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December 11, 1964

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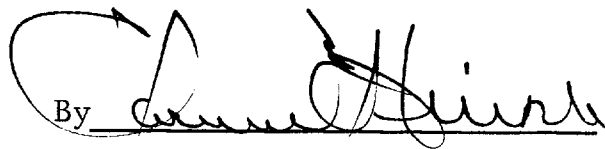
New Mexico Oil Conservation Commission
Santa Fe, New Mexico

Gentlemen:

We enclose in triplicate application of The Atlantic Refining Company for approval of the Culwin Queen Unit Agreement, which is docketed for the examiner's hearing to be held December 15, 1964 as Case No. 3154. Atlantic advises that the formal application for the hearing on the unit has not been filed. We also enclose 3 copies of the proposed form of unit agreement. We would appreciate your filing these instruments in connection with Case No. 3154.

Yours sincerely,

HINKLE, BONDURANT & CHRISTY

By 

CEH:cs
Enc.
cc: Atlantic

BEFORE THE OIL CONSERVATION COMMISSION
STATE OF NEW MEXICO

APPLICATION FOR APPROVAL OF
CULWIN QUEEN UNIT AGREEMENT
EDDY COUNTY, NEW MEXICO

New Mexico Oil Conservation Commission
Santa Fe, New Mexico

Comes the undersigned, The Atlantic Refining Company, with offices in Roswell, New Mexico, acting by and through the undersigned attorneys, Hinkle, Bondurant & Christy, of Roswell, New Mexico, and files herewith three copies of the proposed Unit Agreement for the Culwin Queen Unit Area, Eddy County, New Mexico, and hereby makes application for the approval of said unit agreement as provided by law and the rules and regulations of the New Mexico Oil Conservation Commission, and in support thereof shows:

1. That the proposed unit area embraces 820.44 acres in Townships 18 and 19 South, Ranges 30 and 31 East, N.M.P.M. Eddy County, New Mexico, of which 460.44 acres are Federal lands and 360.00 acres are lands of the State of New Mexico. The unit area is more particularly described as follows:

Township 18 South, Range 30 East
Section 36 - $S\frac{1}{2}NE\frac{1}{4}$, $SE\frac{1}{4}$, $E\frac{1}{2}SW\frac{1}{4}$, $SW\frac{1}{4}SW\frac{1}{4}$
Township 19 South, Range 30 East
Section 1 - Lots 1, 2, 3, $S\frac{1}{2}NE\frac{1}{4}$, $N\frac{1}{2}SE\frac{1}{4}$
Township 18 South, Range 31 East
Section 31 - Lots 3 and 4
Township 19 South, Range 31 East
Section 6 - Lots 4, 5 and 6

2. That the unit area covers a substantial portion of the pool which has heretofore been designated by the Oil Conservation Commission as the "Shugart Pool" producing from the Queen sand or formation and the unit is being formed primarily for carrying on a secondary water flood project in which it is proposed to inject water into the Queen sand or formation.

3. That the proposed form of unit agreement is substantially the same as that heretofore used and approved by the Director of the United States Geological Survey, Commissioner of Public Lands and the Oil Conservation Commission where both Federal and state lands are involved.

4. That the Hondo Oil & Gas Company, a New Mexico corporation, and wholly owned subsidiary of applicant is designated as the unit operator.

5. That applicant has made a separate application for the approval of the water flood project area which will be co-extensive with the boundaries of the unit area in accordance with Rule 701 of the rules of the Oil Conservation Commission.

6. That the producing wells within the unit area are in an advanced or "stripper" state of depletion and the unit agreement will permit secondary recovery operations to be carried on and the recovery of oil which cannot be recovered by primary methods and

and which would otherwise be lost, and because thereof said unit agreement is in the interest of conservation and prevention of waste as contemplated by the New Mexico Oil Conservation Commission statutes and regulations.


7. That upon an order being entered by the New Mexico Oil Conservation Commission approving said unit agreement and after approval thereof by the Director of the United States Geological Survey and the Commissioner of Public Lands, an approved copy will be filed with the Oil Conservation Commission.

Respectfully submitted,

THE ATLANTIC REFINING COMPANY

By 
Attorney

HINKLE, BONDURANT & CHRISTY

By 
Attorneys for Applicant
P.O. Box 10
Roswell, New Mexico