OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

August 15, 1956

Continental Oil Company Petroleum Building Roswell, New Mexico

Attention: Mr. Homer Dailey

Administrative Order NSP-316

Gentlemen:

Reference is made to your application for approval of a 160-acre non-standard gas proration unit in the Jalmat Gas Pool consisting of the following acreage:

Township 23 South, Range 36 East, NMPM NW/4 of Section 12

It is understood that this unit is to be ascribed to your Stevens "B-12" Well No. 1, located 660 feet from the North line and 1650 feet from the West line and in the NE/4 NW/4 of Section 12, Township 23 South, Range 36 East, NMPM, Lea County, New Mexico.

Inasmuch as you enclosed waivers from the offset operators agreeing to the formation of the proposed unit, it is possible for immediate approval
to be granted. Therefore, by authority granted me under provisions of Rule
5. Section (b)-5 of the Special Rules and Regulations of the Jalmat Gas Pool,
as set forth in Order R-520, you are hereby authorized to operate the above
described acreage as a non-standard gas proration unit, with allowable to be
assigned thereto in accordance with Rule 8 of the pool rules, based upon the
unit size of 160 acres.

Very truly yours,

A. L. Porter, Jr. Secretary-Director

ALP:jb

cc: Oil Conservation Commission, Hobbs

N. M. Oil and Gas Engr. Comm., Hobbs

so Natural Gas Company, Jal and El Paso

Natural Gas Co.. Houston