

JOHN H. HENDRIX CORPORATION

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October 24, 1990

Mr. William J. LeMay, Director
New Mexico Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87504-2088

RE: Application for a 160
Acre Non-Standard Gas
Proration Unit,
State A-17 No. 1,
SW/4 Sec. 17, T19S-R37E,
Lea County, New Mexico
Eumont Gas Pool

Gentlemen:

John H. Hendrix Corporation respectfully requests administrative approval for a non-standard 160 acre gas proration unit consisting of the SW/4 Section 17, T19S - R37E, Lea County, New Mexico, for a Eumont gas well, the State A-17 No. 1 located in Unit M. A lease plat is attached showing the location of this well.

The State A-17 No. 1 is a replacement well for the Conoco State A-17 No. 3 which last produced in April, 1983. Approval of this request will protect correlative rights, promote conservation, and encourage the efficient recovery of gas reserves. The proposed proration unit will consist of contiguous lots and lie wholly within a single governmental section. The length or width of the proration unit will not exceed 5280 feet.

By copy of this letter, we are notifying the offset operators of this proposed non-standard proration unit. If