

ZIA ENERGY, INC.

HOBBS, NEW MEXICO 88240

February 10, 1981

New Mexico Energy and Minerals Dept.
Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87501

Re: Request for Administrative
Approval For Non-Standard
Proration Unit Consisting
Of 40 Acres In The SW/4-
SE/4 Of Sec. 27, T-20-S, R-36-E
Lea County, New Mexico.

Gentlemen:

Zia Energy, Inc. drilled a well on their Elliott "A" State lease which is the No. 1 well located 660' FSL and 1980' FEL of Sec. 27, T-20-S, R-36-E, a standard location. This well has been completed as a Eumont gas well from perforations in the Queen formation from 3612' to 3677'. The acreage required for a standard proration unit is 640 acres in the Eumont Gas Field. Therefore, you are requested to approve a 40 acre non-standard proration unit for this well, consisting of the SW/4-SE/4 of Sec. 27, T-20-S, R-36-E.

A copy of the C-102 (Well Location and Acreage Dedication Plat) is enclosed to show the location of the Elliott "A" State No. 1 and to indicate this acreage dedicated to this well.

Also enclosed is a section of an oil and gas lease map which shows the offset operators to the Elliott "A" State No. 1. From this map the following list of offset operators was compiled. Each of these operators have been supplied a copy of this application by certified mail.

Carbon Energy, Inc.
P. O. Box 129
Hobbs, New Mexico 88240

Southland Royalty Company
1100 Wall Towers West
Midland, Texas 79701

Warrior, Inc.
P. O. Box 17479
Ft. Worth, Texas 76102