North American Producing Division Permise District Post C e E 1610 Midland, Texas 79701 Telephone 915 682 8631

January 21, 1975

Mr. A. L. Porter New Mexico Oil Conservation Commission P. O. Box 2088 Santa Fe, New Mexico 87501

Dear Mr. Porter:

Atlantic Richfield Company requests administrative approval of a standard 640-acre Jalmat Gas Proration Unit comprised entirely of Section 14, Township 22 South, Range 36 East, Lea County, New Mexico, and simultaneous dedication of this proposed unit to the McDonald State WN Well No. 11, located 990' FN and WL in said section and the McDonald State WN Well No. 27, located 660' FSL and 2310' FEL, with the unit allowable to be produced from any of these wells in any proportion.

It should be noted that Section 14 is currently comprised of two 320-acre non-standard Jalmat Gas Proration Units with an approved non-standard location for each gas well in the units (NMOCC Orders pertaining to these Units are attached). The McDonald State WN Well No. 25, which was drilled through the Yates formation, was severely damaged when completed and will not produce gas or associated liquid hydrocarbons in economic quantities and is presently temporarily abandoned. State WN No. 11, is still productive in the Jalmat Pool and supports the contention that this area of the Jalmat Pool is gas productive. The McDonald State WN No. 1 is also severely damaged in the open hole Yates zone and is shut in.

Attached is a map showing the proposed gas proration unit and offset operators. Also attached are Well Location and Acreage Dedication Plats and a list of offset operators. All offset operators have been furnished copies of this application by certified mail. In support of this application, we submit the following:

- 1. The proposed standard unit is within a single governmental section.
- 2. The entire proposed standard unit area may be reasonably presumed to be productive of gas.
- 3. The length or width of the proposed gas unit does not exceed 5280 feet.

Very truly yours,

Soileau

LCS/agp

