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

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

NSP-366

Continental Oil Company Application for Authority to effect a Eunice Oil - Eumont Re: Gas dual completion on its Reed B-24 well No. 2 located in Section 24, T-20S, R-36E, 1357 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.

March 13, 1957

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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