

BEFORE THE OIL CONSERVATION COMMISSION OF THE STATE  
OF NEW MEXICO

IN THE MATTER OF THE APPLICATION OF  
SUNRAY MID-CONTINENT OIL COMPANY FOR  
AUTHORITY TO DUALY COMPLETE IN THE  
DRINKARD FORMATION AND THE BLINEBRY  
FORMATION, THE ELLIOTT "A" WELL NO. 1,  
LOCATED IN THE NE/4 NE/4 OF SECTION  
21, AND FOR THE APPROVAL OF A NON-  
STANDARD PRORATION UNIT CONSISTING OF  
THE E/2 NE/4 OF SECTION 21, TOWNSHIP  
21 SOUTH, RANGE 37 EAST, BLINEBRY GAS POOL  
LEA COUNTY, NEW MEXICO.

CASE 1041

APPLICATION

COMES NOW Sunray Mid-Continent Oil Company and respectfully shows as follows:

1. That the Applicant is the owner and operator of an oil and gas lease covering the E/2 of the NE/4 of Section 21, Township 21 South, Range 37 East, Lea County, New Mexico, known as its Elliott "A" Lease.
2. Attached hereto and made a part hereof is a plat showing the location of the subject well described in the caption hereof, and the offset leases and wells, and the outline of the proposed 80-acre Blinebry gas proration unit.
3. Applicant's Elliott "A" Well No. 1 located in the NE/4 NE/4 of Section 21, Township 21 South, Range 37 East, is presently completed as an oil well in the Drinkard formation found between the approximate depths of 6,525 feet and 6,630 feet; that the Drinkard formation in this well is within the defined limits of the Drinkard Oil Pool. The Blinebry is encountered at the approximate depth of 5,600 feet to 5,700 feet; that the Blinebry formation in this well is within the defined limits of the Blinebry Gas Pool.
4. That Applicant now desires that permission be granted for the dual completion of said well in the Drinkard formation and the Blinebry formation by perforating opposite the Blinebry formation and installing adequate packers and equipment. The oil and gas from the Drinkard formation and the gas from the Blinebry formation will be separated in the well bore so that the oil and gas from the Drinkard formation will be produced through the tubing and the gas from the Blinebry formation will be produced through the tubing-casing annulus.
5. Applicant requests that permission be granted to assign the above described 80-acre Elliott "A" Lease as the gas proration unit for the Blinebry completion. Elliott "A" No. 1 is located 660 feet from the lease lines. Rule 2 of Order R-372-A provides for the establishment of 160-acre gas proration units in the Blinebry gas pool; that Applicant believes that it is impractical to unitize this 80-acre tract with the acreage adjacent so as to form a 160-acre quarter section gas unit.
6. So far as is known to Applicant, the following constitute the only offset operators and are being notified by registered mail of this proposed dual completion and non-standard gas proration unit by the mailing of a copy of this application to them:

Shell Oil Company; Box 1509; Midland, Texas  
S. E. Cone; Lubbock, Texas  
Continental Oil Company; Fair Building; Fort Worth 2, Texas  
N. B. Hunt; 700 Mercantile Bank Building; Dallas, Texas

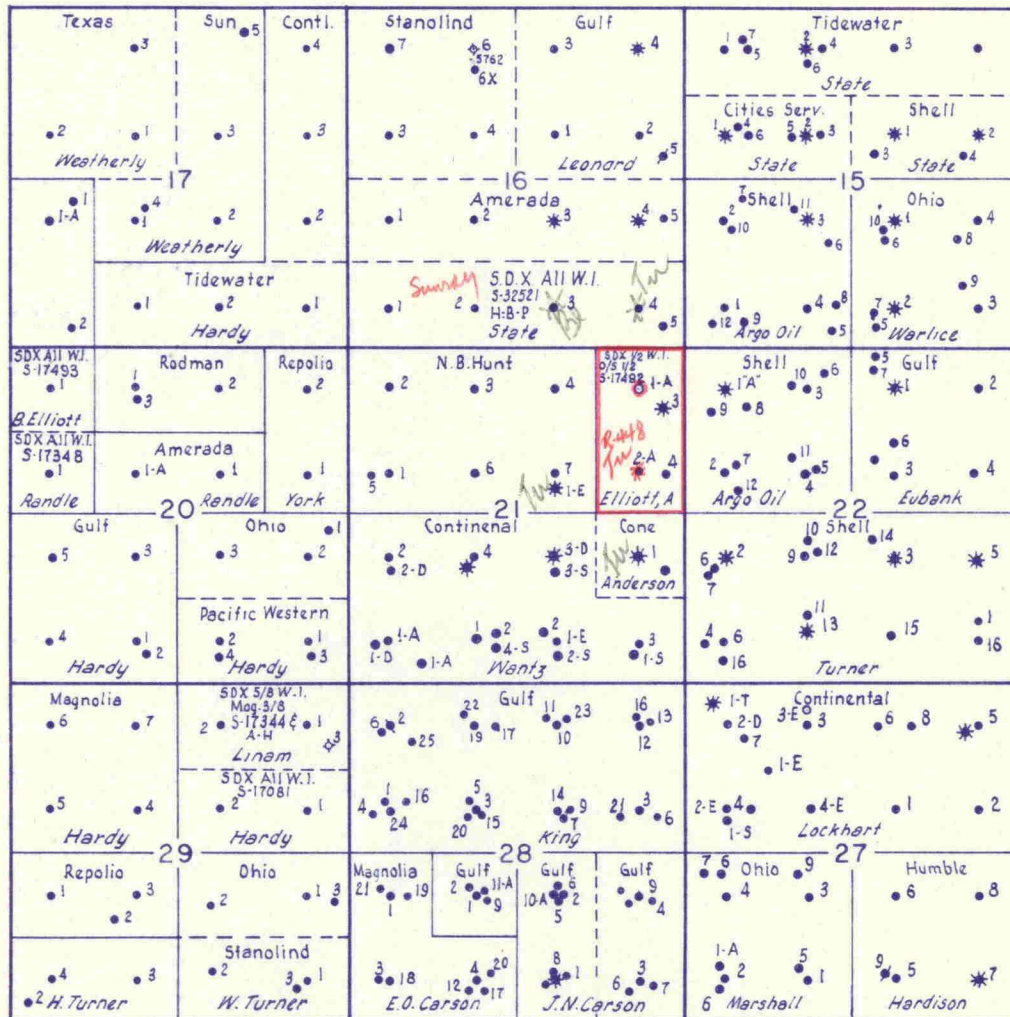
WHEREFORE, Applicant requests that in the interest of conservation and the protection of correlative rights, that this matter be set for hearing before the Commission or an Examiner; that notice thereof be given as required by law; and that upon final hearing, the Oil Conservation Commission enter its order approving a proration unit consisting of the E/2 NE/4 of Section 21, Township 21 South, Range 37 East, as an exception to the provisions of Order No. R-372-A in Blinebry Gas Pool and that Applicant be authorized to dually complete this No. 1 Elliott "A" Well, NE/4 NE/4 Section 21, in the Drinkard and Blinebry Zones in accordance with this application and the rules and regulations of the Oil Conservation Commission of the State of New Mexico.

Dated this 28th day of February, 1956.

SUNRAY MID-CONTINENT OIL COMPANY

William R. Loar

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Sunray Mid-Continent Oil Co.

DRINKARD POOL

District - North & West Texas

County - Lea

State - N.M.



Scale in Feet

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BRY FORMATION, THE ELLIOTT "A" WELL )  
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ING OF THE E/2 NE/4 OF SECTION 21, )  
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BLINEBRY GAS POOL, LEA COUNTY, NEW )  
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A P P L I C A T I O N

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Dated this 28<sup>th</sup> day of February, 1956.

SUNRAY MID-CONTINENT OIL COMPANY

William R. Loar  
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