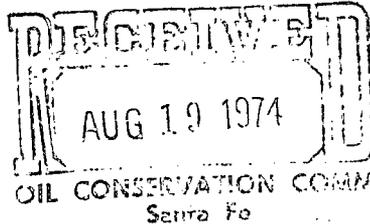




L. P. Thompson
Division Manager
Production Department
Hobbs Division
Western Hemisphere Petroleum Division

Continental Oil Company
P.O. Box 460
1001 North Turner
Hobbs, New Mexico 88240
(505) 393-4141

August 16, 1974



NSP - 970
R-1670 Rule 5(b)
due Sept 18

New Mexico Oil Conservation Commission
P. O. Box 2038
Santa Fe, NM 87501

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

Gentlemen:

Continental Oil Company's Application for a 400-acre NSP Unit - SEMU Eumont No. 91 - Section 26, T-20S, R-37E, Lea County, New Mexico

Continental Oil Company respectfully requests administrative approval under the provisions of Rule 5 (b) of the Special Rules and Regulations for the Eumont Gas Pool of Order No. R-1670 for approval of a 400-acre Non-standard Gas Proration Unit for its SEMU Eumont No. 91 located 660' FNL 1980' FWL of Section 26, T-20S, R-37E, Lea County, New Mexico in the Eumont Gas Pool. The proposed unit is to consist of the W/2 and the W/2 of the SE/4 of Section 26, T-20S, R-37E.

This acreage is currently dedicated to SEMU Eumont No. 65 located in Unit letter L of Section 26. SEMU Eumont No. 65 currently has a 560-acre Non-Standard Gas Proration Unit as approved by Order Number R-3833. Well number 65 developed mechanical problem and the well has been shut-in since January, 1974. We wish to have order Number R-3833 cancelled in so far as it refers to well No. 65 in paragraph 1 (C).

In support of this request, we would like to point out that the proposed unit conforms with the requirements of 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 5280'
- 5) Copies of this application have been furnished by certified mail to all offset operators and all operators within section 26

NMOCC - Santa Fe
Page 2
August 16, 1974

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 Non-standard Gas Proration Unit for Continental Oil Company's SEMU Eumont No. 91.

