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

Attention Mr. Joe D. Ramey, Secretary Director

Dear Sir:

Application to Dissolve Existing 320 NSP Unit, Eumont Gas Pool, and
Establish Separate 160-acre NSP Units - Continental Oil Company, State
"D" Wells 12 and 14, Section 15, T-21S, R-36E, Lea County, New Mexico

Continental Oil Company respectfully requests administrative approval to rescind Commission Order R-1100, which established a 320-acre Non-Standard Proration Unit, Eumont Gas Pool, for our State "D" Well No. 12, and to separate this acreage into two 160-acre NSP Units for our State "D" Wells 12, located 660 feet from the South and East lines, and 14, located 915 feet from the North line and 990 feet from the East line of Section 15, T-21S, R-36E, Lea County, New Mexico. Our proposal is to assign the South-east quarter to Well No. 12 and the Northeast quarter to Well No. 14.

The proposed units will conform to regulatory standards as follows:

- 1) Said units consist of contiguous quarter-quarter sections (and/or lots).
- 2) Said units lie wholly within a single governmental section.
- 3) The entire proposed units may be reasonably presumed to be productive of gas.
- 4) The length or width of said units do 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.

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SEP 27 1978

DEFENSE COMMAND
F. J. M. H.