

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 this date by registered mail to all offset operators and all operators within 1,500 feet of said well, as required by the provision 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 No. 3 well and other wells on the lease, offset wells and ownership thereof.

The granting of this application is in the interest of preventing waste and the protection of correlative rights.

In view of the facts set out herein it is respectfully requested that the Commission enter an order approving the proposed dual completion and non-standard proration unit both as described above.

Yours very truly,



R. L. Adams
Division Superintendent
of Production
New Mexico Division

STATE OF NEW MEXICO)
) ss.
COUNTY OF CHAVES)

R. L. Adams, being first duly sworn on behalf of the applicant in the above application, says: That he is the Division Superintendent, of applicant, and as such is authorized to make said application; that he has read the foregoing application, knows the contents thereof, and that the same are true as he is reliably informed and believes.

R. L. Adams
(Signature)

Subscribed and sworn to before me this 1st day of November, 1956.

Louis B. Houston
Notary Public

My Commission Expires:
May 25, 1960

Copies to:

The Texas Company
Box 1270
Midland, Texas

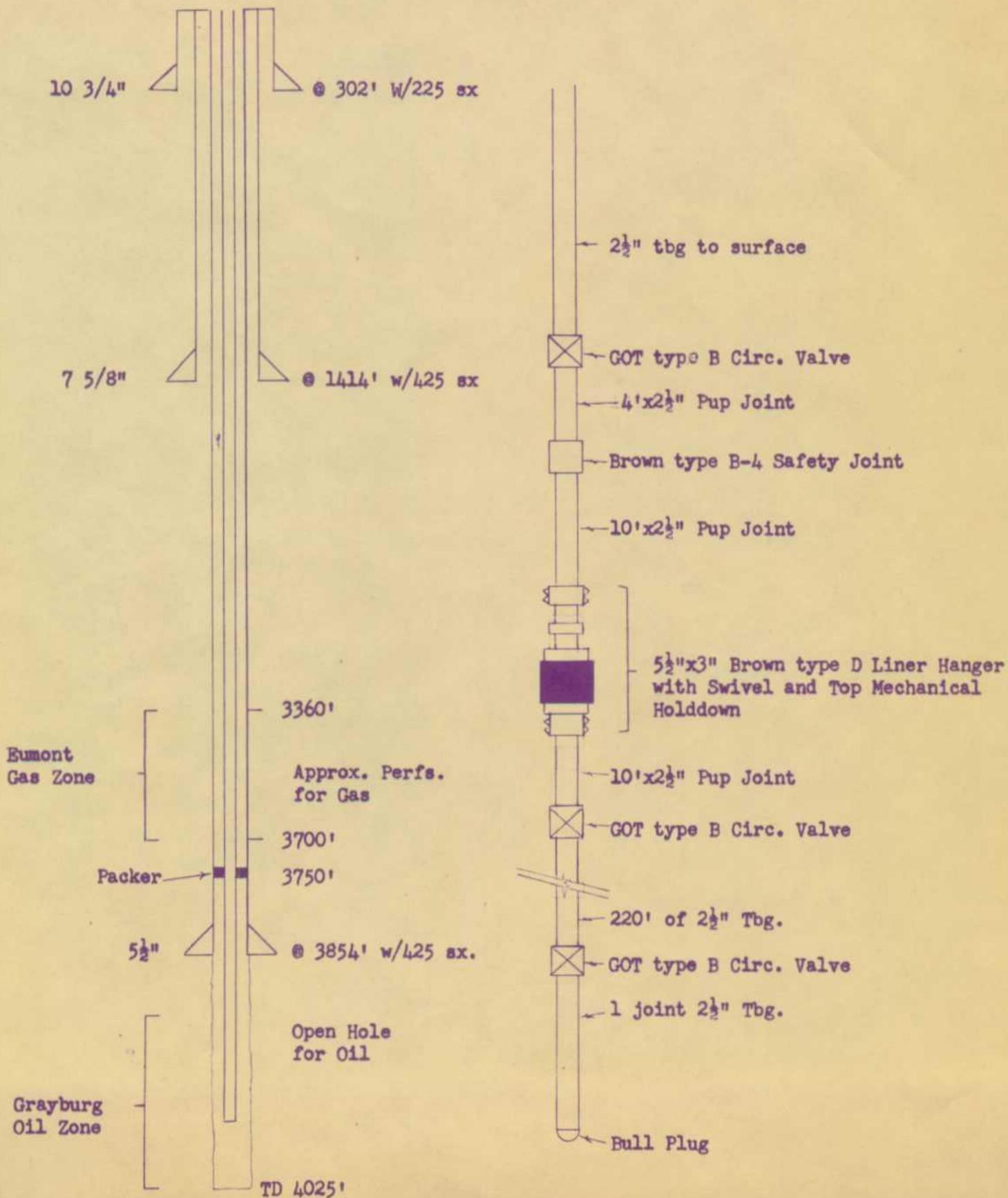
Tidewater Associated Oil Company
Box 1404
Houston, Texas

