

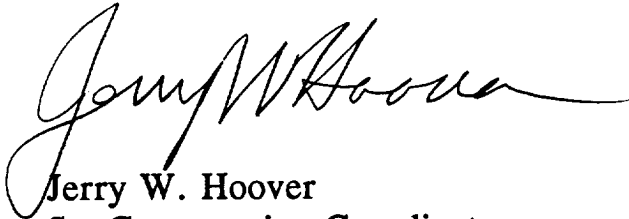
Lockhart A-30 No. 3 was completed in the Seven Rivers and Queen intervals of the current Eumont Pool as an oil producer in 1935 and subsequently temporarily abandoned in 1991. As an oil producer, its 330-foot setback from the North section line qualified as a standard location. Before final plugging of this shut-in well which has depleted the oil producing intervals of the Eumont, it is now being proposed that the Yates formation be opened in this wellbore to complete recovery of the entire vertical section containing Eumont reserves at this location. Since the Yates interval will be gas productive, Well No. 3, at 330' FNL, will constitute a non-standard gas well location for this 160-acre proration unit in the Eumont Gas Pool.

Therefore, approval of this non-standard location for Well No. 3 and for simultaneous dedication of this 160 acres to Wells No. 1 and 3 is requested to complete the efficient drainage of Eumont Pool reserves from this tract .

EXHIBIT C is a list of offset operators surrounding this proration unit. Notification of this application was mailed to each party by certified mail. Copies of the certified mail receipts are also attached as EXHIBIT D.

If there are any further questions concerning this application please contact me at (915) 686-6548.

Very truly yours,

A handwritten signature in black ink, appearing to read "Jerry W. Hoover", with a long, sweeping horizontal stroke extending to the right.

Jerry W. Hoover  
Sr. Conservation Coordinator