larger gas proration unit provided such communitization is determined to be practicable.

5. The above described unit consists of less acreage than a standard proration unit, lies wholly within a regular quarter section, and contains a well which was capable of producing gas into a gas transportation facility prior to January 1, 1954.

Wherefore, applicant respectfully requests the Commission to place this matter on its docket for hearing at an early date in June, 1954, cause due notice to be given thereof, and upon hearing enter an order approving an unorthodox gas proration unit and unorthodox location for applicant's Lockhart A-18 well No. 1 as described above.

CONTINENTAL OIL COMPANY

By James E. Lill