

Case 5761

BEFORE THE OIL CONSERVATION COMMISSION

STATE OF NEW MEXICO

APPLICATION OF ATLANTIC RICHFIELD  
COMPANY FOR APPROVAL OF THE STATE  
VACUUM UNIT AGREEMENT EMBRACING  
800 ACRES OF LANDS OF THE STATE OF  
NEW MEXICO SITUATED IN TOWNSHIP 17  
SOUTH, RANGE 34 EAST, LEA COUNTY,  
NEW MEXICO.

---

Oil Conservation Commission  
P.O. 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 the State Vacuum Unit Agreement embracing 800 acres of lands of the State of New Mexico situated in Township 17 South, Range 34 East, Lea County, New Mexico, and in support thereof respectfully shows:

1. There is filed herewith in triplicate proposed Unit Agreement for the Development and Operation of the State Vacuum Unit Area embracing 800 acres of lands of the State of New Mexico.

2. The proposed unit area consists of the following described lands, to-wit:

Township 17 South, Range 34 East, N.M.P.M.

Section 29 - SW $\frac{1}{4}$ SW $\frac{1}{4}$

Section 31 - E $\frac{1}{2}$ E $\frac{1}{2}$

Section 32 - W $\frac{1}{2}$ , SE $\frac{1}{4}$ , NW $\frac{1}{4}$ NE $\frac{1}{4}$ , S $\frac{1}{2}$ NE $\frac{1}{4}$

containing 800 acres, more or less.

3. There is attached hereto as Exhibit "A" a plat showing the outlines of the proposed unit area, together with all the wells producing from the Grayburg-San Andres formation. The proposed unit agreement will unitize the Grayburg-San Andres formation, the top of which is shown on the Lane Wells Radioactivity Log dated January 30, 1948 at a subsurface depth of 4,194 feet in the Cole & Darden Phillips-State BX No. 1 well located 660 feet from the south line and 660 feet from the west line of Section 29, Township 17 South, Range 34 East, said formation as shown by said log being approximately 717 feet thick.

4. Applicant is designated as unit operator in said unit agreement and the primary purpose of the unit is to inaugurate and maintain a unitwide waterflood project through the injection of water into the unitized formation. All of the working interest owners have agreed, or have indicated they will agree, upon a participating formula as set forth in the schedule of participation in Exhibits "C-1" and "C-2" attached to the unit agreement.

5. The wells producing from the Grayburg-San Andres formation which is being unitized have reached an advanced stage of depletion and are regarded as which is commonly known as stripper wells.

6. The form of unit agreement has heretofore been approved by the Commissioner of Public Lands and is substantially the same form as has heretofore been approved by the Commissioner where state lands are involved in waterflood projects.

7. Applicant requests that this matter be included on the examiner's hearing docket as soon as possible.

Respectfully submitted,

ATLANTIC RICHFIELD COMPANY

By 

HINKLE, BONDURANT, COX & EATON  
P.O. Box 10  
Roswell, New Mexico 88201  
Attorneys for Applicant

R 34 E

