

CONTINENTAL OIL COMPANY

Albuquerque, New Mexico

New Mexico Oil Conservation Commission
Box 672
Santa Fe, New Mexico

Attention: Mr. W. B. Lusk

Gentlemen:

Continental Oil Company respectfully requests administrative approval under the provisions of Rule 5 (b) of Order No. N-520 for an enlargement of the existing approved non-standard gas separation unit for the Saphir Layer No. 1 well located 1980' FWL & 1980' FWL of Section 26 T.20N., R.37E., S.37E., New Mexico in the Huron gas pool.

The unit is proposed to consist of the 483 acres comprised of the E/2 and the W/2 of the 1/2 of Section 26 T.20N., R.37E.

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

1. Said unit consists of contiguous quarter-quarter sections (483 acres).
2. Said unit is entirely within a single governmental section.
3. The entire proposed unit may be reasonably produced as to production of gas.
4. The length of width of said unit does not exceed 1/4 mile.
5. Copies of this application have been furnished by registered mail to all interest operators and all operators within 1/4 mile of said well.

A plan is attached hereto showing to the best of our knowledge of belief the proposed unit, the location of the well and the effect ownership.

Very truly yours,
Continental Oil Company

Continental Oil Company, New Mexico, is respectfully requesting approval of the proposed unit for the purpose of enlarging the non-standard