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CONTINENTAL OIL COMPANY
Hobbs, New Mexico
May 26, 1955.

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

Attention: Mr. W. B. Macey

Gentlemen:

Continental Oil Company respectfully requests administrative approval under the provisions of Rule 5 (b) of Order No. R-520 for a non-standard gas proration unit for its Lockhart B-31 No. 2 well located 660' FSL and 1980' FWL of Section 31, T-21S., R-36E., Lea County, New Mexico in the Jalmat gas pool. This well was recently reclassified as a gas well.

The unit is proposed to consist of the SE/4 of the SW/4 of Section 31, T-21S., R-36E.

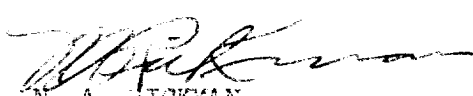
In support of this request we should like to point out that the proposed unit conforms with the requirements of said Rule 5 (b) in all respects as follows:

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.

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A plat is attached hereto showing to the best of our knowledge or 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 issue an order approving the non-standard gas proration unit for Continental Oil Company's Lockhart B-31 No. 2 well as described above.


N. A. RICKMAN,
Dist. Supt., New Mex. Dist.
New Mexico Divn.
Production Department.