

NSP 153-

CONTINENTAL OIL COMPANY

Roswell, New Mexico

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

Attention: Mr. A. L. Porter, Jr., Secretary-Director

Re: Continental Oil Company application
for a 320-acre non-standard gas pro-
ration unit for its Reed B-23 No. 2
in Section 23, T20S, R36E, NMPM,
Eumont Gas Pool, Lea County, New
Mexico.

Gentlemen:

Continental Oil Company respectfully requests administrative approval under the provisions of Rules 3 and 5(b) of the Special Rules and Regulations for the Eumont Gas Pool of Order No. R-520 for the formation of a 320-acre non-standard gas proration unit consisting of the E/2 of Section 23, Township 20 South, Range 36 East, for the unorthodox location of its Reed B-23 No. 2 well located 1650 feet from the north line and 330 feet from the east line of Section 23, Township 20 South, Range 36 East, Lea County, New Mexico, in the Eumont Gas Pool.

In support of this request we should like to point out that the proposed unit conforms with the requirements of said Rules 3 and 5(b) in all respects as follows:

1. The necessity for the unorthodox location is occasioned by the recompletion of a well previously drilled to another horizon.
2. Said proposed non-standard gas proration unit consists of contiguous quarter-quarter sections.
3. Said proposed non-standard gas proration unit lies wholly within a single governmental section.
4. The entire proposed non-standard gas proration unit may be reasonably presumed to be productive of gas.
5. The length or width of said unit does not exceed 5,280 feet.
6. Copies of this application have been furnished this date by registered mail to all offset operators and all operators within 1,500 feet of said well, as required by the provisions of said Rule 5(b).

A plat is attached hereto showing to the best of our knowledge and belief the proposed unit, the location of the No. 2 well and other wells on the lease, offset wells and ownership thereof.