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600 HINKLE BUILDING

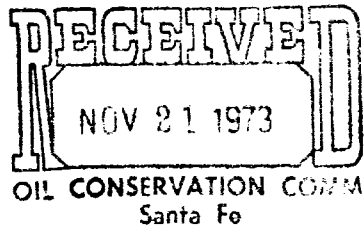
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November 20, 1973

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Oil Conservation Commission
Box 2088
Santa Fe, New Mexico 87501

Attention: Dan Nutter

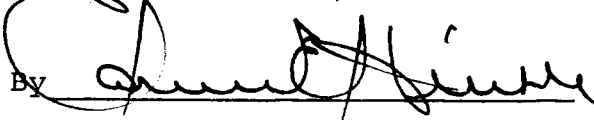
Re: Case 5126 examiner's hearing
November 28, 1973

Gentlemen:

You will find enclosed in triplicate application of Atlantic Richfield for approval of the Avalon Deep Unit Area. This matter has been scheduled as Case No. 5126 on the docket for November 28. The application provides that 3 copies of the proposed unit agreement are being filed with the application. These are not quite ready, but will be filed with the Commission prior to the hearing.

Yours sincerely,

HINKLE, BONDURANT, COX & EATON

By 

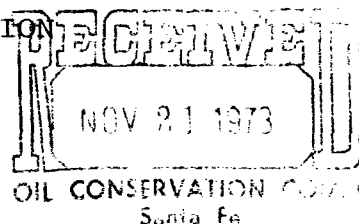
CEH:cs

Enc.

cc: Mr. James Walker

BEFORE THE OIL CONSERVATION COMMISSION

STATE OF NEW MEXICO



APPLICATION OF ATLANTIC RICHFIELD)
COMPANY FOR UNIT AGREEMENT, EDDY)
COUNTY, NEW MEXICO. APPLICANT IN)
THE ABOVE STYLED CAUSE SEEKS)
APPROVAL OF THE AVALON DEEP UNIT)
AREA COMPRISING 10,216.80 ACRES)
MORE OR LESS OF FEE, FEDERAL AND)
STATE LANDS IN TOWNSHIP 21 SOUTH,)
RANGES 26 AND 27 EAST, N.M.P.M.)
_____)

No. 5126

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 a unit agreement Eddy County, New Mexico. Applicant in the above styled cause seeks approval of the Avalon Deep Unit Area comprising 10,216.80 acres more or less of fee, federal and state lands in Township 21 South, Ranges 26 and 27 East, N.M.P.M., and in support thereof respectfully shows:

1. There are filed herewith three copies of the proposed Avalon Deep Unit Agreement which embraces 10,216.80 acres, more or less in Township 21 South, Ranges 26 and 27 East, N.M.P.M. Eddy County. The proposed unit area is comprised of 6,736.96 acres of federal land, 65.94% of the unit area; 2,320.24 acres of state lands, 22.71% of the unit area; and 1,159.60 acres of fee lands, 11.35% of the unit area.

2. The unit agreement is in substantially the same form as unit agreements heretofore approved by the Commission which cover federal, state and fee lands where the unit is formed for exploratory purposes. The unit agreement covers all formations below the base of the Cisco Canyon formation, which is identified as being 9,720 feet on the Schlumberger sonic survey log conducted in the Atlantic Richfield Company "BO" Com. Well No 1 located 1980 feet from the north and east lines of Section 15, Township 21 South, Range 26 East, Eddy County, New Mexico.

3. The unit agreement provides for the drilling of two wells, one to be located in the E $\frac{1}{2}$ of the unit area to be drilled to a depth sufficient to test the Morrow formation, or 11,500 feet, which-

ever is the lesser depth, and the other to be located in the W½ of the unit area to be drilled to a depth sufficient to test the Morrow formation or 11,000 feet, whichever is the lesser depth.

4. Applicant has heretofore filed an application with the United States Geological Survey for designation of the area covered by the proposed unit agreement as suitable and proper for unitization under the provisions of the Mineral Leasing Act and has also made application to the Commission of Public Lands of the State of New Mexico for approval of said unit agreement, after the same has been approved by the Commission.

5. Applicant believes that the approval of said unit agreement will be in the interest of conservation, the prevention of waste and will protect correlative rights.

6. Applicant requests that this matter be included for hearing on the examiner's docket for November 28, 1973.

Respectfully submitted,

ATLANTIC RICHFIELD COMPANY

BY 

/ HINKLE, BONDURANT, COX & EATON

P.O. Box 10

Roswell, New Mexico 88201

Attorneys for Applicant