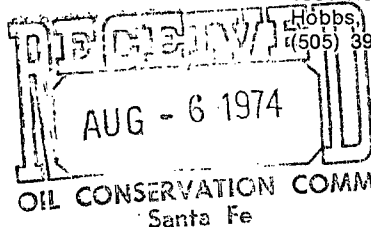




L. P. Thompson
Division Manager
Production Department
Hobbs Division
Western Hemisphere Petroleum Division

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



NSP - 967
Lea Co
R-1670 Rule 5(b)

August 1, 1974

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

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

Gentlemen:

Continental Oil's Application for an 40-acre NSP Unit - Jack A-21 No. 1,
Section 21, T-24S, 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 Jalmat Gas Pool of Order No. R-1670 for approval of an 40-acre non-standard gas proration unit for its Jack A-21 No. 1, located 660' from the South and 660' from the West of Section 21, T-24S, R-37E, Lea County, New Mexico in the Jalmat Gas Pool. The Unit is proposed to consist of the SW/4 of the SW/4 of Section 21, T-24S, R-37E.
SW/4 SW/4

Jack A-21 No. 1 currently holds a 120-acre unit consisting of the S/2 of the SE/4 of Section 20 and the SW/4 of the SW/4 of Section 21, as approved by order No. R-716. This well was classified as marginal effective 7-1-71. We are respectfully requesting that Order No. R-716 be rescinded and an Administrative NSP Order be issued reducing the acreage to 40 acres.

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 said unit.

NMOCC - Santa Fe
Page 2
August 1, 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 operators.

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 Jack A-21 No. 1.


L. P. Thompson

JJS:pc

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

RLA, FOH, JWK

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

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

Offset Operators

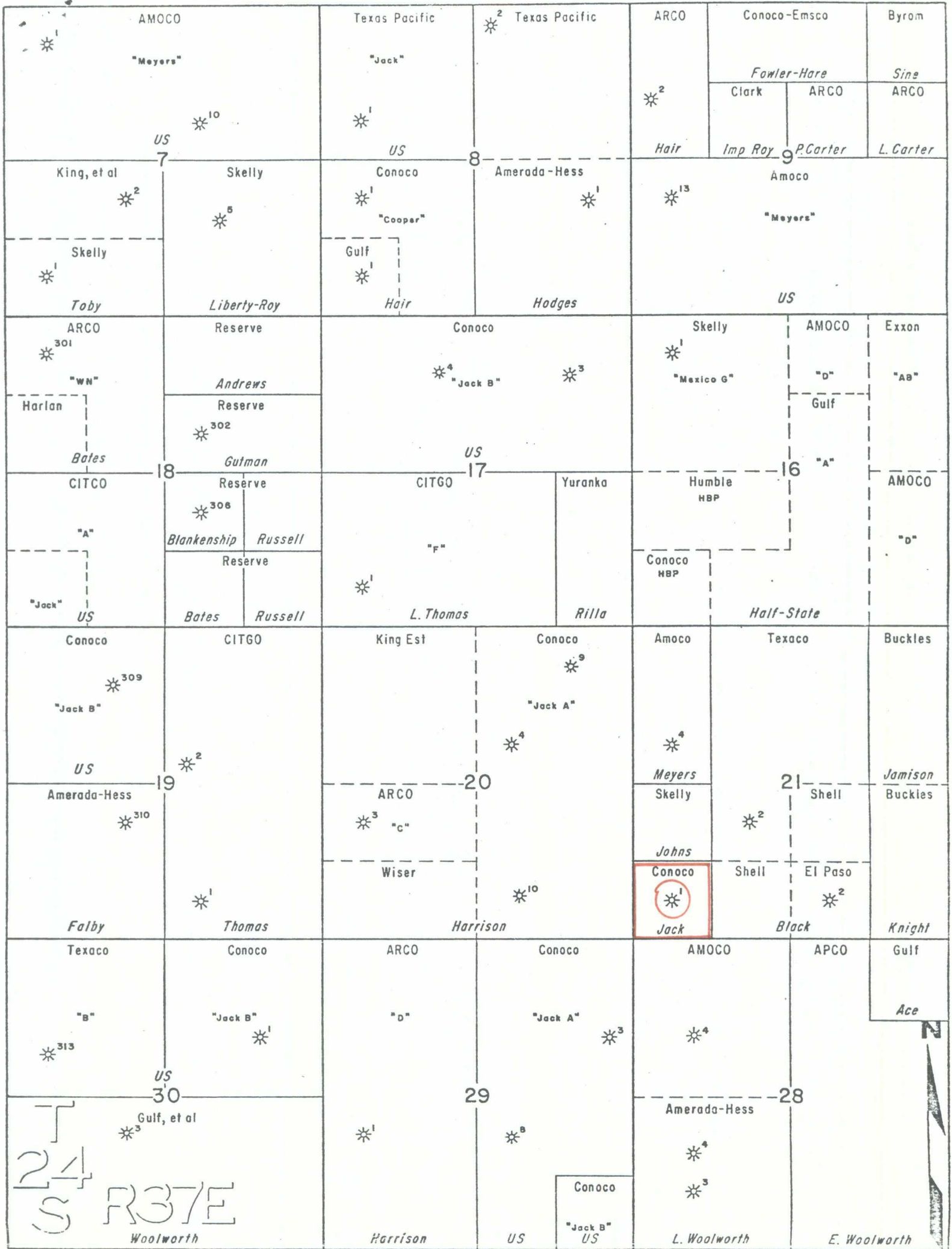
Amoco Production Company
P. O. Box 68
Hobbs, NM 88240

Skelly Oil Company
P. O. Box 1351
Midland, TX 79701

Texaco Oil Company
P. O. Box 728
Hobbs, NM 88240

Shell Oil Company
P. O. Box 1509
Midland, TX 79701

El Paso Natural Gas Company
600 Building of the Southwest
Midland, TX 79701



CONOCO

PRODUCTION DEPARTMENT

HOBBS DIVISION

LEA COUNTY, NEW MEXICO

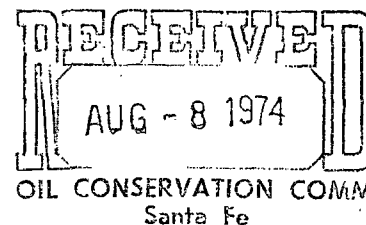
JACK A-21 LEASE

JALMAT GAS

SCALE

0' 1000' 2000'

OIL CONSERVATION COMMISSION
HOBBS DISTRICT



OIL CONSERVATION COMMISSION
BOX 2088
SANTA FE, NEW MEXICO

DATE August 7, 1974

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

Gentlemen:

I have examined the application dated August 1, 1974
for the Continental Oil Company, Jack A-21 #1-M 21-24-37
Operator Lease and Well No. Unit, S-T-R

and my recommendations are as follows:

O.K. ---- JDR

Yours very truly,

