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

Attention Mr. A. L. Porter, Jr. - Secretary-Director

Gentlemen:

Continental Oil Company's application for a 160 NSP Unit - Jack A-20 No. 9, Section 20, T-24S, R-37E, Lea County, New Mexico

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-1670 for approval of an 160-acre Non-standard Gas Proration unit for its Jack A-20 No. 9, located 660' FNL, and 990' FEL of Section 20, T-24S, R-37E, Lea County, New Mexico, in the Jalmat Gas Pool. The unit is proposed to consist of the NE/4 of Section 20, T-24S, R-37E.

This acreage was previously dedicated to Jack A-20 No. 4, located in Unit letter C of section 20. This 240 acre unit was assigned by administrative order NSP 123, which includes the NE/4 and the N/2 of the SE/4. Due to mechanical problems, the Jack A-20 No. 4 was shut-in and the meter has been removed. Please rescind NSP Order No. 123.

In support of this request, we would like to point out that the proposed Unit conforms with the requirements of 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 5280'
- 5) Copies of this application have been furnished by certified mail to all offset operators and all operators within said unit.

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 operators.