New Mexico Oil Conservation Commission Page 2

We further respectfully request approval under the provisions of rule No. 5 (b) of the Special Rules and Regulations for the Eumont Gas Pool of order No. R-520 of a 240-acre nonstandard gas proration unit consisting of the SE/4 and the S/2 of the NE/4 of said Section 14 to be allocated to the said well No. 46. In support of this request we should like to point out that the proposed unit conforms with the requirements of said 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 5,280 feet.
- 5. Copies of this application have been furnished this date by registered mail to all offset operators and all operators within 1,500 feet of said well, as required by the provision of said Rule 5 (b).

A plat is attached hereto showing to the best of our knowledge and belief the proposed unit, the location of the No. 46 well and other wells on the lease, offset wells and ownership thereof.

The granting of this application is in the interest of preventing waste and the protection of correlative rights.

In view of the facts set out herein it is respectfully requested that the Commission enter an order approving the proposed dual completion and non-standard unit both as described above.

Yours very truly,

17261

Homer Dailey Alternate for the Division Superintendent of Production New Mexico Division

ale