

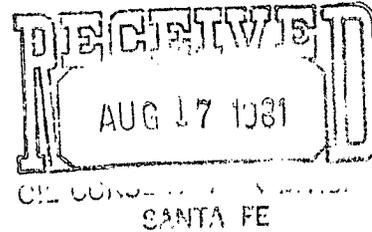
ARCO Oil and Gas Company
Permian District
Post Office Box 1610
Midland, Texas 79702
Telephone 915 684 0149
Jerry L. Tweed
District Engineer

August 12, 1981

Mr. Joe D. Ramey
New Mexico Oil Conservation Commission
P. O. Box 2088
Santa Fe, New Mexico 87501

Dear Mr. Ramey:

RE: J. R. Cone "AB" Gas Proration Unit
Blinebry Pool
Section 26, T21S, R37E
Lea County, New Mexico



ARCO Oil & Gas Company requests administrative approval to rededicate the J. R. Cone "AB" 120-acre non-standard Blinebry Gas Proration Unit located in the S/2 SW/4 and SW/4 SE/4 of Section 26, T21S, R37E, Lea County to an 80-acre non-standard Blinebry Gas Proration Unit located in the S/2 SW/4, Section 26, T21S, R37E, Lea County. All acreage will now be dedicated to the J. R. Cone "AB" No. 1 located in unit letter M, Section 26, T21S, R37E, Lea County. *Oil & Gas Pool*

In 1979, the J. R. Cone "B" No. 2 was dedicated to the 120-acre non-standard proration unit assigned to the J.R. Cone "AB" No. 1. This was needed because the "AB" No. 1, a marginal well, was only producing about 730 MCFPD and could not produce its full allowable for the 120 acre unit. In July, 1981, a workover was performed on the J.R. Cone "B" No. 2 which resulted in its being reclassified as a Blinebry oil well. Therefore, the 40 acres assigned to the "B" No. 2 must be deleted from the 120-acre gas proration unit.

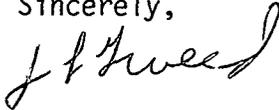
ARCO Oil & Gas Company believes approval of this request will be in the interest of conservation, protect correlative rights, and allow for more complete recovery of Blinebry Oil and Gas Reserves.

Attached are a well location and acreage dedication plat (Form C-102), a map showing offset operators, and a list of offset operators who have been furnished a copy of this

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application by registered mail. In addition, we have attached the last twelve months production for the J.R. Cone "AB" No. 1 and the allowable for a normal 80-acre unit in the Blinebry gas pool.

Sincerely,



Jerry L. Tweed

RC:JLT:cn

Attachments

cc: NMOCC District Office - Hobbs

OIL CONSERVATION DIVISION

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT

P. O. BOX 2088
SANTA FE, NEW MEXICO 87501

Form C-102
Revised 10-1-78

All distances must be from the outer boundaries of the Section.

