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MAIN OFFICE OCC
JUN 11 1956

CONTINENTAL OIL COMPANY

DC - 312

See 6/22/56

Roswell, New Mexico
June 11, 1956

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

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

Re: Continental Oil Company
Application for authority to
effect a Monument oil-Eumont gas
dual completion on its Reed A-3
well No. 3 located in Section 3,
T20S, R36E, Lea County, New
Mexico; and for approval of a
320-acre non-standard gas pro-
ration unit consisting of the
E/2 Section 3, T20S, R36E.

*Randy -
what gas
pay is this?
Wm*

Gentlemen:

Continental Oil Company respectfully requests administrative approval under the provisions of statewide rule 112-A to dually complete in the Monument oil pool and Eumont gas pool its Reed A-3 well No. 3 located 1980 feet from the South line and 660 feet from the East line of Section 3, T20S, R36E, 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 Monument oil is being produced through 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 320-acre non-standard gas proration unit consisting of the E/2 of said Section 3 to be allocated to the said well No. 3. 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: