L. P. Thompson
Division Manager

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Production Department
Hobbs Division
North American Production

Continental Oil Company
P.O. Box 460
1001 North Turner
Hobbs. New Mexico 88240
(505) 393-4141

April 5, 1978

Doyle Hartman, Oil Operator
Suite 508, C&K Petroleum Building
Midland, Texas   79701

Dear Mr. Hartman:

Request for Non-Standard Proration Unit - Gulf-Greer No. 1, Section 21,
T-22-S, R-37-E, Lea County, New Mexico

Your application to the New Mexico Oil Conservation Commission dated
March 15, 1978 on the above subject has been forwarded to us from our
Midland office. You mention NMOCC permission to drill a 3675' Jalmat
gas test on the proposed unit. We feel that we should call to your
attention two possible problems in connection with your proposed total
depth. First, the Jalmat gas pool extends from the top of the Tansill
formation to a point 100' above the top of the Queen formation. A quick
review of formation tops in this area indicates the Queen formation to
be at a depth of approximately 3700'. Thus, the base of the Jalmat pool
would be at about 3600'. Within the geographic area of the South Eunice
Unit, however, the unitized interval extends from the base of the Queen
to a point 232' above the top of the Queen formation. Assuming the Queen
to be at 3700', you would have to confine your completion above a depth
of 3468'.

We have no objection to your non-standard gas proration unit, but do
request that you confine your completion to the interval which is not
included within the South Eunice Unit. Since we do not have a copy of
the assignment from Gulf to you, we would assume that Gulf has not as-
signed you intervals which have already been committed by them to the
South Eunice Unit.

Yours very truly,

VTL/jj

CC: NMOCC, Box 2088, Santa Fe, New Mexico 87501
     NMOCC, Box 1980, Hobbs, New Mexico 88240
       Gulf Energy & Minerals Co.-U.S., ATTN: C. F. Kalteyer, Drawer 1150,
         Midland, Texas 79702