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*Eumont Gas Pool
R-1670 - Rule 5(c) 3
11-5-78*

September 29, 1978

New Mexico Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87501

Attention Mr. Joe D. Ramey, Secretary Director

Application to Dissolve and Redistribute 640-acre Eumont Standard Proration Unit - Continental Oil Company, State F-1 Well No. 1, Unit Letter U, Section 1, T-21S, R-36E, Lea County, New Mexico

Dear Sir:

Continental Oil Company respectfully requests administrative approval to dissolve the 640-acre Standard Eumont Gas Proration Unit presently assigned for our State F-1 Well No. 1 and to redistribute the acreage as follows:

Current Acreage Assignment

State F-1 No. 1, located 660' F S&W Lines of Sec. 1, T-21S, R-36E: 640-acres, described as 5280' North and 5280' East of the Southwest Quarter Corner of Irregular Section 1, T-21S, R-36E.

Proposed Redistribution

Well No. 1, located 660' F S&W Lines of Sec. 1, T-21S, R-36E: 80-acre Non-Standard Proration Unit, consisting of S/2 of SW/4 of Irregular Sec. 1.

Well No. 7, located 3300' FSL and 660' FWL of Sec. 1, T-21S, R-36E: 160-acre Non-Standard Proration Unit, consisting of N/2 of SW/4 and S/2 of North adjoining Quarter of Irregular Sec. 1.

Well No. 8, located 1980' F S&E Lines of Sec. 1, T-21S, R-36E: 160-acre Non-Standard Proration Unit, consisting of SE/4 of Irregular Sec. 1

NSP-1116

The N/2 of NW/4 and the NE/4 of the 640-acre current acreage assignment will not be dedicated to a proration unit at this time.

The proposed unit will conform to regulatory standards as follows:

- 1) Said units consist of contiguous quarter-quarter sections (and/or lots).
- 2) Said units lie wholly within a single governmental section.
- 3) Each proposed unit may be reasonably presumed to be productive of gas.
- 4) The length or width of said units do not exceed 5,280 feet.
- 5) Copies of this application have been furnished by certified mail to all offset operators and all operators within said section.

The attached plat shows the proposed units, the location of wells 1, 7 and 8 and offsetting ownerships.

Administrative approval is requested under R-1670 of the Special Rules and Regulations for the Eumont Gas Pool.

Yours very truly,



CRB:vjk
Enc.
cc/enc:
New Mexico Oil Conservation Division
P. O. Box 1980
Hobbs, New Mexico 88240

OFFSET OPERATORS (see attached list)

