

UNITED STATES DEPARTMENT OF THE INTERIOR

APPLICATION FOR APPROVAL OF
PARTICIPATING AREA FOR THE
PENNSYLVANIAN SAND ZONE
DIAMOND MOUND UNIT AREA
CHAVES AND EDDY COUNTIES, NEW MEXICO
I-SEC. NO. 757

TO THE DIRECTOR OF THE
UNITED STATES GEOLOGICAL SURVEY
WASHINGTON, D. C.

COMMISSIONER OF PUBLIC LANDS
STATE OF NEW MEXICO
SANTA FE, NEW MEXICO

OIL CONSERVATION COMMISSION ✓
STATE OF NEW MEXICO
SANTA FE, NEW MEXICO

Pursuant to the provisions of Section X of the Unit Agreement approved by the Acting Director of the United States Geological Survey on October 24, 1950, affecting lands in the Diamond Mound Unit Area, Chaves and Eddy Counties, New Mexico, Continental Oil Company, as Operator of oil and gas leases covering lands within the area hereinafter described, hereby submits for your approval a selection of lands to constitute the initial participating area for the Pennsylvanian Sand Zone, found to be productive of gas at depths between 8,616 and 8,715 feet in the Gertrude W. Duffield No. 1 well, located 1,980 feet from the South and West lines of Section 21, Township 16 South, Range 27 East, Eddy County, New Mexico. The land selected by the applicant to constitute the initial participating area for said producing zone is as follows:

The Southwest Quarter (SW/4), South Half of Northwest Quarter (S/2 NW/4), West Half of Southeast Quarter (W/2 SE/4), and Southwest Quarter of Northeast Quarter (SW/4 NE/4), all in Section 21, Township 16 South, Range 27 East, Eddy County, New Mexico.

In support of this application, the applicant attaches hereto and hereby makes a part of this application the following:

1. A map marked Exhibit "A", showing thereon the Diamond Mound Unit Area and the proposed initial participating area for the Pennsylvanian Sand Zone.
2. A schedule, marked Exhibit "B", showing the participating percentage of each lease included or partially included in the proposed participating area.

Wherefore, the applicant respectfully requests that the Director of the United States Geological Survey, the Commissioner of Public Lands, State of New Mexico, and the Oil Conservation Commission, State of New Mexico, approve this selection of lands to constitute the initial participating area, to be effective as of the date of the first production from said zone, which was June 16, 1952.

Dated this 1st day of November, 1952.

CONTINENTAL OIL COMPANY

By


H. L. Johnston
Regional Manager
of Production
Southwestern Region

EXHIBIT "B"

INITIAL PARTICIPATING AREA
DIAMOND MOUNT UNIT AREA
PENNSYLVANIAN SAND ZONE
EDDY COUNTY, NEW MEXICO

<u>NAME</u>	<u>ACREAGE PARTICIPATING AREA</u>	<u>OVERRIDING ROYALTY OWNER</u>	<u>INTEREST</u>
Gertrude W. Duffield	360.00	Gertrude W. Duffield	1% of 360.00/360.00

rights on all of the lands referred to above are held as follows:

Continental Oil Company 100%