

CONTINENTAL OIL COMPANY

Roswell, New Mexico
May 13, 1958

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NSP-436

New Mexico Oil Conservation Commission
Box 871
Santa Fe, New Mexico

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

Re: Continental Oil Company application for a 160-acre non-standard gas proration unit for its Danciger A-8 No. 3 in Section 8, T-23-S, R-36-E, NMPM, Jalmat Gas Pool, Lea County, New Mexico.

Gentlemen:

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-520 for the formation of a 160-acre non-standard gas proration unit for its Danciger A-8 No. 3 well located 990 feet from the north line and 990 feet from the east line of Section 8, Township 23 South, Range 36 East, Lea County, New Mexico in the Jalmat Gas Pool.

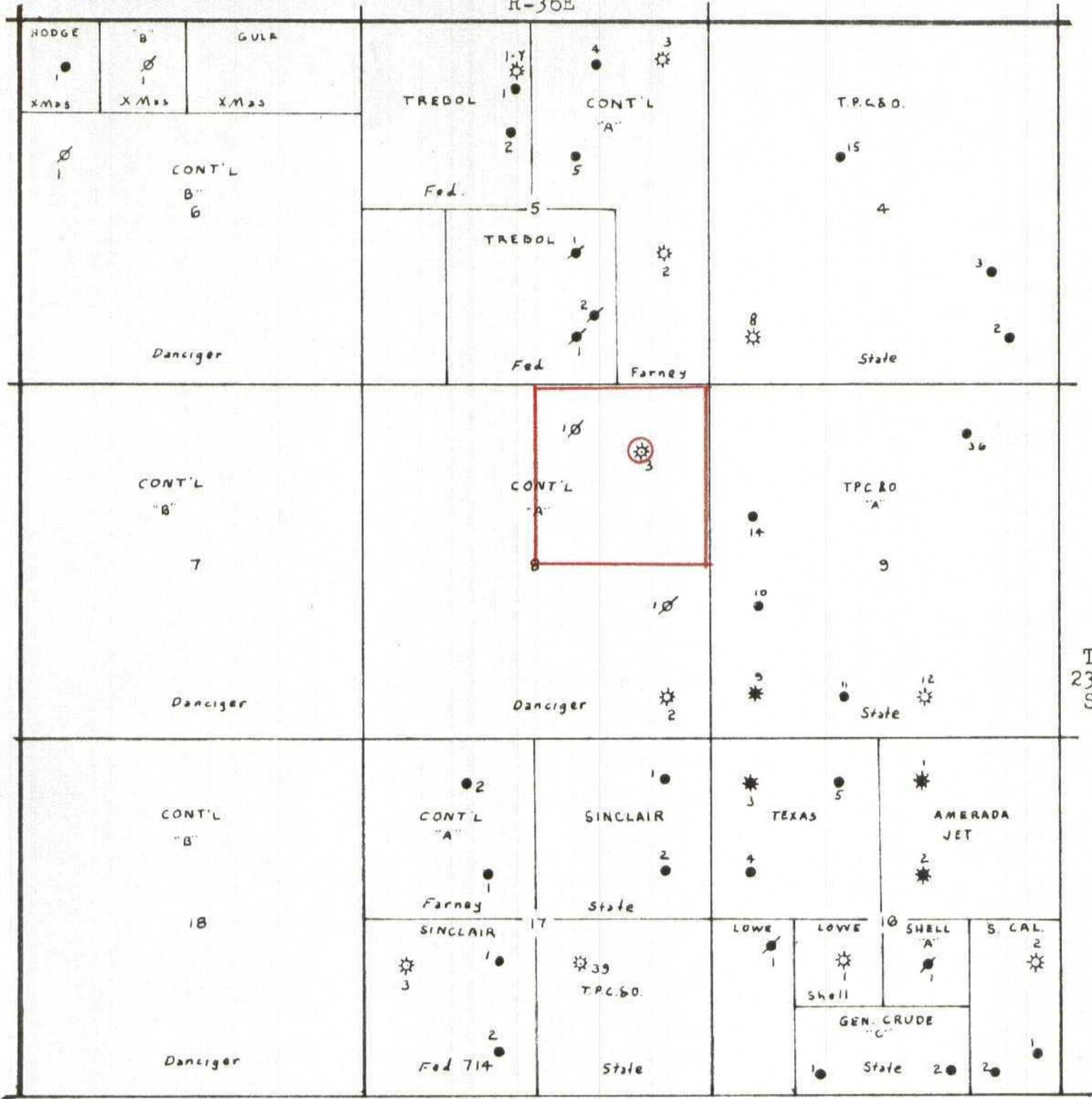
The unit is proposed to consist of the NE/4 of Section 8, Township 23 South, Range 36 East.

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:

1. Said proposed non-standard gas proration unit consists of contiguous quarter-quarter sections.
2. Said proposed non-standard gas proration unit lies wholly within a single governmental section.
3. The entire proposed non-standard gas proration 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 operators owning interests in the sections in which any part of the non-standard gas proration unit is situated and which acreage is not included in said non-standard gas proration unit and all operators within 1500 feet of said well as required by the provisions 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.

R-36E



T
23
S

LOCATION AND OWNERSHIP PLAT
CONTINENTAL OIL COMPANY

Danciger A-8 Lease

Jalpat Pool-Lea County, New Mexico

Scale 1" = 2000'

-  Proposed Unit Well
-  Boundary of Proposed Unit