May 23, 1955

Nid-Continent Petroleum Corporation Box 830 MIDLAND, TEXAS

Attention: Mr. Neil G. Gmens

Gentlemen:

Your recent application for approval of a 160-acre non-standard gas proration unit in the Eumont Gas Pool (consisting of E/2 SE/4 Section 11 and W/2 SW/4 Section 12, Twp. 21 South, Rgs. 36 East) has been set up as Case 913 and advertised for hearing on June 13, as the attached notice will indicate.

The application for approval of an unerthodex location which you sent at the same time is eligible for administrative approval, and you will be motified of this action after May 26, 1955.

Very truly yours,

WEMINT

W. B. Macey Secretary - Director

APPLICATION OF MID-CONTINENT PETROLEUM CORP. FOR AUTHORIZATION TO FORM AND ESTABLISH A NON-STANDARD GAS PRORATION UNIT OF 160 CON-TIGUOUS ACRES CONSISTING OF W/2, SW/4 OF SECTION 12 AND E/2, SE/4 OF SECTION 11, TOWNSHIP 21 SOUTH, RANGE 36 EAST, LEA COUNTY, NEW MEXICO, IN THE EUMONT GAS POOL

CASE 913

By this application Mid-Continent Petroleum Corp. requests the Oil Conservation Commission to set a date for hearing for this request for exception to Rule 5(a) Order No. R-520 of the Special Rules and Regulations for the Eumont Gas Pool, and for consideration therefor states:

That Mid-Continent Petroleum Corp. is the owner of an oil and gas lease in Lea County, New Mexico, the land consisting of other than a subdivision of a single governmental section and described as follows:

TOWNSHIP 21 SOUTH, RANGE 36 EAST, N.M.P.M. W/2, SW/4 of Section 12

TOWNSHIP 21 SOUTH, RANGE 36 EAST, N.M.P.M. E/2, SE/4 of Section 11

containing 160 acres, more or less and may be described as four contiguous quarterquarter sections in the form of a square.

That Mid-Continent Petroleum Corp. has a well on the aforesaid lease known as the Mid-Continent Petroleum Corp. C. W. Marshall Well No. 2 located 660 feet from the East line and 1980 feet from the South line of Section 11, T-21-S, R36E, said location being 660 feet from the West and North lines of the above described contiguous acreage. That it is proposed to plug back this well, now producing in the Eunice Oil Pool, and recomplete in the Queen zone within the vertical limits of the Eumont Gas Pool.

That an application for an unorthodox location has been filed under Rule 3, Order No. 520 of the Special Rules and Regulations for the Eumont Gas Pool.

That a plat is attached hereto, called EXHIBIT "A", which shows the acreage to be dedicated, the well location, offset gas wells, and offset ownership.

That the aforesaid well is located within the horizontal limits of the pool heretofore delineated and designated as the Eumont Gas Pool.

That it is impractical to pool the aforesaid lease with adjoining acreage due to economic difficulties and the existing spacing and proration units now around this lease.

That all of the acreage in the proposed unit is reasonably presumed to be productive of gas from the Eumont Gas Pool as evidenced by the offset gas wells now producing from said pool.

That unless the proposed unit is authorized for the purpose of gas proration, Mid-Continent Petroleum Corp. will be deprived of the opportunity to recover its just and equitable share of recoverable hydrocarbons in the Eumont Gas Pool.

That the granting of this unit will not adversely affect the correlative rights of any offset owners but will protect the correlative rights of applicant, prevent waste and avoid the drilling of unnecessary wells.

CASE 913 - CONT'D.

That by copy of this application, sent by registered mail, the offset operators and operators owning interests in the sections in which the unit is located have been notified of these intentions. That the mailing list is attached hereto.

MID-CONTINENT PETROLEUM CORPORATION

By: Neil G. Owens Box 830⁻ Midland, Texas

PLAT AND MAILING LIST ON FILE OIL CONSERVATION COMMISSION, SANTA FE, N. M.

1.54

NEW MEXICO OIL & GAS ENGINEERING COMMITTEE Hobbs, New Mexico May 25, 1955