for Robert Daulton
L. P. Thompson

JJS:saw

cc: New Mexico Oil Conservation Commission
P. O. Box 1980
Hobbs, NM 88240

RLA, FOH, JWK

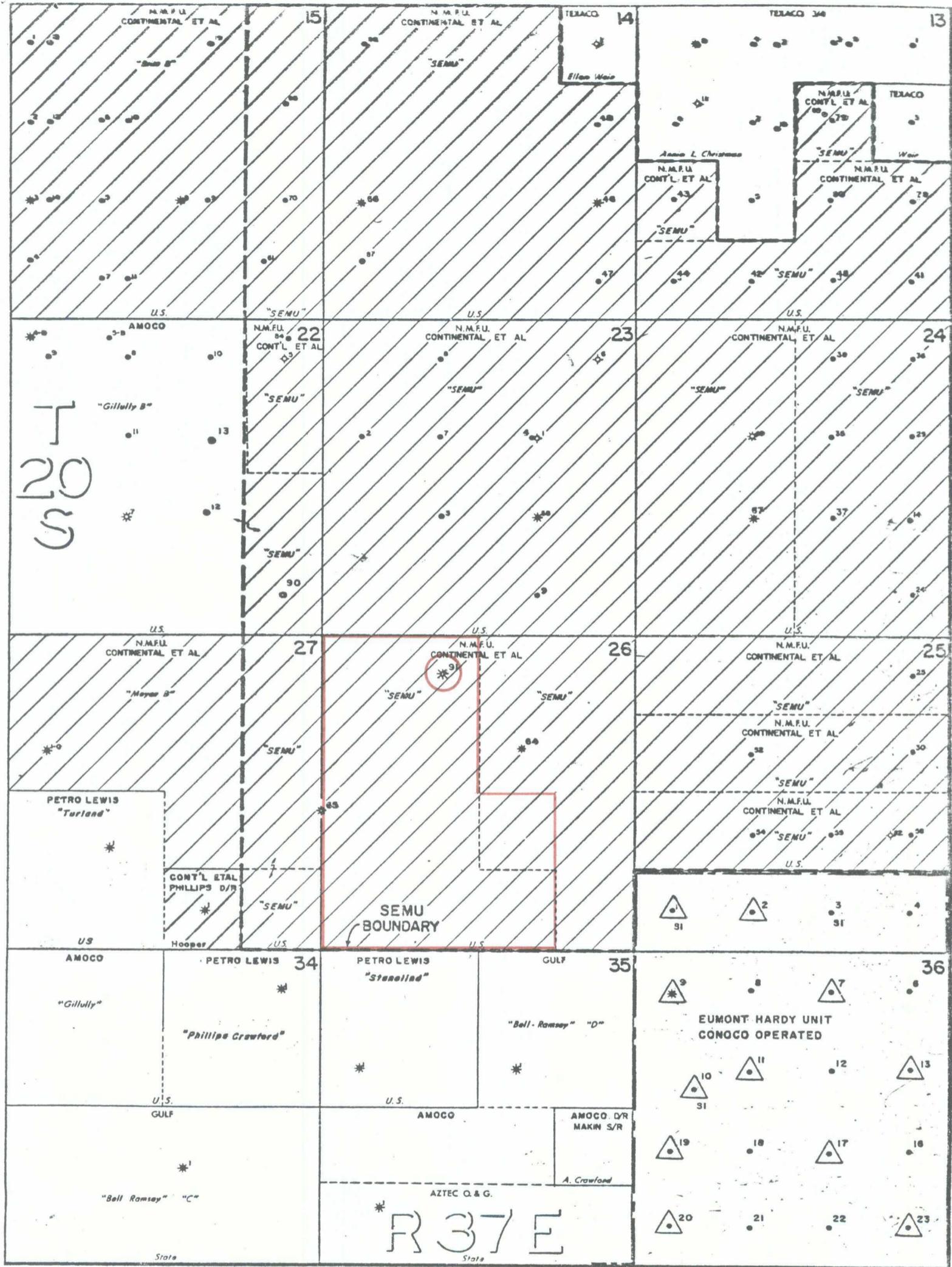
Amoco Production Company
P. O. Box 367
Andrews, TX 79714

Chevron Oil Company
P. O. Box 1660
Midland, TX 79701

Atlantic Richfield Oil Company
P. O. Box 1610
Midland, TX 79701

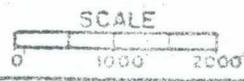
Offset Operators
Gulf Oil Corporation
P. O. Box 1351
Midland, TX 79701

Petro Lewis
1600 Broadway Room 1600
Denver, Colorado 80202



CONTINENTAL OIL COMPANY
 PRODUCTION DEPARTMENT
 HOBBS DIVISION

Lea County, New Mexico



OIL CONSERVATION COMMISSION
Hobbs DISTRICT

OIL CONSERVATION COMMISSION
BOX 2088
SANTA FE, NEW MEXICO

DATE August 20, 1974

RE: Proposed MC _____
Proposed DHC _____
Proposed NSL _____
Proposed SWD _____
Proposed WFX _____
Proposed PMX _____
NSP X

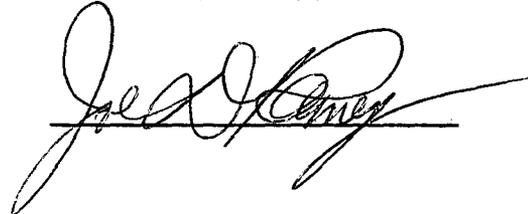
Gentlemen:

I have examined the application dated _____
for the Continental Oil Co. SEMU Eumont #91-C 26-20-37
Operator Lease and Well No. Unit, S-T-R

and my recommendations are as follows:

O.K.---J.D.R.

Yours very truly,



RECEIVED
AUG 22 1974
OIL CONSERVATION COMMISSION
SANTA FE, N.M.