BEFORE THE OIL CONSERVATION COMMISSION

OF THE STATE OF NEW MEXICO

5.9.

CASE NO.

11.56

IN THE MATTER OF

APPLICATION OF ME-TEX SUPPLY COMPANY) FOR A 240-ACRE NON-STANDARD GAS) PRORATION UNIT AND A NON-STANDARD LOCATION) FOR ITS WALLACE-STATE WELL NO. 3 IN) SECTION 3, T-21-S, R-36-E, N.M.P.M.,) EUMONT GAS POOL, LEA COUNTY, NEW MEXICO,) AND TRANSFER OF UNDERPRODUCTION FROM THE) ME-TEX WALLACE STATE WELL NO. 2 TO THE) ME-TEX WALLACE STATE WELL NO. 3 UNDER THE) PRORATION UNIT.)

<u>A P P L I C A T I O N</u>

Me-Tex Supply Company respectfully requests administrative approval under the provisions of Rule 5(c) of the Special Rules and Regulations for the Eumont Gas Pool of Order No. R-1670 for the formation of a 240-acre non-standard gas proration unit consisting of Lots 5, 6, 11, 12, 13, and 14 of Section 3, T-21-S, R-36-E, for its Wallace State Well No. 3 located 3,300 feet from the south line and 1,980 feet from the west line of Section 3, T-21-S, R-36-E, Lea County, New Mexico, in the Eumont Gas Pool.

In support of this request, we point out that the proposed unit conforms with the requirements of said Rule 5(c):

1. Proposed non-standard gas proration unit consists of contiguous quarter-quarter sections.

2. Proposed non-standard gas proration unit lies wholly within a single governmental section.

3. The entire proposed non-standard gas proration unit may be reasonably presumed to be productive of gas.

4. The length or width of unit does not exceed 5,280 feet.

A plat is attached hereto showing the proposed unit and the