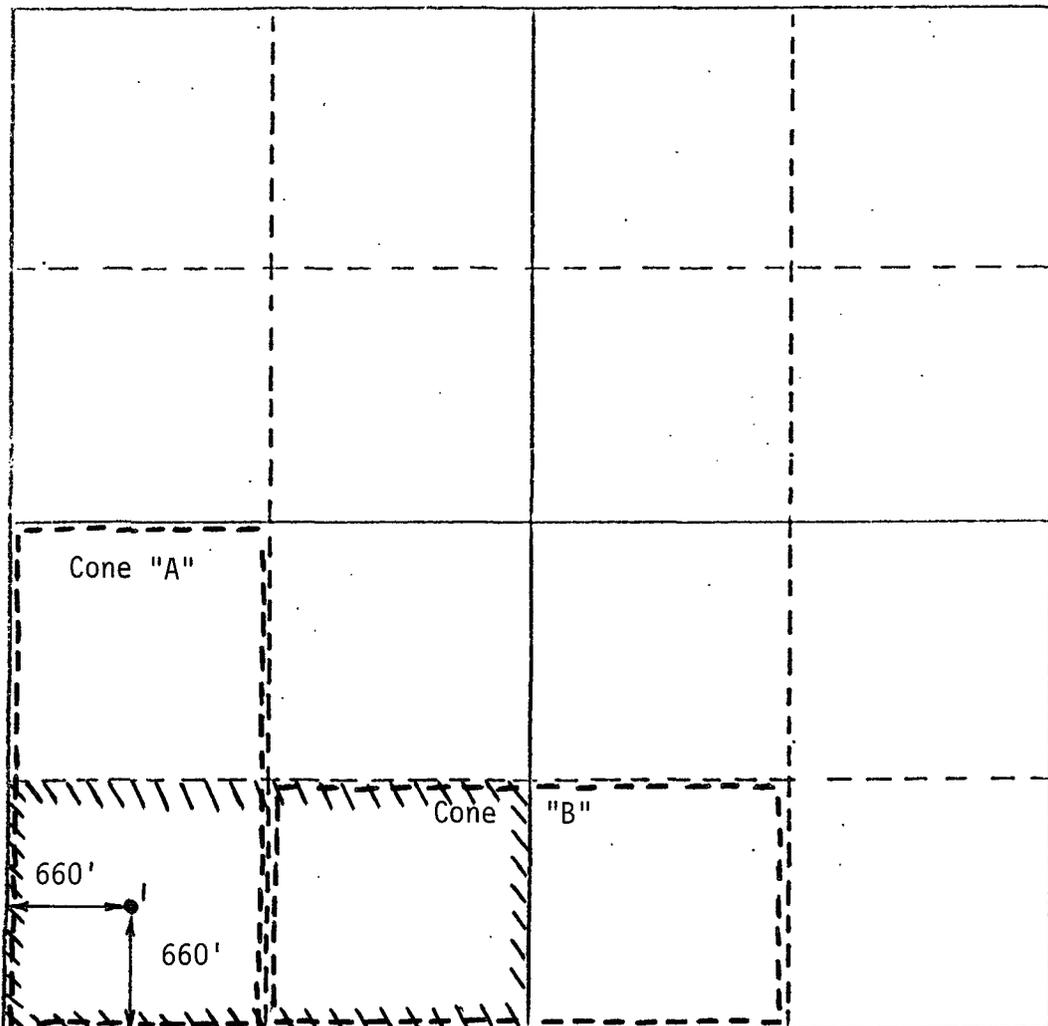
Operator ARCO Oil & Gas Company		Lease J. R. Cone "AB"		Well No. 1
Unit Letter M	Section 26	Township 21-S	Range 37-E	County Lea
Actual Footage Location of Well: 660 feet from the South line and 660 feet from the West line				
Ground Level Elev. 3385	Producing Formation Blinebry Gas	Pool Blinebry	Dedicated Acreage: 80 Acres	

1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty). Attached to the non-standard unit application date April 22, 1976 and approved by Order NSP-1025 dated May 20, 1976.
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

Yes No If answer is "yes," type of consolidation Unitization

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.)

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Division.



