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New Mexico Oil Conservation Commission
P.O. Box 2088
Santa Fe, New Mexico 87501

Attention Mr. Joe D. Ramey, Secretary Director

Gentlemen:

Application for 160-acre NSP Unit - Continental Oil Company, Lamar
Lunt No. 2, Unit Letter J, Section 20, T-22S, R-36E, Lea County,
New Mexico

Continental Oil Company respectfully requests administrative approval of a 160-acre non-standard proration unit for its Lamar Lunt No. 2, located 1980 feet from the south line and 1980 feet from the east line of Section 20, T-22S, R-36E, Lea County, New Mexico. The proposed non-standard proration unit will consist of the southeast quarter of Section 20.

The proposed unit will conform to regulatory requirements as follows:

- (1) Said unit consists of contiguous quarter-quarter sections (and/or lots).
- (2) Said unit lies wholly within a single governmental section.
- (3) The entire proposed 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 by certified mail to all offset operators and all operators within said section, with a request for instantaneous waiver.

The attached plat shows the proposed unit, the location of Well No. 2 and the offset ownerships.