

CONTINENTAL STATEMENT IN CASE 1421

Continental Oil Company recommends that Rule 309 (a) which limits the number of wells that may be produced into a common battery be eliminated as an unnecessary barrier to increased efficiency in lease operations.

Continental is opposed to any change in said Rule 309 which would grant a blanket permit to commingle production from separate leases except where every precaution is taken to protect correlative rights under the individual tracts.