CERTIFICATION

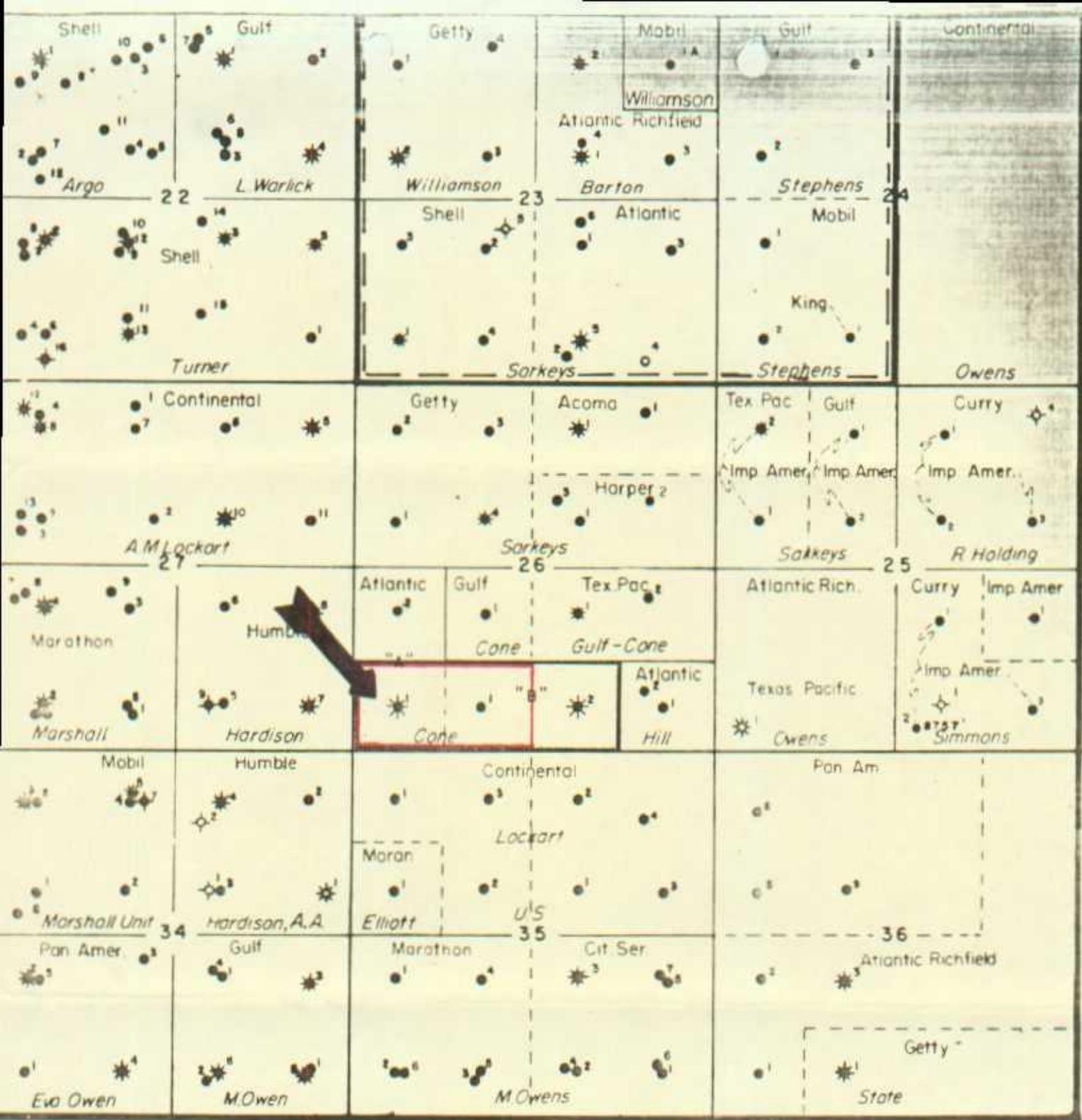
I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Robert E. Craig
Name **Robert E. Craig**
Position **Operations Engineer**
Company **ARCO Oil & Gas Co.**
Date **August 12, 1981**

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

Date Surveyed
Registered Professional Engineer and/or Land Surveyor

Certificate No.



R 37 E

Atlantic Richfield Company 
 North American Producing Division
 Permian District - Midland, Texas

J. R. CONE "A" LEASE
 LEA COUNTY, NEW MEXICO

SCALE 1" = 2000'

No. H. S. PRENTICE Drawn By 4L 3-76

OFFSET OPERATORS

J. R. CONE LEASES

1. Conoco
P. O. Box 460
Hobbs, New Mexico 88240

2. Exxon
P. O. Box 3116
Midland, Texas 79702

3. Getty Oil Company
P. O. Box 1231
Midland, Texas 79702

4. Gulf
P. O. Box 1150
Midland, Texas 79702

5. Texas & Pacific
P. O. Box 4067
Midland, Texas 79702

6. Moran Exploration, Inc.
Wilco Bldg.
Midland, Texas 79701

7. Harper Oil Company
Wilco Bldg.
Midland, Texas 79701

J. R. CONE "AB" No. 1

Production History
Last Twelve Months

	<u>Oil Prod.</u> <u>BO</u>	<u>Gas Prod.</u> <u>MCFG</u>
June, 1980	248	18,051
July	226	19,961
August	192	20,070
September	221	17,818
October	211	19,152
November	203	17,342
December	219	18,578
January, 1981	208	17,853
February	166	12,403
March	210	16,462
April	184	15,106
May	146	10,090

Estimated allowable for 80 acre unit

Based on allowable for Blinebry Gas (July, 1981)

	<u>160 Acre.</u> <u>Unit</u>	<u>80 Acre</u> <u>Unit</u>
July allowable, MCF	36,408	18,204