OFFSET OPERATORS

Aztec Oil & Gas Company
P. O. Box 837
Hobbs, New Mexico 88240

Cities Service Oil Company
P. O. Box 4906
Midland, Texas 79701

Amoco Production Company
Drawer "A"
Levelland, Texas 79336

Burleson & Huff
701 Petroleum Bldg.
P. O. Box 935
Midland, Texas 79701

Campbell & Hedrick
P. O. Box 401
Midland, Texas 79702

Warrior, Inc.
125 Midland Tower
Midland, Texas 79701

Anadarko Production Company
P. O. Box 247
Hobbs, New Mexico 88240

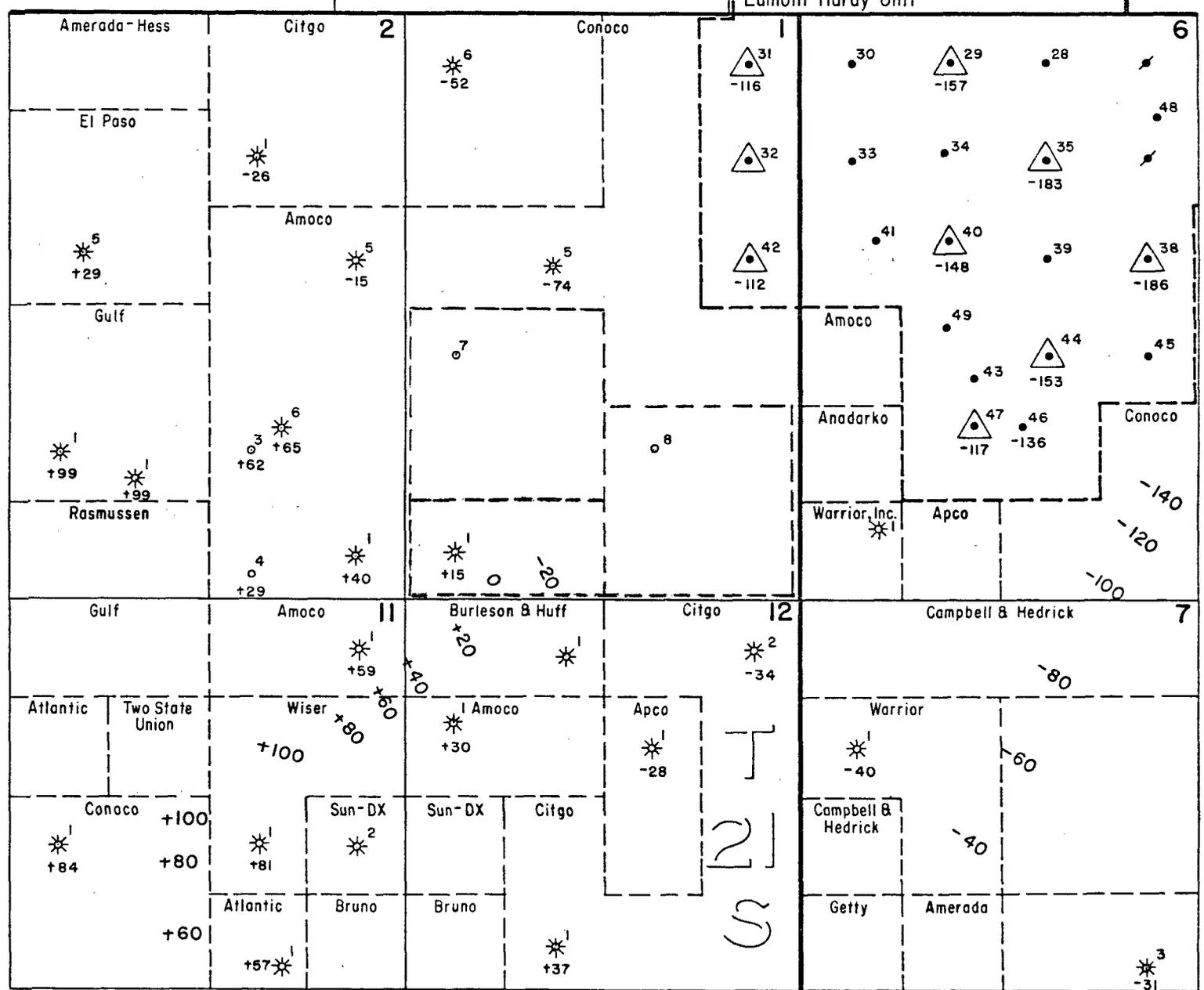
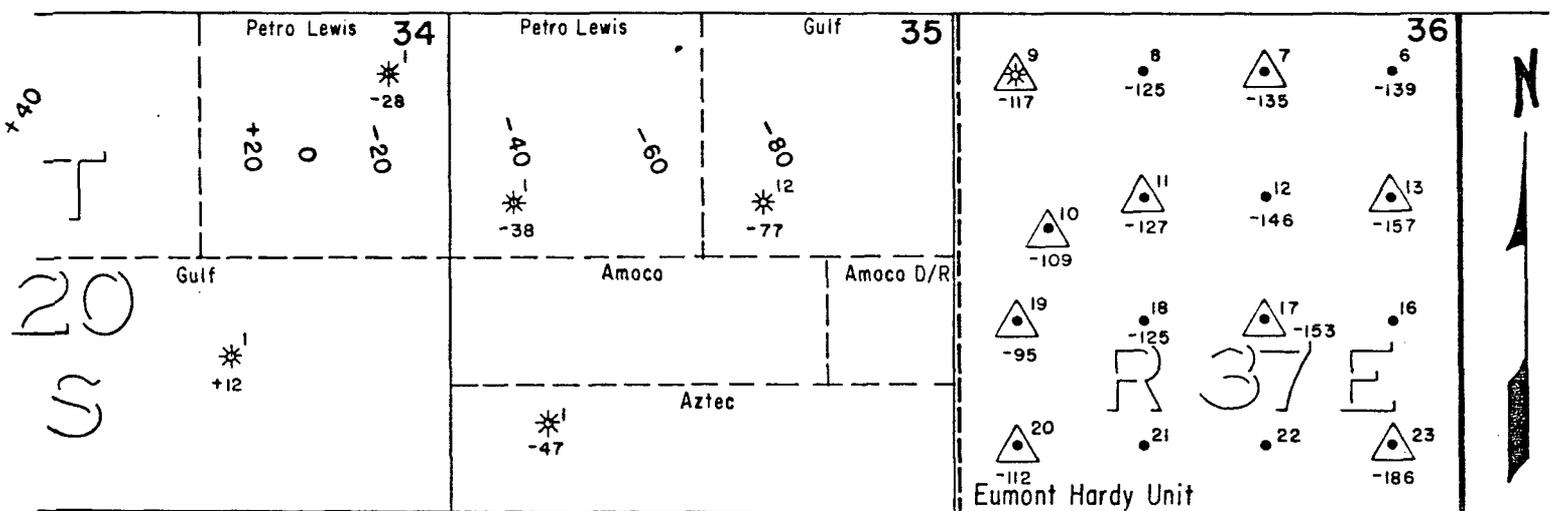
Chevron Oil Company
P. O. Box 1660
Midland, Texas 79701

Atlantic Richfield Company
P. O. Box 1710
Hobbs, New Mexico 88240

Gulf Energy and Minerals
P. O. Box 670
Hobbs, New Mexico 88240

Texas Pacific Oil Company
1700 One Main Place
Dallas, Texas 75250

Getty Oil Company
Box 249
Hobbs, New Mexico 88240



R 36 E R 37 E