T. F. HODGE

OIL PRODUCER FORT WORTH 2, TEXAS

August 24, 1959

Oil Conservation Commission Box 871 Santa Fe, New Mexico

> Re: Application to Alter Proration Units, Exception to Rule 104, T. F. Hodge -Mary E. Wills Federal Lease, Sec. 33, T-26-S, R-37-E, Lea County, New Mexico

Gentlemen:

Attached you will find a plat showing the T. F. Hodge - Wills Federal Lease in Section 33, I-26-S, R-37-E, Lea County. Operator has six producing wells on this lease.

Wells 3, 6, and 7 are set up on forty-acre units and are allocated an allowable accordingly. Wells 1, 2, and 4 are set up on thirty-three acre units and the allowable is penalized in accordance with the acreage shortage. The short units were necessarily created since the south half of the north half of Section 33 contains only 132 acres.

Since Well No. 5, located in the southeast corner of the section, was a dry hole and since no more development is contemplated, Operator respectfully requests the units under Wells 1, 2, and 4 be rearranged to allow fortyacre units. Each unit can be extended eastward a distance sufficient to allow each well a forty-acre unit. The attached plat shows the proposed altered units in red.

Operator respectfully requests that this application be set for hearing at the earliest convenient date.

Yours very truly,

T. F. HODGE

Leroy Gideon

Lecar Didon

LG:d enclosure