

OIL CONSERVATION COMMISSION

BOX 2045

HOBBS, NEW MEXICO

DATE June 15, 1955

MR. W. P. MACEY
OIL CONSERVATION COMMISSION
BOX 871
SANTA FE, NEW MEXICO

RE:
PROPOSED NSP 161
PROPOSED NSL _____

Dear Mr. Macey:

I have examined the application dated 5/26
for the Continental Farney A-5 #3 5-23-36
Operator Lease and Well No. S-T-R

and my recommendations are as follows:

40 acre allowable-Wells 4 and 5 completed in same strata as oil wells with
top allowables- RFM

Simultaneous dedication of acreage. Recommend this case for a hearing-SJS

Yours very truly,

OIL CONSERVATION COMMISSION

Stanley J. Stanley
Engineer

hs

OK
WBM
6/22/55

cc. OCC, - Hobbs
5/21/55

NSP-161
due 6/30/55

MAIN OFFICE OCC

1955 MAY 21 AM 10:25

CONTINENTAL OIL COMPANY

Hobbs, New Mexico
May 26, 1955

New Mexico Oil Conservation Commission - Santa Fe
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 Farney A-5 No. 3, well located 660' FN and E lines of Section 5, T-23S., 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 Northeast Quarter of Section 5, T-23S, 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'.
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 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 Farney A-5 No. 3, well as described above.

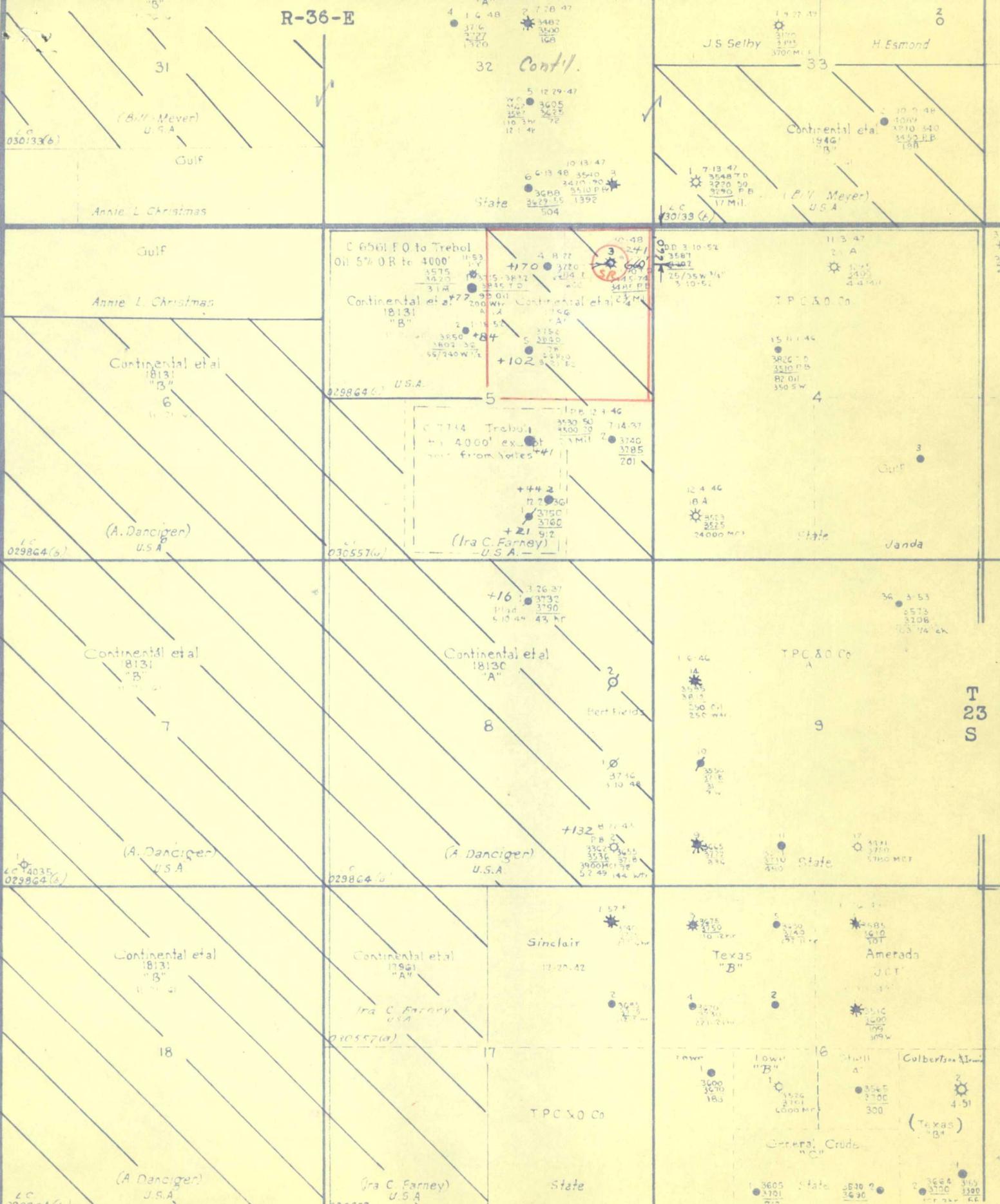

N. A. RICKMAN,
Dist. Supt., New Mex. Dist.
New Mexico Divn.
Production Department.

NAR-TV

SR pay

100 Ac.

R-36-E



LEGEND

Boundary of Proposed Unit
 Proposed Unit Gas Well
 Offset Gas Well