MAIN OFFICE COC

LES AUG SUS FIL 1:CONTINENTAL OIL COMPANY

NSP-316 wei 8/1920

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 Stevens B-12 No. 1 in Section 12, T-23S, R-36E, Jalmat Gas 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 an enlargement to 160 acres of the existing approved 80-acre non-standard gas proration unit for its Stevens B-12 No. 1 well located 660' FNL & 1650' FWL of Section 12, T-23S, R-36E, Lea County, New Mexico, in the Jalmat Gas Pool.

The unit is proposed to consist of the Nw/4 of Section 12, T-23S, R-36E.

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. Waivers from all operators within the section and within 1500 feet of the well are attached.

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.