Page #2 New Mexico Oil Conservation Commission Santa Fe. New Mexico

- 4. That El Paso Natural Gas Company completed the El Paso Natural Gas Company-Shell State #12 Well in the SW/4 SE/4 of said Section 36, on November 13, 1955, with an Initial Potential of 42,500 MCF A.O.F. This well is located 660 feet from the South line and 1980 feet from the East line of said Section 36.
- 5. That the proposed Non-Standard Gas Proration Unit will meet the requirements of Rule 5 (b) of Order No. R-520 in that the proposed unit consists of contiguous quarter—quarter sections within a single governmental section, that the length or width thereof does not exceed 5280 feet, and that the entire area of the proposed unit lies within the horizontal limits of the Eumont Gas Pool and may reasonably be presumed to be productive of gas.
- 6. That by copy of this Letter of Application, all of the other operators owning an interest in the section in which the proposed Non-Standard Proration Unit is situated and all operators owning an interest within 1500 feet of the well have by registered mail been notified.
- 7. That a plat showing the acreage to be dedicated to the proposed Non-Standard Gas Proration Unit, the location of the said well, and the offset ownership is attached hereto.
- 8. El Paso Natural Gas Company wishes to advise the Commission that it is its intention to use this well as the unit well.

In view of the existence of the facts herein stated and in compliance with the provisions of Rule 5 (b) of Order No. R-520, El Paso Natural Gas Company requests Administrative approval of said proposed Non-Standard Gas Provation Unit.

Respectfully submitted,

EL PASO NATURAL GAS COMPANY

R. L. Hamblin, Manager

Lease Department