

NSL-321
(see NSP-671)
Date 1-20

CONTINENTAL OIL COMPANY

MAIN OFFICE OCC
Hobbs, New Mexico
December 16, 1963
1963 DEC 19 AM 8:19

New Mexico Oil Conservation Commission
Post Office Box 871
Santa Fe, New Mexico

Attention of Mr. A. L. Porter, Jr., Secretary-Director

Gentlemen:

Re: Continental Oil Company application for a 240-acre non-standard gas proration unit and a non-standard location for its Farney A-5 No. 2 in Section 5, T-23, R-36, NMPM, Jalmat Pool, Lea County, New Mexico

Continental Oil Company respectfully requests administrative approval under the provisions of Rules 3 and 5-C of the Special Rules and Regulations for the Jalmat Gas Pool of Order R-1670 for a non-standard location and the formation of a 240-acre non-standard gas proration unit consisting of the SE/4 and E/2 of SW/4, Section 5, Township 23 South, Range 36 East, for its Farney A-5 No. 2 well located 660 feet from the east line and 1980 feet from the south line of Section 5, Township 23 South, Range 36 East, Lea County, New Mexico, in the Jalmat Gas Pool.

In support of this request, we should like to point out that the well was originally completed July 22, 1937, as an oil well and subsequently recompleted for Jalmat gas production. Furthermore, the proposed unit conforms with the requirements of said Rule 5-C in all respects as follows:

1. Said proposed non-standard gas proration unit consists of contiguous quarter-quarter sections.
2. Said proposed non-standard gas proration unit lies wholly within a single governmental section.
3. The entire proposed non-standard gas proration unit may be reasonably presumed to be productive of gas.
4. The length or width of said unit does not exceed 5,280 feet.
5. Copies of this application have been furnished this date by registered mail to all operators in the same section and those within 1980 feet of said well, as required by the provisions of said Rules 3 and 5-C.

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A plat is attached hereto showing to the best of our knowledge and belief the proposed unit, the location of the No. 2 well and other wells on the lease, offset wells and ownership thereof.

The granting of this application is in the interest of preventing waste and the protection of correlative rights.

In view of the facts set out herein it is respectfully requested that the Commission enter orders approving the non-standard location and the non-standard gas proration unit for Continental Oil Company's Farney A-5 No. 2 well as described above.



A. B. SLAYBAUGH
District Manager
Hobbs District

Copies to: NMOCC-3
RGP-1
GW-1
JWK-1
File-1

Copies by registered mail to:

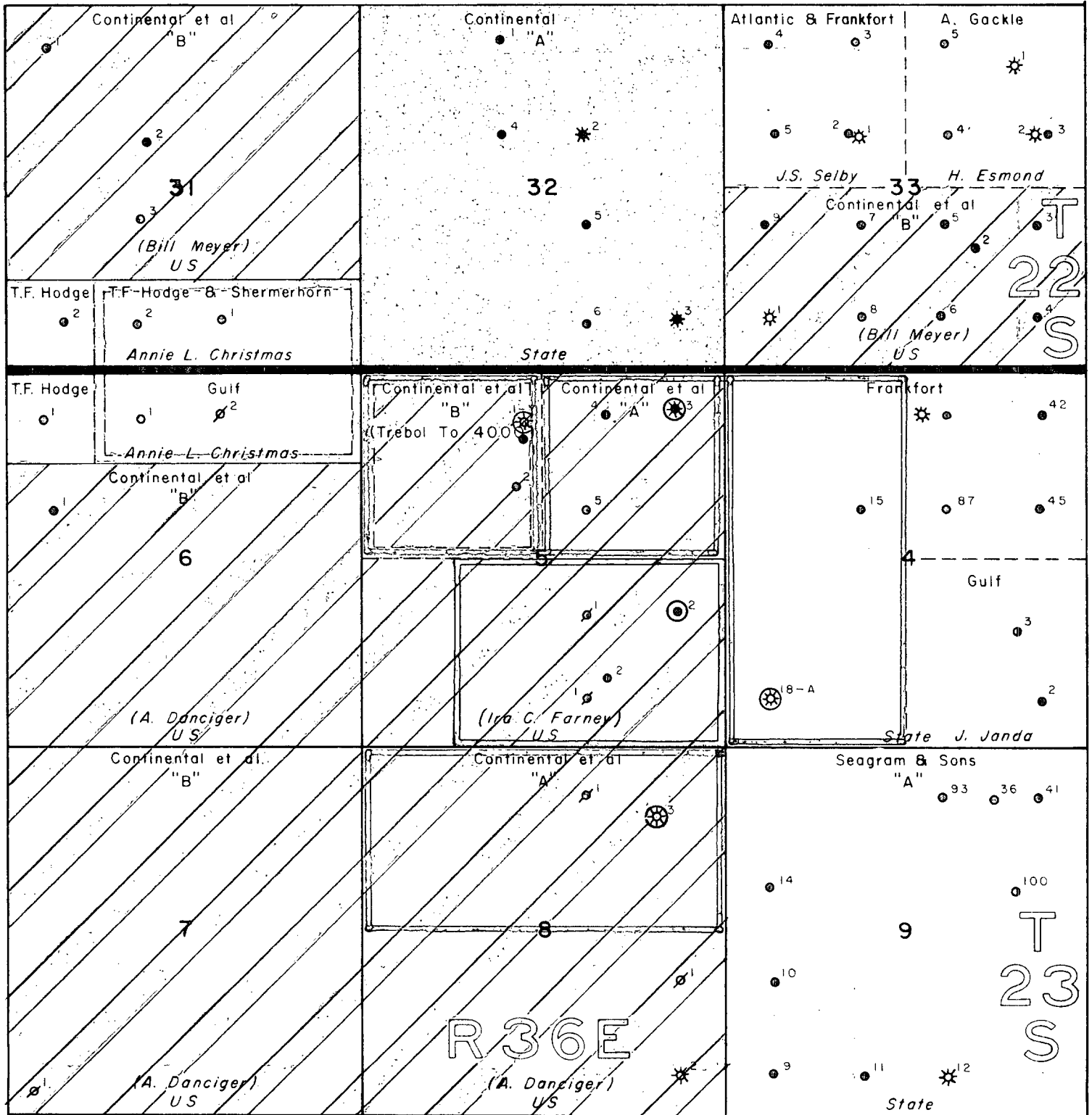
Rodman & Noel, Box 3826, Odessa, Texas

Texas Pacific Coal & Oil, Box 1688, Hobbs, New Mexico

Trebol Oil Company, Odessa, Texas

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CONTINENTAL OIL COMPANY

PRODUCTION DEPARTMENT
HOBBS DISTRICT

Lea County, New Mexico

- Proposed Unit Boundary
- Offsetting Unit Boundary
- Proposed Unit Well
- Offset Unit Gas Well

SCALE

0' 1000' 2000'