



Midland Division
Exploration and Production

Conoco Inc.
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January 16, 1992

Mr. William Le May
State of New Mexico
Oil Conservation Division
P.O. Box 2088
Santa Fe, NM 87504-2088

Dear Mr. LeMay:

Administrative Request for Revision of Administrative Order NSP-722 for a Non-standard Gas Proration Unit and for Simultaneous Dedication of the Lockhart A-27 Nos. 5 and 11 to the 160 Acres Located in the NE/4, Sec. 27, T-21S, R-37E

ATTACHMENT 1 shows the Lockhart A-27 Lease with the 120-acre non-standard proration unit dedicated to well No. 5 (a Blinebry gas well) outlined by a dashed line. ATTACHMENT 2 is the acreage dedication plat for this well and ATTACHMENT 3 a copy of the Administrative Order NSP-722 which established this non-standard proration unit.

Well No. 11, in Unit H of Sec. 27, has historically produced enough oil to remain classified as an oil well, until recently, with the 40 acres in the SE/4 NE/4 Sec. 27 dedicated to it. Recent GOR tests have resulted in the reclassification of this well to a gas well. This reclassification requires the establishment of a non-standard gas proration unit for the well.

It appears that the simplest solution to the reclassification of Well No. 11 to gas would be to enlarge the non-standard proration unit established for Well No. 5 to include all 160 acres in the NE/4 of section 27 and to simultaneously dedicate this acreage to both wells.

ATTACHMENTS 4 and 5 are new C-102 plats for both wells reflecting simultaneous dedication to the requested 160-acre proration unit. Copies of this application have been sent by certified mail to all offset operators and copies of these mail receipts are included as ATTACHMENT 6.

Very truly yours,

Jerry W. Hoover
Senior Conservation Coordinator