Earl R. Bruno

P. O. Box 5456 Midland, Texas 79701 _____ 915 - 684-8488

October 23, 1978

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

> Re: SRC-State No. 1 well to be located 1980' FN & EL, Section 11, T18S, R36E, Lea County, New Mexico State Lease No. L-1636

Gentlemen:

We request an 80 ac proration unit for the above referenced proposed well to be drilled in the Arkansas Junction Queen (Gas) Field. It is necessary to request this reduced proration unit because of an expiration date of November 19, 1978 and because of rig availability.

This State lease consists of 160 acres being the E/2 NE/4 and W/2 NW/4 but time does not permit us to request a hearing to obtain permission for an irregular 160 acre unit.

By copy of this letter, we are notifying all offset operators of this request.

Your cooperation in this matter will be appreciated.

Yours very truly, East R. Sturd

Earl R. Bruno

ERB/kf

Enc.: Plat of Acreage

cc: New Mexico Oil Conservation Commission, Hobbs, New Mexico Continental Oil Company, Hobbs, New Mexico Maralo, Inc., Midland, Texas Southland Royalty Company, Midland, Texas