

TO: Hobbs
acc

CONTINENTAL OIL COMPANY

1000 SEP 1960
Roswell, New Mexico

NSP-530
OCT 17, 1960

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 expansion of 240-acre non-standard
gas proration unit assigned to its
SIMU Permian Well No. 46 in Section
14, T20S, R37E, NMPN, Eumont Gas Pool,
Lea County, New Mexico.

Gentlemen:

Continental Oil Company respectfully requests administrative approval for the expansion of the 240-acre non-standard gas proration unit consisting of the SE/4 and the S/2 of the NE/4 of Section 14, Township 20 South, Range 37 East, assigned to its SIMU Permian well No. 46 located 1980 feet from the south line and 660 feet from the east line of Section 14, Township 20 South, Range 37 East, Lea County, New Mexico, in the Eumont Gas Pool, to include the NW/4 of the NE/4 of Section 14, Township 20 South, Range 37 East.

In support of this request we should like to point out that the proposed 280-acre unit conforms with the requirements of Rule 5(b) of the Special Rules and Regulations for the Eumont Gas Pool of Order No. R-520 in all respects as follows:

1. Said proposed non-standard gas proration unit consists of contiguous quarter-quarter sections.
2. Said proposed non-standard gas proration unit lies wholly within a single governmental section.
3. The entire proposed non-standard gas proration unit may be reasonably presumed to be productive of gas.
4. The length or width of said unit does not exceed 5,280 feet.
5. 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 present and proposed unit, the location of the No. 46 well and other wells on the lease, offset wells and ownership thereof.

The granting of this application is in the interest of preventing waste and the protection of correlative rights.