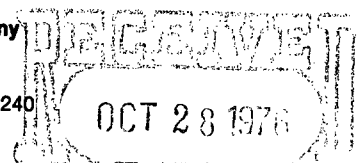




L. P. Thompson
Division Manager
Production Department
Hobbs Division

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



OIL CONSERVATION COMM.
Santa Fe

NSL-804

2 wells

104 F

due Nov 17

October 25, 1976

~~New Mexico Oil Conservation Commission (3)~~
P. O. Box 2088
Santa Fe, New Mexico 87501

Attention: Mr. Joe D. Ramey, Secretary - Director

Gentlemen:

Application for Approval of Two Unorthodox Locations - El Mar (Delaware) Pool,
Lea County, New Mexico

Continental Oil Company, as operator of the North El Mar Pool respectfully
requests approval of two unorthodox locations in the North El Mar Unit
as described below:

North El Mar Unit Well No. 59 - 600 feet from south line, 900 feet from
west line section 35, T-26S, R-32E

North El Mar Unit Well No. 60 - 500 feet from south line, 1650 feet from
east line section 35, T-26S, R-32E

The two wells are located in units E (lot 4) and G (lot 2), respectively, in
section 35 which is a partial section whose southern boundary is coincident
with the Texas-New Mexico state line. The north - south dimension of these
lots is approximately 823 feet. Therefore, well No. 59 is approximately 223
feet from the northern boundary of lot 4 and well No. 60 is approximately 323
feet from the north boundary of lot 2.

Both wells are being drilled as producing wells in this waterflood project and
the purpose of drilling is for pattern improvement. As shown on the attached
plat the only offset operator is Texaco Inc, operator of the El Mar Unit in
Loving County, Texas. Wells 59 and 60 are being drilled in accordance with
a cooperative lease line agreement being negotiated between the two units.

NMOCC

Page 2

October 25, 1976

In view of the fact that the line being crowded is an interior boundary within the North El Mar Unit, there are no offset operators and that the unorthodox locations are caused by variations in the governmental surveys, it is respectfully requested that administrative approval be given the wells and locations described above. In the event such approval cannot be given administratively we should appreciate your setting this matter for hearing on the November 23, 1976, examiner hearing docket.

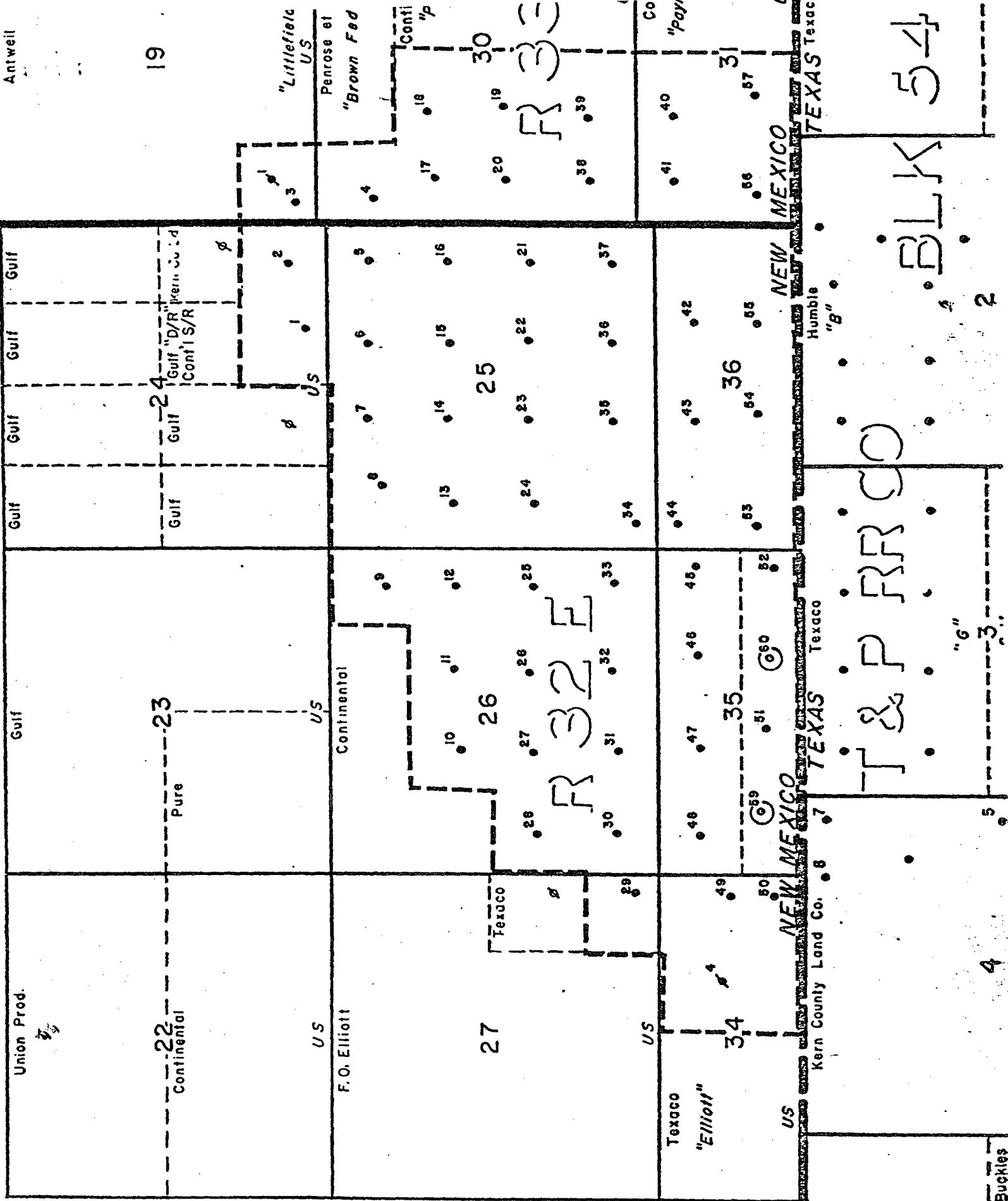
Yours very truly,

A handwritten signature in cursive script, appearing to read "L. P. Thompson".

L. P. Thompson
Division Manager

VTL:dlh

CC: Texaco, Inc, Midland: C. F. Ellis: F. O. Hull: J. W. Kellahin



OIL CONSERVATION COMMISSION
Hobbs DISTRICT



OIL CONSERVATION COMMISSION
BOX 2088
SANTA FE, NEW MEXICO

DATE November 5, 1976

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

Gentlemen:

I have examined the application dated _____
for the Continental Oil Co. N. El Mar Unit #59 & #60 35-26-32
Operator Lease and Well No. Unit, S-T-R

and my recommendations are as follows:

O.K.---J.S.

Yours very truly,

Jerry Lorton