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CONTINENTAL OIL COMPANY

11 SP-366
Jm 4/13/57

Roswell, New Mexico
March 13, 1957

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

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

Re: Continental Oil Company
Application for Authority to
effect a Eunice Oil - Eumont
Gas dual completion on its
Reed B-24 well No. 2 located
in Section 24, T-20S, R-36E,
Lea County, New Mexico; and
for approval of a 160-acre
non-standard gas proration
unit consisting of the SW/4
Section 24, T-20S, R-36E.

see DC-429
Jm 3/24/57

Gentlemen:

Continental Oil Company respectfully requests administrative approval under the provisions of statewide rule 112-A to dually complete in the Eunice oil pool and the Eumont gas pool its Reed B-24 well No. 2, located 1980' from the South line and 1980' from the West line of Section 24, T-20S, R-36E, NMPM, Lea County, New Mexico. A plat attached hereto shows the manner in which the dual completion is proposed to be accomplished. The Eumont gas will be produced through the casing-tubing annulus while Eunice oil is being produced through the tubing. The fluids from the two reservoirs will be completely separated by appropriate packers, and the well will be so equipped that the reservoir pressure of each of the two pools may be determined separately. Well head equipment will include all necessary connections to permit accurate measurement of fluids produced by each pool as may be required by the Commission.

We further respectfully request approval under the provisions of Rule No. 5 (b) of the Special Rules and Regulations for the Eumont Gas Pool of Order No. R-520 of a 160-acre non-standard gas proration unit consisting of the SW/4 of the said Section 24 to be allocated to the said well No. 2. In support of this request we should like to point out that the