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June 29, 1956

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

Attention: Mr. A. L. Porter, Jr. Re:

Continental Oil Company Application for 160-acre NSP unit for its Lockhart B-31 No. 4 in Section 31, T21S, R36E, Jalmat Pool, Lea County, New Mexico

Gentlemen:

Continental Oil Company respectfully requests administrative approval under the provisions of Rule 5 (b) of the Special Rules and Regulations for the Jalmat Gas Pool of Order No. R-520 for the formation of a 160-acre non-standard gas proration unit for its Lockhart B-31 No. 4 well located 330 feet from the south line and 660 feet from the east line of Section 31, Township 21 South, Range 36 East, Lea County, New Mexico in the Jalmat gas pool.

The unit is proposed to consist of the southeast quarter of Section 31, Township 21 South, Range 36 East.

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 (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 this date by registered mail to all offset operators and all operators within 1,500 feet of said well as required by the provision of said Rule 5 (b).

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

In view of the facts set out herein it is respectfully requested that the Commission enter an order approving the