Nay 22, 1957

New Mexico Oil Conservation Commission Post Office Box 871 Santa Fe, New Mexico

Attention: Mr. A. L. Porter, Jr.

Re: NSP-369

Application of El Paso Natural Gas Company for Administrative Approval of a 160-acre Non-Standard Gas Proration Unit in the Jalmat Gas Pool for the El Paso Natural Gas Company Wells Federal #3 Well which is located in the NE/4 SW/4 of Section 4, Township 25 South, Range 37 East, N.M.P.M., Lea County, New Mexico

Gentlemen:

In accordance with the suggestion made by Mr. Warren Mankin of your office this date by telephone, we wish to advise, in regard to the captioned 160-acre tract, that Kl Paso Watural Gas Company holds the gas operating rights under the SW/4 of Section 4, Township 25 South, Range 37 East, N.M.P.M., and for this reason a communitisation agreement is not necessary. We request that an allowable be assigned to our Wells-Federal #3 Well at your earliest possible convenience.

Very truly yours,

EL PASO NATURAL GAS COMPANY

By

R. L. Mamblin, Manager Lease Department

RLH: JCN: bg

cc: Oil Conservation Commission, V Hobbs Office

101-44