OIL CONSERVATION COMMISSION P. O. BOX 2088 SANTA FE, NEW MEXICO 87501

September 22, 1975

Continental Oil Company P.O. Box 460 Hobbs, New Mexico 88240

Attention: Mr. L. P. Thompson

Amended Administrative Order NSP-818

Gentlemen:

Reference is made to your application for a 40-acre nonstandard proration unit consisting of the following acreage in the Eumont Gas Pool:

LEA COUNTY, NEW MEXICO
TOWNSHIP 21 SOUTH, RANGE 35 EAST, NMPM
Section 24: NW/4 SE/4

It is understood that this unit is to be dedicated to your State KT-24 Well No. 1, located 2310 feet from the South line and 1800 feet from the East line of said Section 24.

By authority granted me under the provisions of Rule 104 D II, you are hereby authorized to operate the above-described acreage as a non-standard provation unit.

Very truly yours,

JOE D. RAMEY Secretary-Director

JDR/JEK/jr

cc: Oil Conservation Commission - Hobbs
Oil & Gas Engineering Committee - Hobbs
State Land Office - Santa Fe
Proration Department, OCC - Santa Fe



L. P. Thompson Division Manager **Production Department** Hobbs Division

OIL CONSERVATION COMM.

Santa Fe

Western Hemisphere Petroleum Division

Continental Oil Company P. O. 460 1001 North Turner Hobbs, New Mexico 88240

(505) 393-4141 NSP-818- Hmend

State leave

Reduce Acreage to 40 Acres
NW14 56/4 Sec. 24. 215-356 State KT-24 Well No. 1

August 18, 1975

New Mexico Oil Conservation Commission P. O. Box 2088 Santa Fe, New Mexico 87501

Attention: Mr. Joe Ramey - Secretary-Director

Due Sept 20

Gentlemen:

Ember Continental Oil Company's application for a 40-acre NSP unit for the State KT-24 No. 1 well located in the NW/4 of SE/4 of Section 24, T-21S, R-35E, and a 40-acre non-standard proration unit for the State KT-24 No. 2 well located in the SW/4 of SE/4 of Section 24T-21S, R-35E

Continental Oil Company respectfully requests administrative approval under the provisions of Rule 5(C) of the Special Rules and Regulations for the Eumont Gas Pool (Order No. R-1670) for approval of a 40 acre non-standard gas proration unit for its State KT-24 No. 1 well and a 40 acre non-standard gas proration unit for its State KT-24 No. 2 well. The proposed unit for the State KT-24 No. 1 well to consist of the NW/4 of SE/4 of Section 24, T-21S, R-35E. The proposed unit for the State KT-24-No.-2-well-to-consist-of-SW/4-of-SE/4-of-Section-24; T-21S; R=35E.

State KT-24 No. 1 well currently has an 80 acre non-standard gas proration unit assigned as approved by NSP order No. 818. We wish to have this order dated November 25, 1969 cancelled as it refers to No. 1 well.

The State KT 24 No. 2 well was recently restored to production: This day and 110 MCF of gas per day.

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:

- Said Unit consists of contiguous quarter/quarter sections 1) and/or lots
- Said Unit lies wholly within a single governmental section
- The entire proposed unit may be reasonably presumed to be productive of gas
- The length or width of said unit does not exceed 5280' 4)
- Copies of this application have been furnished by certified mail to all offset operators and all operators within Section 24

NMOCC - Santa Fe Page 2 August 18, 1975

A plat is attached hereto, showing to the best of our knowledge and belief, the proposed units, the location of the wells, 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 Units for Continental Oil Company's State KT-24 No. 1 well, and State KT-24 No. 2 well.

L. P. Thompson

SAJ/mew

CC:

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

Momphon

Shell Oil Company P. O. Box 1509 Midland, Texas

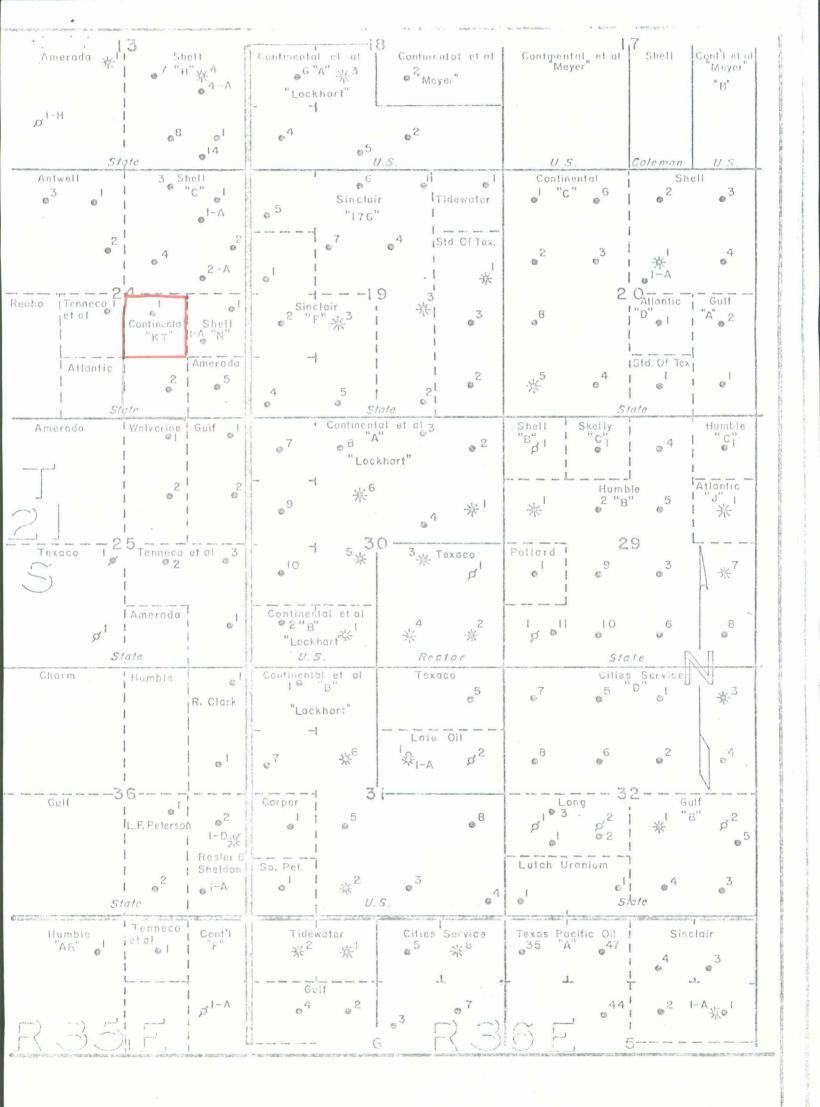
Amerada Hess Corporation Drawer 817 Seminole, Texas 79360

Tenneco Oil Company 1200 Lincoln Tower Bldg. Denver, Colorado 80203

Morris Antweil
P. O. Box 2010
Hobbs, New Mexico 88240

Reaho Mercantile Bank Bldg. Dallas, Texas

Wolverine Oil Company 443 South 91st East Avenue Tulsa, Oklahoma 74112



Proposed NSP FOR STATE KT-24 No I well