CONTINENTAL OIL COMPANY

MAIN OFFICE OCC

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Roswell, New Mexico July 31, 1957

New Mexico Oil Conservation Commission Santa Fe, New Mexico

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

Re: Continental Oil Company Application for 160-acre NSP unit for its Meyer B-23 No. 3 in Section 23, Township 22, Range 36, Jalmat Pool, Lea County,

New Mexico

Gentlemen:

Continental Oil Company respectfully requests administrative approval under the provisions of Rule 5 (b) of the Special Rules and Regulations for the Jalmat gas pool of Order No. R-520 for approval of a 160-acre non-standard gas proration unit for its Meyer B-23 No. 3 well located 1980 feet from the north line and 660 feet from the west line of Section 23, Township 22 South, Range 36 East, Lea County, New Mexico in the Jalmat gas pool.

The unit is proposed to consist of the S/2 N/2 of Section 23, Township 22 South, Range 36 East.

In support of this request we should like to point out that the proposed unit conforms with the requirements of said Rule 5 (b) in all respects as follows:

- Said unit consists of contiguous quarter-quarter sections (and/or lots).
- 2. Said unit lies wholly within a single governmental section.
- The entire proposed unit may be reasonably presumed to be productive of gas. 3.
- 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 offset operators and all operators within 1,500 feet of said well, as required by the provisions of said Rule 5 (b).

A plat is attached hereto showing to the best of our knowledge and belief the proposed unit, the location of the well, and the offset ownership.

In view of the facts set out herein it is respectfully requested that the Commission enter an order approving the nonstandard gas proration unit for Continental Oil Company's

New Mexico Oil Conservation Commission Page 2

Meyer B-23 No. 3 well as described above.

Division Superintendent

of Production

New Mexico Division

STATE OF NEW MEXICO COUNTY OF CHAVES

R. L. Adams, upon being duly sworn, deposes and says that he is the Division Superintendent of Production for Continental Oil Company, and as such is authorized to file the foregoing application, that he has read said application and knows the contents thereof, and that the statements made therein are true, as he is credibly informed and believes.

Subscribed and sworn to before me this 3/st day of July,

1957.

My commission expires:

