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April 7, 1969

GMA

Case 4110

Oil Conservation Commission
Box 2088
Santa Fe, New Mexico

Gentlemen:

We enclose herewith in triplicate application of Atlantic Richfield Company for approval of a pilot waterflood project in the Shugart Pool, Eddy County.

We would appreciate your placing this on the examiner's docket for April 23, 1969.

Yours very truly,

HINKLE, BONDURANT & CHRISTY

By

Clarence E. Hinkle
Cl.

*Too late for 23 - let
for 7th of May*

CEH:cs
Enc.

DUPLICATE
Date 4-10-69

BEFORE THE OIL CONSERVATION COMMISSION

STATE OF NEW MEXICO

APPLICATION OF ATLANTIC RICHFIELD COMPANY)
 FOR APPROVAL OF PILOT WATERFLOOD PROJECT)
 CONSISTING OF THE N $\frac{1}{2}$ NW $\frac{1}{4}$ SECTION 23, TOWN-)
 SHIP 18 SOUTH, RANGE 31 EAST, N.M.P.M.)
 EDDY COUNTY, NEW MEXICO AS TO THE QUEEN)
 SAND FORMATION, SHUGART POOL, AND APPROVAL)
 OF UNORTHODOX LOCATION OF AN INJECTION)
 WELL TO BE LOCATED 100 FEET FROM THE NORTH)
 AND WEST LINES OF SAID SECTION 23)

Case 4110

Oil Conservation Commission
 Box 2088
 Santa Fe, New Mexico 87501

Comes Atlantic Richfield Company, acting by and through the undersigned attorneys, and hereby makes application for approval of a pilot waterflood project consisting of the N $\frac{1}{2}$ NW $\frac{1}{4}$ Section 23, Township 18 South, Range 31 East, N.M.P.M. Eddy County, New Mexico as to the Queen Sand formation, Shugart Pool, and approval of an unorthodox location of an injection well to be located 100 feet from the North and West lines of said Section 23, and in support thereof respectfully shows:

1. That there is attached hereto, made a part hereof and for purposes of identification marked Exhibit "A", a plat showing the proposed pilot waterflood project area consisting of the N $\frac{1}{2}$ NW $\frac{1}{4}$ Section 23, Township 18 South, Range 31 East. Applicant has a well located in the NE $\frac{1}{4}$ NW $\frac{1}{4}$ said Section 23, being in the proposed project area, producing from the Queen Sand formation. Atlantic Richfield is also the owner of the oil and gas lease covering all of the N $\frac{1}{2}$ Section 23 and in addition the leases covering all of Section 14 adjoining Section 23 to the north. Exhibit "A" also shows all wells within more than a 2 mile radius of the proposed project area.

2. The proposed injection well will be located 100 feet from the North and West lines of said Section 23 and there is attached hereto, made a part hereof, and for purposes of identification marked Exhibit "B", a schematic drawing showing all casing strings, including diameters and setting depths, quantities used and tops of cement, proposed perforated interval, tubing strings, including diameters and setting depths, and the location of the packer.

3. There is also filed herewith a log of Atlantic Richfield's Panco-Federal No. 1 well located 1980 feet from the West line and 660 feet from the North line of said Section 23, being the producing well above referred to located on the project area.

4. Applicant will furnish copies of this application to the offset lease owners.

5. The proposed project area is to be a separate project area and not supplemental to the waterflood project covering Section 14, Township 18 South, Range 31 East, and applicant desires that an allowable be assigned to the project area in accordance with Rule 701 of the Commission.

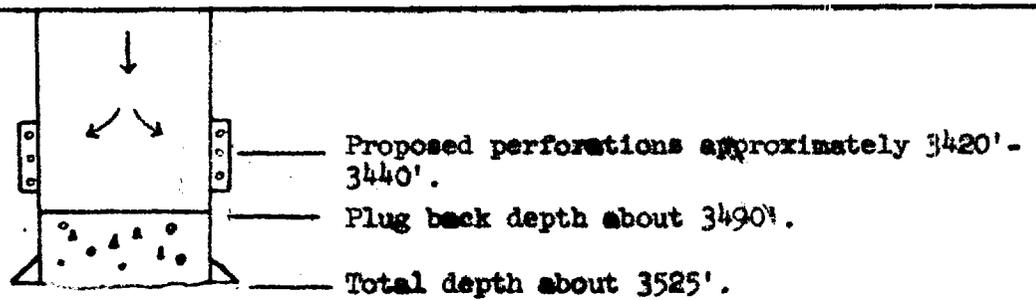
6. In the opinion of applicant, the proposed pilot waterflood project will be in the interest of conservation and prevention of waste and will promote the greatest ultimate recovery from the proposed project area.

7. Applicant requests that this matter be placed on the examiner's docket for hearing on April 23, 1969.

Respectfully submitted,

ATLANTIC RICHFIELD COMPANY

By Clarence G. Hinkle
Member of the Firm of
HINKLE, BONDURANT & CHRISTY
Box 10
Roswell, New Mexico
Attorneys for Applicant



ATLANTIC RICHFIELD COMPANY
SCHEMATIC DRAWING
PROPOSED PANCO FEDERAL NO. 2
SHUGART FIELD
EDDY COUNTY, NEW MEXICO
EXHIBIT NO. B

