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OIL CONSERVATION COMM.
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BEFORE THE NEW MEXICO OIL CONSERVATION COMMISSION

APPLICATION OF MARATHON OIL)
COMPANY FOR APPROVAL OF THE)
SOUTH EUNICE (SEVEN RIVERS,)
QUEEN) UNIT AGREEMENT AND)
WATERFLOOD PROJECT, LEA)
COUNTY, NEW MEXICO.)

Case No. 4616

APPLICATION

Comes now the MARATHON OIL COMPANY, by its attorneys, and applies to the New Mexico Oil Conservation Commission for approval of the South Eunice (Seven Rivers, Queen) Unit Agreement and Waterflood Project, and in support of its application states:

1. Applicant seeks approval of the South Eunice (Seven Rivers, Queen) Unit Agreement covering 1840 acres of state and fee lands located in Sections 23, 24, 25, 26, 35 and 36, Township 22 South, Range 36 East, Lea County, New Mexico, as more fully described and depicted on Exhibits A, B, and C attached to the said Unit Agreement, copy of which is attached to this application. The unitized formation is as defined in paragraph 2.11 of the said Unit Agreement.

2. Applicant proposes to conduct a waterflood project within the unit area by injecting water into the unitized formation through eight (8) injection wells designated and located as follows:

Marathon McDonald State A/C "1-B" Well No. 20 in (I) unit.
Location: 1980' from the south line and 660' from the east line of Section 26, T-22-S, R-36-E, Lea County New Mexico.

Marathon McDonald State A/C "1-B" Well No. 21 in (F) unit.
Location: 1980' from the north line and 660' from the west line of Section 25, T-22-S, R-36-E, Lea County, New Mexico.

Marathon McDonald State A/C "1-B" Well No. 25 in (G) unit.
Location: 2310' from the north line and 1980' from the east line of Section 26, T-22-S, R-36-E, Lea County, New Mexico.

Marathon McDonald State A/C "1-B" Well No. 26 in (A) unit.
Location: 660' from the north line and 660' from the
east line of Section 26, T-22-S, R-36-E, Lea County
New Mexico.

Marathon McDonald State A/C "1-B" Well No. 27 in (C) unit.
Location: 660' from the north line and 1980' from the
west line of Section 25, T-22-S, R-36-E, Lea County,
New Mexico.

Marathon McDonald State A/C "1-B" Well No. 28 in (M) unit.
Location: 467' from the south line and 467' from the
west line of Section 24, T-22-S, R-36-E, Lea County
New Mexico.

Shell A. L. Christmas "B" Well No. 2 in (M) unit.
Location: 660' from the south line and 660' from the
west line of Section 25, T-22-S, R-36-E, Lea County,
New Mexico.

Shell A. L. Christmas "B" Well No. 5 in (K) unit.
Location: 1980' from the south line and 1980' from
the west line of Section 25, T-22-S, R-36-E, Lea
County, New Mexico.

3. The wells in the unit area are in an advanced stage of depletion and should properly be classified as "stripper" wells. The proposed waterflood project is reasonably expected to recover oil that would otherwise not be recovered, thereby preventing waste.

4. In addition to the eight (8) injection wells referred to above, applicant intends to place an additional fourteen (14) wells on injection during the years 1972 and 1973. Applicant seeks the establishment of an administrative procedure for obtaining approval of these additional injection wells without meeting the well response requirements of Rule 701 E (5).

WHEREFORE, the applicant requests this application be set for hearing before one of the Commission Examiners on October 27, 1971, and that the Commission enter its order approving this application.

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