CONTINENTAL OIL COMPANY

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Roswell, New Me December 28, 1956 New Mexic

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New Mexico Oil Conservation Commission All De -Box 871 Santa Fe, New Mexico

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Attention: Mr. A. L. Porter, Jr., Secretary Director

Re: Continental Oil Company Application for authority to effect an Arrowhead oil - Eumont gas dual completion on its State J-2 well No. 9 located in Sec. 2, T. 22 S, R 36 E, Lea County, New Mexico; and 48 / for approval of a 480-acre non-standard gas proration unit consisting of the N/2 and the SE/4 Sec. 2, T 22 S, R 36 E.

Gentlemen:

Continental Oil Company respectfully requests administrative approval under the provisions of statewide rule 112-A to dually complete in the Arrowhead oil pool and Eumont gas pool its State J-2 well No. 9 located 1980 feet from the North line and 1980 feet from the East line of Section 2, T 22 S, R 36 E, NMPM, Lea County, New Mexico. A plat attached hereto shows the manner in which the dual completion is proposed to be accomplished. The Eumont gas will be produced through the casing tubing annulus while the Arrowhead oil is being produced through hollow sucker rods inside the tubing. The fluids from the two reservoirs will be completely separated by appropriate packers, and the well will be so equipped that the reservoir pressure of each of the two pools may be determined separately. Well head equipment will include all necessary connections to permit accurate measurement of fluids produced by each pool as may be required by the Commission.

We further respectfully request approval under the provisions of Rule No. 5 (b) of the Special Rules and Regulations for the Eumont Gas Pool of Order No. R-520 of a 480-acre non-standard gas proration unit consisting of the N/2 and the SE/4 of the said Section 2 to be allocated to the said well No. 9. In support of this request we should like to point

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out that the proposed unit conforms with the requirements of said Rule 5 (b) in all respects as follows:

- 1. Said unit consists of contiguous quarter-quarter sections (and/or lots).
- 2. Said unit lies wholly within a single governmental section.
- 3. The entire proposed 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 by registered mail to all offset operators and all operators within 1,500 feet of said well.

A plat is attached hereto showing to the best of our knowledge and belief the proposed unit, the location of the No. 9 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 an order approving the proposed dual completion and non-standard proration unit both as described above.

Yours very truly,

Cedams

R. L. ADAMS Division Superintendent of Production New Mexico Division

Registered Mail:

Gulf Oil Corporation P. O. Box 2167 Hobbs, New Mexico

Ohio Oil Company Box 2107 Hobbs, New Mexico

Texas Pacific Coal & Oil Co. Box 1688 Hobbs, New Mexico Cities Service Box 97 Hobbs, New Mexico

> El Paso Natural Gas Co. Jal, New Mexico

New Mexico Oil Conservation Commission

STATE OF NEW MEXICO) COUNTY OF CHAVES) SS.

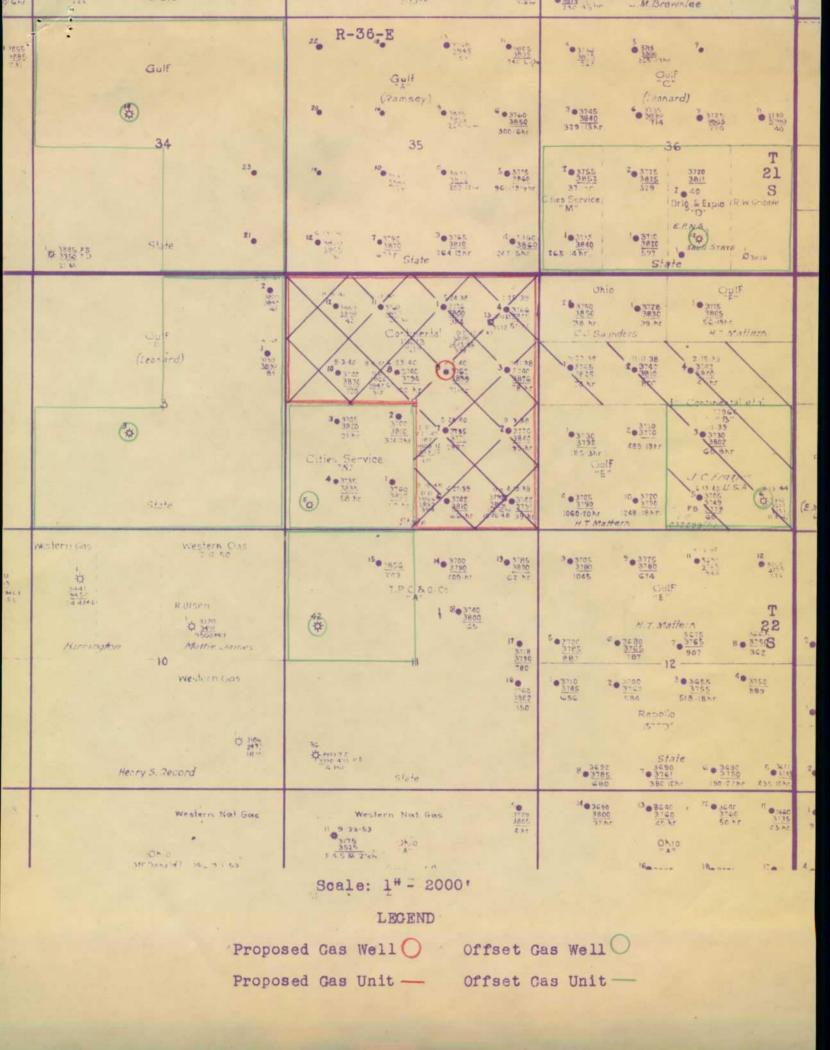
R. L. Adams, being first duly sworn on behalf of the applicant in the above application, says: That he is the Division Superintendent, of applicant, and as such is authorized to make said application; that he has read the foregoing application, knows the contents thereof, and that the same are true as he is reliably informed and believes.

R.L. adams

Subscribed and sworn to before me this 22 day of

Notary Public

My Commission Expires: May 25, 1960



CONTINENTAL OIL COMPANY

STATE J-2 NO. 9 Proposed Dual Completion Equipment and Pump Assembly Eumont Gas Zone Perf. 3432'-3612' (Queen) 2" EUE Tubing 2" Garrett Circ. Valve Baker Anchor Assembly, 7/8" Hollow Receptacle, and Tubing Sucker Rods Seal Nipple Baker Prod. Pkr. @ 3655' Perf. - 10' Below Pkr. Hollow Safety Joint 3 Joints 2" Tubing 2" Pump with Blind Cage Perforated Adapter Adapter to Hang 3/8" Pipe 2" Seating Nipple Perforations 3/8" Pipe 2" @ 3811' Arrowhead Oil Zone

Existing Pump Assembly

3/4" Rods

2" Tubing

Top of 4" Liner @ 3678!

5 1/2" 17# csg. @ 3712' w/900 sacks

Pump set @ 3755'

Perf. Nipple

2" @ 37761

4" O.D. Liner

2 Joints 2" Tubing

Total Depth 3878'