North American Producing Division Permian Distric Post Office Box 1010 Midland, Texas 79701 Telephone 915 682 8631



July 26, 1978

Mr. Joe Ramey New Mexico Energy & Minerals Dept. Oil Conservation Division P. O. Box 2088 Santa Fe, New Mexico 87501

Dear Mr. Ramey:

Atlantic Richfield Company requests administrative approval for a non-standard 160-acre Jalmat gas proration unit located in the NW/4 of Section 27, Township 22S, Range 36 East, Lea County, New Mexico. This proration unit will be dedicated to the Shipley "A" WN #1, located 1650'FWL and 990'FNL of the above section.

The Shipley lease comprises the western half of Section 27. The SW/4 is dedicated to the Shipley #1 Jalmat gas weil, and the NW/4 is undedicated except for the 40 acres currently dedicated to the Shipley "A" WN #1 Jalmat oil well. The "A" #1 has been reclassified as a gas well effective September 1, 1978.

Attached are a C-102 show well location and dedicated acreage and a list of offset operators who are being notified of this application.

Approval of this request will protect correlative rights, promote conservation, and encourage the efficient recovery of gas reserves. Thank you for your consideration in this matter.

Very truly yours,

Tweed

JAP:ns attachs.