Re:

CONTINENTALO BIZ COMPENSICO

Reswell, New Mexico PM Reswell, New Mexico

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

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

Continental Oil Company Application for 160acre NSP unit for its Sholes B-19 No. 2 in Section 19, T25S, R37E, Jalmat Pool, Lea County, New Mexico.

Gentlemen:

Continental Oil Company respectfully requests administrative approval under the provisions of Rule 5 (a) of the Special Rules and Regulations for the Jalmat Gas Pool of Order No. R-520 for a non-standard gas proration unit consisting of 160 acres for its Sholes B-19 No. 2 well located 990 feet from the North Line and 2310 feet from the West line of Section 19, Township 25 South, Range 37 East, Lea County, New Mexico in the Jalmat gas pool.

The unit is proposed to consist of the E/2 NW/4, W/2 NE/4 of Section 19, Township 25 South, Range 37 East.

In support of this request we should like to point out that the proposed unit conforms with the requirements of said Rule 5 (a) in all respects as follows:

- l. 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 registered mail to all offset operators and all operators within 1,500 feet of said well.

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 New Mexico Oil Conservation Commission Page 2

non-standard gas proration unit for Continental Oil Company's Sholes B-19 No. 2 well as described above.

idame

R. L. ADAMS Division Superintendent of Production New Mexico Division

Copies by Registered Mail tc:

Ralph Lowe Oil Company Box 832 Midland Tower Bldg. Midland, Texas

R. Olsen Drawer Z Jal, New Mexico

Leonard Oil Company J. P. White Building Box 708 Roswell, New Mexico