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December 1, 1989

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

> RE: Application for an 80 Acre Non-Standard Gas Proration Unit and Non-Standard Location Wood "A" State No. 3 Unit F - E/2 NW/4 of Sec. 16, T20S -R37E, Lea County, NM Eumont Gas Pool

Gentlemen:

John H. Hendrix Corporation respectfully requests administrative approval for a non-standard 80 acre gas proration unit consisting of the E/2 of NW/4 Section 16, T20S, R37E, Lea County, New Mexico, for a Eumont gas well, the Wood "A" State No. 3 in Unit F. A lease plat is attached showing the location of this well.

The Wood "A" State No. 3 is a replacement well for the Wood "A" State No. 2, which was a Eumont gas well with the same non-standard proration unit. (This well bore (Wood "A" State No. 2) has been sold to Amerada Hess.

John H. Hendrix Corporation also requests administrative approval for a non-standard location for the No. 3 Wood "A" State. The Wood "A" State No. 2 well already exists at the location of 1980' FNL and 1650' FWL.

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. The well will not be located inside 330' from any lease or quarter-quarter section line.

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