

ARCO Oil and Gas Company
Central District
Post Office Box 1610
Midland, Texas 79702
Telephone 915 688 5200



November 18, 1988

Mr. William J. Lemay
New Mexico Oil Conservation Division
P.O. Box 2088
Santa Fe, New Mexico 87501

RE: Application for Non-Standard Proration Unit
Alexander Rodgers #2
N/2 NE/4 Section 12, T22S, R37E, Lea Co.
Tubb Oil and Gas Pool

Dear Mr. LeMay:

ARCO Oil and Gas Company respectfully requests administrative approval to reinstate an 80-acre non-standard proration unit consisting of the north half of the northeast quarter of Section 12, Township 22 South, Range 37 East, in Lea County to be dedicated to the Alexander Rodgers #2 in the Tubb Oil and Gas Pool.

The Alexander Rodgers #2 is currently classified as a Tubb Oil well, and as such is dedicated 40 acres, being the northeast quarter of the northeast quarter of the section. Due to a recent GOR test, the well will be reclassified as a gas well as of January 1, 1989. Due to this reclassification, we are requesting the dedication of ARCO's entire Alexander Rodgers lease (80 acres) to the well for proration purposes. The attached Form C-102 identifies the proposed acreage dedication.

This non-standard gas proration unit was previously approved in 1959 as NSP-489. In 1965, an application was made to increase the proration unit to 120 acres due to a communitization agreement, and it was approved as per NSP-705. The communitization agreement has now been terminated, and ARCO wishes to reinstate the original 80-acre proration unit.

ARCO Oil and Gas believes approval of this request will be in the interest of conservation, will protect correlative rights, and will allow for a more complete recovery of Tubb oil and gas reserves from the subject acreage.

ARCO is notifying the offset operators of this application by certified mail.

Thank you for your consideration.

Very truly yours,

Jack T. Lowder
Area Engineer

Attachments

MAIL

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HOBBS OFFICE