

BURLESON & HUFF
OIL PROPERTIES
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MIDLAND, TEXAS 79701
June 17, 1975

Oil Conservation Commission
State of New Mexico
Post Office Box 2088
Santa Fe, New Mexico 87501

Attention: Mr. Joe D. Ramey

Re: Lanehart Lease - Lea County, New Mexico
W/2 SW/4 and SE/4 of SW/4 of Section 21
Township 25 South, Range 37 East

Gentlemen:

Recently we re-entered and completed our Lanehart #3 well as a gas producer from the Yates formation in the Jalmat gas pool. Our #1 Lanehart well is also a gas producer from the Yates formation in the Jalmat gas field and both wells are located on the same base lease. The proration or spacing unit assigned to our #1 Lanehart well has been previously established and is a non-standard unit consisting of 120 acres described as the W/2 of the SW/4 and SE/4 of SW/4 of Section 21, Township 25 South, Range 37 East, Lea County, New Mexico. The #3 Lanehart well is situated in this same spacing unit and is located 990' from the West line and 330' from the North line of the NW/4 of SW/4 of Section 21. Its location is a non-standard location for a gas well in the Jalmat gas pool. The #3 Lanehart well was previously drilled at an orthodox location and previously produced oil from a deeper formation. The plat showing the location of the wells and an outline of the present proration unit is enclosed.

We hereby make application to the Commission for authority to simultaneously dedicate the E/2 of SW/4 and SE/4 of SW/4 of said Section 21 as the proration unit for the Lanehart #1 and Lanehart #3 wells for the production of gas in the Jalmat gas pool.