OIL CONSERVATION COMMISSION

STATE OF NEW MEXICO P. O. BOX 2088 - SANTA FE 87501

April 26, 1973

GOVERNOR BRUCE KING CHAIRMAN

LAND COMMISSIONER
ALEX J. ARMIJO
MEMBER

STATE GEOLOGIST
A. L. PORTER, JR.
SECRETARY - DIRECTOR

Atlantic Richfield Company P. O. Box 2819 Dallas, Texas 75221

Attention: Mr. Duncan W. Holt, Jr.

Gentlemen:

Reference is made to your application dated April 19, 1973, for a hearing for a 160-acre non-standard gas proration unit comprising the SE/4 of Section 34, Township 23 South, Range 36 East, Jalmat Gas Pool, Lea County, New Mexico, to be simultaneously dedicated to two wells, your W. B. Guthrie Wells Nos. 1 and 2, located in Units O and I, respectively, of said Section 34. You presently have a non-standard unit comprising the aforesaid acreage dedicated to the No. 1 well only.

It is the present policy of the Commission where a proration unit already exists, and both proposed unit wells are at standard locations, to permit such simultaneous dedication without a hearing, in the absence of objection from the offset operators.

You will therefore be permitted to dedicate both wells to the unit effective June 1, 1973, unless we have received objection from an offset operator by May 19, 1973.

Very truly yours,

A. L. PORTER, Jr. Secretary-Director

ALP/DSN/dr

cc: Cities Service Oil Co.

Continental Oil Co.

Mr. Clarence Hinkle

Oil Conservation Commission - Hobbs

Mr. E. A. Utz, OCC - Santa Fe

Oil & Gas Engineering Committee - Hobbs