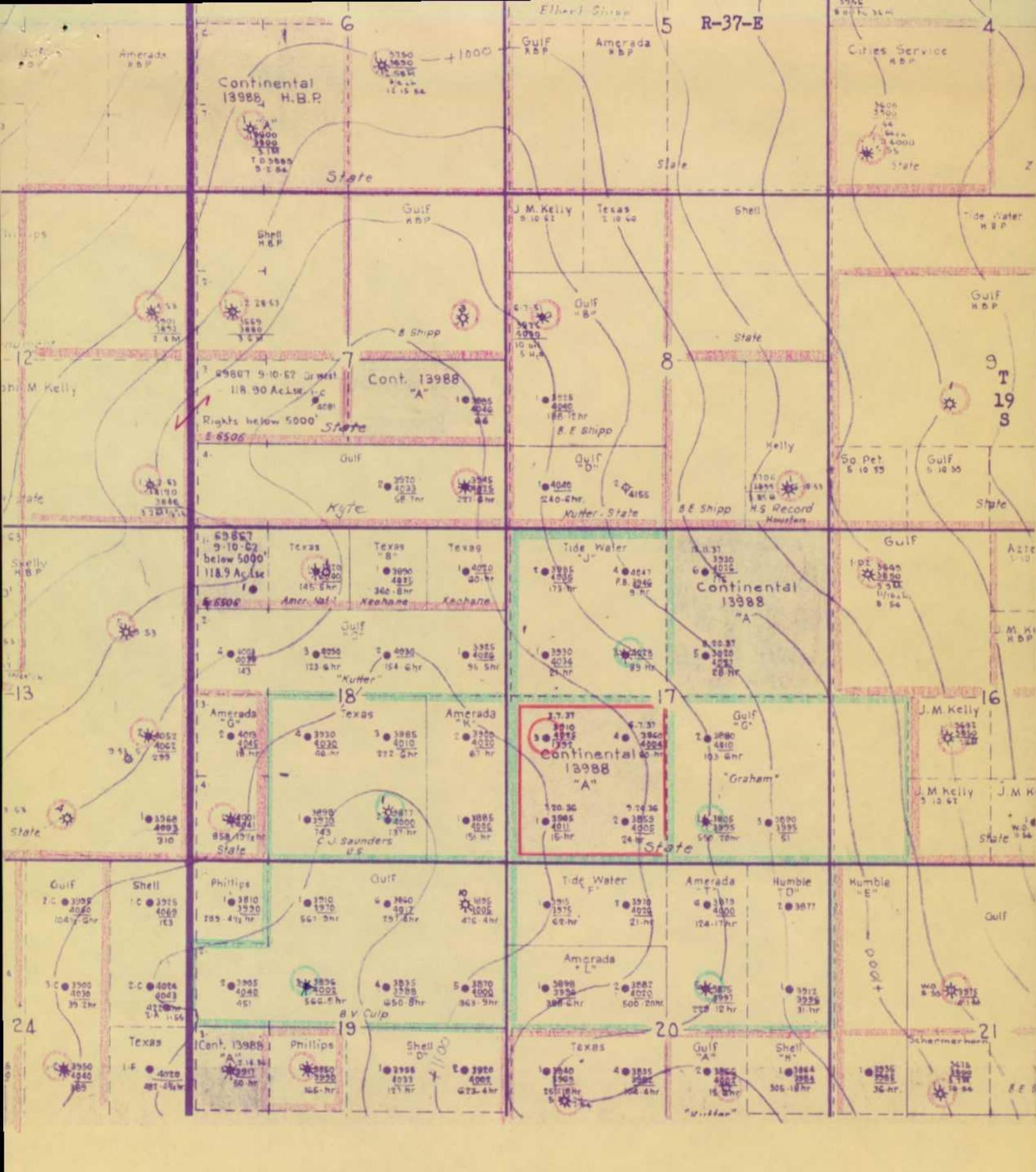
Gulf Oil Corporation
Box 2167
Hobbs, New Mexico

Amerada Petroleum Corporation
Box 2040
Tulsa, Oklahoma

CONTINENTAL OIL COMPANY
 PROPOSED METHOD OF DUAL COMPLETION

STATE A-17 NO. 3





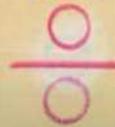
STRUCTURE MAP — EUMONT AREA
 Contoured on top of Yates

Contour Int: 25'

Scale: 1"=2,000'

Hobbs Dist. Office

1956.



Proposed Gas Well
 Proposed Gas Unit
 Other Gas Wells



Offset Gas Well
 Offset Gas Unit
 Other Gas Units

cc - OCC - Hable
11/6/56

NSA-331

Jan 12/10/56

CONTINENTAL OIL COMPANY

See DC-371
Date 11/15/56

Roswell, New Mexico
November 2, 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 State A-17 well No. 3
located in Section 17, T19S,
R37E, Lea County, New Mexico;
and for approval of a 160-acre
non-standard gas proration
unit consisting of the SW/4
Section 17, T19S, R37E.

Gentlemen:

Continental Oil Company respectfully requests adminis-
trative approval under the provisions of statewide rule 112-A
to dually complete in the Monument oil pool and Eumont gas pool
its State A-17 well No. 3 located 1980 feet from the South line
and 660 feet from the West line of Section 17, T19S, R37E, 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 Regula-
tions for the Eumont Gas Pool of Order No. R-520 of a 160-acre
non-standard gas proration unit consisting of the SW/4 of the
said Section 17 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: