

Entered January 15, 1974
A.L.P.

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
COMMISSION OF NEW MEXICO FOR
THE PURPOSE OF CONSIDERING:

CASE NO. 5135
Order No. R-4549-A

APPLICATION OF ATLANTIC RICHFIELD
COMPANY FOR AMENDMENT OF ORDER
NO. R-4945, EDDY COUNTY, NEW
MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on January 3, 1974, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 15th day of January, 1974, the Commission, a quorum being present, having considered the testimony, the record, and the recommendations of the Examiner, and being fully advised in the premises,

FINDS:

(1) That due public notice having been given as required by law, the Commission has jurisdiction of this cause and the subject matter thereof.

(2) That by Order No. R-4548, dated June 15, 1973, the Commission granted approval of the Empire-Abo Unit Agreement.

(3) That by Order No. R-4549, dated June 15, 1973, the applicant, Atlantic Richfield Company, was authorized to institute a pressure maintenance project in the Empire-Abo Pool in its Empire-Abo Unit Area, Eddy County, New Mexico, designated the ARCO Empire-Abo Unit Pressure Maintenance Project.

(4) That Order No. R-4549 further promulgated Special Rules and Regulations for the Empire-Abo Pressure Maintenance Project.

(5) That Finding (7) of Order No. R-4549 limits production from the project area as described in Finding (4) of said order to the average reservoir voidage for the calendar year 1972 or 30,000 barrels of oil per day, whichever is less, during the period prior to the start of gas injection.

(6) That the allowable figure of 30,000 barrels of oil per day was based on assumptions as to the future size of the unitized project area and the estimated gas and water production expected after unitization.

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(7) That since the formation of the Empire-Abo Unit Pressure Maintenance Project the following additional tracts, comprising 200.13 acres of land, within the Empire-Abo Unit Area have been committed to the unit:

EDDY COUNTY, NEW MEXICO
TOWNSHIP 17 SOUTH, RANGE 28 EAST, NMPM
Section 27: SW/4 SE/4
Section 34: S/2 SE/4

TOWNSHIP 18 SOUTH, RANGE 28 EAST, NMPM
Section 6: NW/4 NE/4 (Lot 2) and
SE/4 SW/4

(8) That these additional tracts were not considered in arriving at the 30,000 barrels of oil per day project allowable provided for in Order No. R-4549.

(9) That the actual production of gas and water has been less than was anticipated under unitized operations.

(10) That due to more unit area wells and greater efficiency than was expected, an increased allowable can be produced while continuing to limit reservoir voidage to the average voidage set for calendar year 1972 in Order No. R-4945.

(11) That the project allowable should be increased to 33,000 barrels of oil per day effective retroactively to January 1, 1974.

(12) That increasing the project allowable to 33,000 barrels of oil per day is in the interest of conservation, prevention of waste and protection of correlative rights.

IT IS THEREFORE ORDERED:

(1) That Order No. R-4945 is hereby amended to include within the Empire-Abo Unit Pressure Maintenance Project the following tracts which comprise 200.13 acres:

EDDY COUNTY, NEW MEXICO
TOWNSHIP 17 SOUTH, RANGE 28 EAST, NMPM
Section 27: SW/4 SE/4
Section 34: S/2 SE/4

TOWNSHIP 18 SOUTH, RANGE 28 EAST, NMPM
Section 6: NW/4 NE/4 (Lot 2) and
SE/4 SW/4

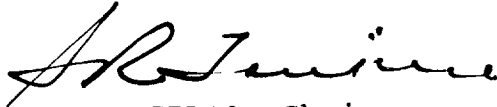
(2) That the project allowable is increased to 33,000 barrels of oil per day effective retroactively to January 1, 1974.

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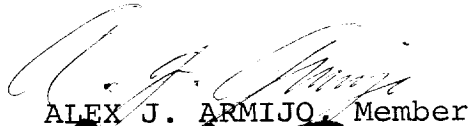
(3) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION



I. R. TRUJILLO, Chairman



ALEX J. ARMIJO, Member



A. L. PORTER, Jr., Member & Secretary

S E A L

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