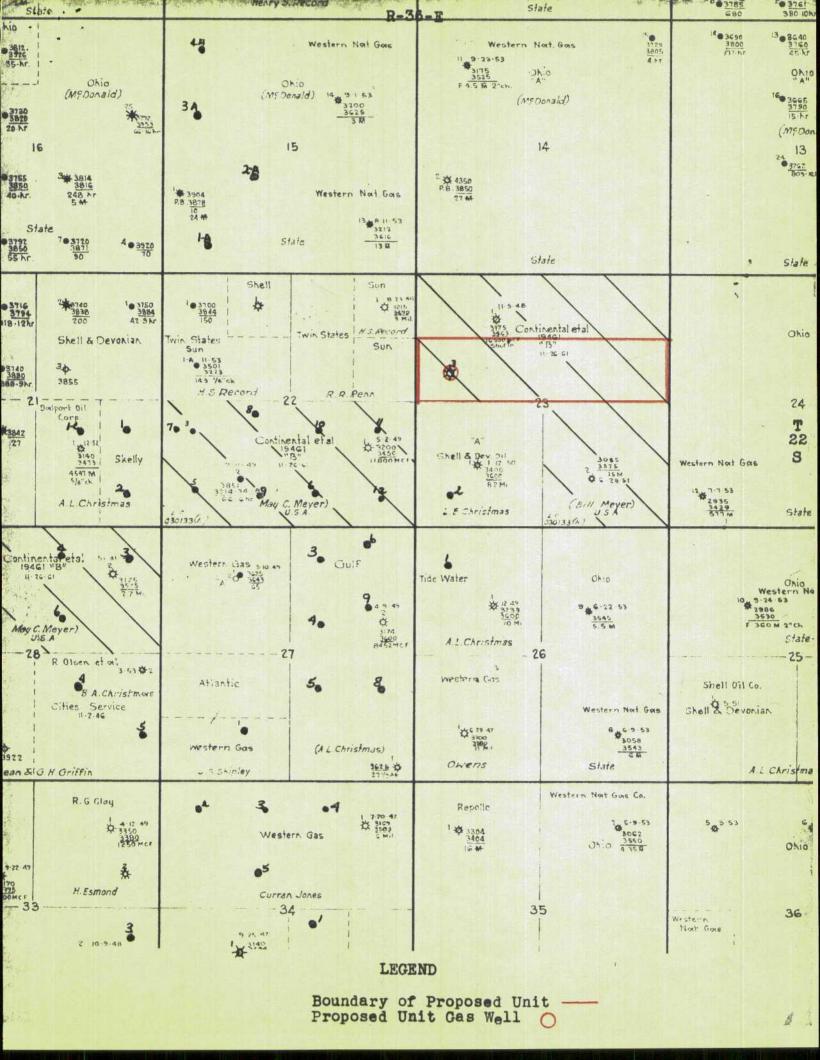
May 25, 1960

Copies by Registered Mail to:

Shell Oil Company Hobbs, New Mexico

Sun Oil Company Hobbs, New Mexico

RLA-CP Roswell, New Mexico July 31, 1957



OIL CONSERVATION COMMISSION

MAIN OFFICE OCC 1957 AUG 19 AM 8:42

BOX 2045

HOBBS, NEW MEXICO

OIL CONSERVATION COMMISSION BOX 871 SANTA FE, NEW MEXICO Proposed NSP 386
Proposed NSL

Gentlemen:

I have examined the application dated July 31, 1957					
for	the Continental Oi Operator	Lease and Well No.	23-22-36 S-T-R		
and	and my recommendations are as follows:				
O.KEJF					

Yours very truly,

OIL CONSERVATION COMMISSION

Enginéer

SUN DIL COMPANY

S M GLADNEY
MANAGER
T F. HILL
SISTENT MANAGER

RIO GRANDE NATIONAL BUILDING

A. S. RHEA

August 15, 1957

was Maxico Oil Goaservation Commission

1. 7. H.m. 471

auto Fe, New Maxico

4 tentina Mr. A. L. Porter, Jr.

Contlema:

In re: Continental Oil Company application for 160-ears non-standard proration unit for its Mayer 8-23 #1 Well and Mayer 8-23 #3 Well, Section 23, Rown-chip 22, Range 36, Jaluat Pool, Lea County, New Mexico.

Sun Oil Company has been advised of Continental Oil Company's application to reduce the size of its promation unit for its Mayor B-23 #1 Wall from 320-wares to 160-agree so that it can form another 150-agree unit for its Mayor 2 2: #3 Well. Sun Oil Company, as an offset operator, objects to this application for the following reasons:

- Applicant tero not have a permit to complete a wall in the Januar Ferr since its permit for Mayor B-23 #3 Well was received for the purpose of drilling a well to the Seven Rivers-Queen formation for all production from the South Bunice Field.
- Applicant could not have received a permit for this well at its present losation on the case quarter section as the Mayor B-23 #1 Well in the Jalant Fool.
- 3. If this application is granted applicant will have two gas wells offsetting Sen's H. S. Record well on the same quarter section, and cash of applicant's wells will have 160-earse assigned to it.
- 4. Applicant should not be perplitted to reduce the size of its unito merely for the purpose of accoundating wells that it has in the area.
- 5. Sun Cil Company feels that in the future, by reason of the location of these wells, if applicant's request is granted.
- that Sun will suffer draining by reason of the ideation of two wells offsetting our one well.

Your consideration of this objection will, is sportstated.

Very truly yours,

ARB: CDB.

ec - Mr. R. L. Adems Company Continental Wil Company Roswell, D. Marico Shell Gil Company Bobbs, New Marioo