-2-Order No. R-699

(5) That Continental Oil Company is the owner of an oil and gas lease covering, among other lands, the S/2 of fractional Section 35, Township 26 South, Range 31 East, NMPM, Eddy County, New Mexico, and that applicant has heretofore completed wells in Lot 1 and Lot 3 of said Section 35, the wells being known as the E. T. Russell - Federal No. 1 and 5 respectively, being completed in the common source of supply heretofore designated as the North Mason-Delaware Pool.

(6) That applicant's well, E. T. Russell-Federal No. 1, will efficiently and economically drain the proposed oil proration unit consisting of Lots 1 and 2, that the formation of the proposed unit will not result in waste, but will prevent the drilling of unnecessary wells and will protect correlative rights.

(7) That applicant's well, F. T. Russell-Federal No. 5, will efficiently and economically drain the proposed oil proration unit consisting of Lots 3 and 4; that the formation of the proposed unit will not result in waste, but will prevent the drilling of unnecessary wells and protect correlative rights.

IT IS THEREFORE ORDERED:

(1) That the application of Continental Oil Company for approval of an unorthodox proration unit consisting of the following acreage in the North Mason-Delaware Pool:

TOWNSHIP 26 SOUTH, RANGE 31 EAST, NMPM Lots 1 and 2 of fractional Section 35

be, and the same hereby is approved, and an oil proration unit of the aforesaid acreage is hereby created.

(2) That applicant's well, E. T. Ruscell-Federal No. 1, located in lot 1 of fractional Section 35, Township 26 South, Range 31 East, NMPM, Eddy County, New Mexico, shall be granted an allowable effective October 1, 1955, in the proportion that the above-described 51.0-acre unit bears to the standard proration unit for said pool.

(3) That the application of Continental Oil Company for approval of an unorthodox oil proration unit consisting of the following acreage in the North Mason-Delaware Pool:

TOWNSHIP 26 SOUTH, RANGE 31 EAST, NMPM Lots 3 and 4 of fractional Section 35

be, and the same is hereby approved, and an oil proration unit of the aforesaid acreage is hereby created.

(4) That applicant's well, E. T. Russell-Federal Well No. 5, located in Lot 3 of fractional Section 35, Township 26 South, Range 31 East, NMPM, Eddy County, New Mexico, shall be granted an allowable effective October 1, 1955, in proportion that the above described 50.60 acre unit bears to the standard proration unit for said pool.