cc-000666 60Nm-

NSP-374 Du 7/14/57

CONTINENTAL OIL COMPANY

Roswell, New Mexico June 12, 1957

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

Attention: Mr. A. L. Forter, Jr. Re:

114 acres

Continental Oil Company Application for 120-//4 acre NSP unit for its State F-1 No. 4 in Section 1, T21S, R36E, Eumont Pool, Lea County, New Mexico

Gentlemen:

Continental Oil Company respectfully requests administrative approval under the provisions of Rule 5 of the Special Rules and Regulations for the Eumont Gas Pool of Order No. R-520 for a non-standard gas proration unit consisting of 20 acres for its State F-1 No. 4 well located 660 feet from the North line and 660 feet from the East line of Section 1, Township 21 South, Range 36 East, Lea County, New Mexico in the Eumont gas pool.

The unit is proposed to consist of the Lots 1, 2, and 7 of Section 1, Township 21 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 in all respects as follows:

- Said unit consists of contiguous quarter-quarter sections (and/or lots).
- Said unit lies wholly within a single governmental section.
- The entire proposed unit may be reasonably presumed to be productive of gas.
- The length or width of said unit does not exceed 5,280 feet.
- Copies of this application have been furnished by registered mail to all offset operators and all operators within 1,500 feet of said well.

A plat is attached hereto showing to the best of our knowledge and belief the proposed unit, the location of the well, and the offset ownership.

New Mexico Oil Conservation Commission Page 2

In view of the facts set out herein it is respectfully requested that the Commission enter an order approving the non-standard gas proration unit for Continental Oil Company's State F-1 No. 4 well as described above.

R. L. ADAMS

Division Superintendent

of Production

New Mexico Division

Copies by Registered Mail to:

Skelly Oil Company Box 38 Hobbs, New Mexico

Pan American Petroleum Corporation Box 899 Roswell, New Mexico

John Kelly Box 5671 Boswell, New Mexico

Aztec Oil and Gas Company Box 847

Hobbs, New Mexico

New Mexico Oil Conservation Commission

STATE OF NEW MEXICO)
COUNTY OF CHAVES)

R. L. Adams, being first duly sworn on behalf of the applicant in the above application, says: That he is the Division Superintendent, of applicant, and as such is authorized to make said application; that he has read the foregoing application, knows the contents thereof, and that the same are true as he is reliably informed and believes.

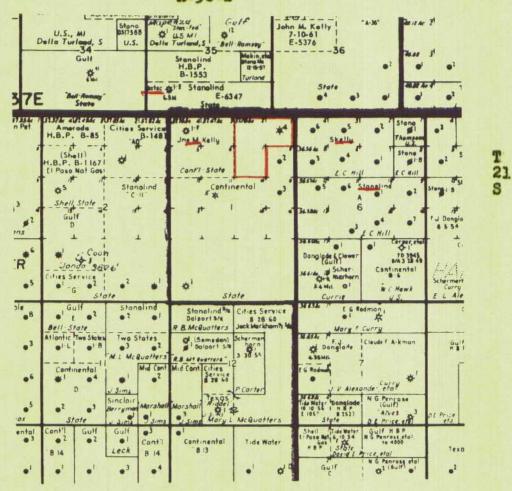
(Signature)

Subscribed and sworn to before me this 12^{7h} day of

June, 1957.

Louis B. Houston
Notary Public

My Commission Expires: May 25, 1960



CONTINENTAL OIL COMPANY

STATE F-1 LEASE

PROPOSED GAS UNIT

SCALE 1" = 4000"

P. D. BOX 871 SANTA FE, NEW MEXICO

June 20, 1957

Continental Oil Company 323 Petroleum Building Roswell, New Mexico

Re: Adm. Order NSP-374

Attention: Mr. R. L. Adams

Gentlemen:

Reference is made to your application dated June 12, 1957, for a 120 acre non-standard gas proration in the Eumont Gas Pool for your State "F-1" Well No. 4 in Lot 1 of Section 1, Township 21 South, Range 36 East. This application is being processed as NSP-374 and will be issued on July 14, 1957 if no objection is received.

Our records reflect that the proposed non-standard gas proration unit consisting of Lots 1, 2 and 7 of said Section 1 contains only 114.09 acres rather than 120 acres. If we do not hear from you in this matter, we will assume you are agreeable to the assignment of only 114 acres to this unit for allowable purposes upon completion.

Very truly yours,

A. L. PORTER, Jr. Secretary-Director

W#M: omg cc: Oil Conservation Commission, Hobbs, N. Mex.

AZTEC OIL & GAS COMPANY

920 MERCANTILE SECURITIES BUILDING
DALLAS 1, TEXAS

QUILMAN B. DAVIS SECRETARY AND GENERAL ATTORNEY

June 27, 1957

New Mexico Oil Conservation Commission P. O. Box 871 Santa Fe, New Mexico

Attention: Mr. A. L. Porter

Gentlemen:

Aztec Oil & Gas Company has no objection to the approval of a 120-acre NSP unit for Continental Oil Company's State F-1 No. 4 well in Section 1, Township 21 South, Range 36 East, Eumont Pool, Lea County, New Mexico, in accordance with its application to the Commission on June 12, 1957.

Yours very truly,

QBD:NL

cc - Mr. R. L. Adams Continental Oil Company

Skelly Oil Company

Pan American Petroleum Corp.

Mr. John Kelly

Mr. Prentice Watts