

North American Producing Division
Permian District
Post Office Box 1610
Midland, Texas 79701
Telephone 915 682 8631

OK--J.S.



April 22, 1976

Mr. Joe D. Ramey
New Mexico Oil Conservation Commission (3)
P. O. Box 2088
Santa Fe, New Mexico 87501

RE: J. R. Cone Leases
Non-Standard Gas Proration Unit
Blinebry Oil & Gas Pool
Section 26, T-21S, R-37E
Lea County, New Mexico

Dear Mr. Ramey:

Atlantic Richfield Company respectfully requests administrative approval of a 120-acre non-standard Blinebry gas proration unit for the J. R. Cone "A" No. 1 well located 660 feet from the South and West lines, Section 26, Township 21 South, Range 37 East, Lea County, New Mexico. The unit consists of the S /2 of the SW/4 and the SW/4 of the SE/4 of Section 26. The south 40 acres of the 80-acre J. R. Cone "A" lease and all 80 acres of the J. R. Cone "B" lease are being dedicated to the J. R. Cone "A" No. 1. Interests in the Blinebry Oil and Gas Pool under both the Cone "A" and Cone "B" leases were pooled by a Designation of Unit Agreement dated April 30, 1958. Working interest is the same for both leases (Atlantic Richfield Company 93.75% and J. R. Cone 6.25%). A list of royalty owners of both leases is attached.

Presently, two wells are located on the Cone "B" lease. The Cone "B" No. 1 is a dual Blinebry Oil/Tubb Gas well located in Unit N, and the Cone "B" No. 2 is a dual Blinebry Gas/Drinkard Oil well located in Unit O. The Blinebry is being shut-in in both wells so as to permit the dedication of that 80 acres to the Cone "A" No. 1.

Attached are an acreage dedication plat, a map of the area, and a list of offset operators who are being notified of this action with a copy of this application. Atlantic Richfield believes approval of this unit will promote conservation, protect correlative rights, and encourage efficient recovery of gas reserves. Your favorable consideration will be appreciated.

Very truly yours,

J. L. Tweed

RSP/agp

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