

L. P. Thompson Division Manager Production Department Hobbs Division Continental Oil Company P.O. Box 460 1001 North Turner Hobbs, New Mexico 88240 (505) 393-4141

March 16, 1977

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

Attention Joe D. Ramey, Secretary Director

Dear Sir:

Application for 120-Acre NSP Unit - Continental Oil Company - Shahan 33 No. 1, Unit Letter A, Section 33, T-255, R-37E, Lea County, New Mexico

Continental Oil Company respectfully requests the reassignment of acreage, currently dedicated to its Shahan 33 No. 3, to the subject well, Shahan 33 No. 1, located 990 feet from the north line and 660 feet from the east line of Section 33, T-21S, R-37E, Lea County, New Mexico. The proposed reassignment is for a 120-acre non-standard unit, which consists of the S/2 and the NE/4 of the NE/4 of Section 33, T-21S, R-37E, Lea County, New Mexico. Shahan 33 No. 3 is shut-in due to economical depletion, and there is presently no possibility of restoring it to production.

The proposed unit conforms to requirements as follows:

- 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 certified mail to all offset operators and all operators within said section.

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Platts are attached hereto, showing the proposed unit, the location of well No. 1 and the offset ownerships.

Administrative approval of this non-standard proration unit is requested under Order R-1670 of the Special Rules and Regulations for the Jalmat-Yates Gas Pool.

Yours very truly,

L. P. Thompson Division Manager

Enc CC & Enc: New Mexico Oil Conservation Commission P. O. Box 1980 Hobbs, New Mexico 88240

W. I. Owners: Alice K. Bunch P. O. Box 2613 Capistrano Beach, California 92672

Ira Wade Lind Estate Dorothy Bunch Lind, Deceased P. O. Box 2613 Capistrano Beach, California 92672

T. J. Sively Drawer GG Artesia, New Mexico 88210

Offset Operators: Gulf Oil Corporation P. O. Box 1150 Midland, Texas 79701

Texas Pacific Oil Company 1700 One Main Place Dallas, Texas 75250

Burleson & Huff 701 Petroleum Building P. O. Box 935 Midland, Texas 79701 Union of Texas 1300 Wilco Building Midland, Texas 79701

C.R.A. International 5416 South Yale Avenue Tulsa, Oklahoma 74135