

IN THE MATTER OF THE APPLICATION OF  
CONTINENTAL OIL COMPANY FOR AN EXCEPTION  
TO RULE 7(A) OF ORDER NO. R-369-A, FOR  
AN UNORTHODOX GAS PRORATION UNIT CON-  
SISTING OF APPROXIMATELY 80 ACRES DESCRIBED  
AS THE E/2 NE/4, SECTION 12, TOWNSHIP 24  
SOUTH, RANGE 36 EAST, N.M.P.M., LEA COUNTY,  
NEW MEXICO, FOR ITS VAUGHAN B-12 WELL NO. 1  
IN THE LANGMAT POOL

APPLICATION

Comes now Continental Oil Company, hereinafter called "applicant", and respectfully requests an exception to Rule 7(a) of Order No. R-369-A, and approval by the Commission of an unorthodox gas proration unit for applicant's Vaughan B-12 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 Vaughan "B" Lease, covering the E/2 NE/4, Section 12, Township 24 South, Range 36 East, N.M.P.M., Lea County, New Mexico, in addition to other lands outside said Section 12.
2. Applicant drilled its Vaughan B-12 No. 1 well at a location described as 1,980 feet from north and 660 feet from east lines of Section 12, Township 24 South, Range 36 East, on said lease and completed said well on July 8, 1940, as a bradenhead gas well producing into the annular space between 7 5/8" and 5 1/2" casing strings from a depth interval of approximately 2756-3350 feet.
3. Said well is located within the limits of the Langmat 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.
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. Operators owning interests within this quarter section have been contacted for the purpose of investigating the feasibility of effecting a communitization. The purpose of this application is to secure an allowable to the above mentioned well, pending formation of a larger proration unit provided such communitization is determined to be feasible.
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 for applicant's Vaughan B-12 well No. 1 as described above.

CONTINENTAL OIL COMPANY

By J. M. H. H.