

BEFORE THE CONSERVATION COMMISSION OF THE
STATE OF NEW MEXICO

IN THE MATTER OF THE APPLICATION OF
SINCLAIR OIL & GAS COMPANY FOR THE
ESTABLISHMENT OF PRORATION UNITS AND
UNIFORM SPACING OF WELLS AND FIELD
RULES FOR THE WOLFCAMP COMMON SOURCE
OF SUPPLY UNDERLYING SECTIONS 13, 24
AND 25, TOWNSHIP 16 SOUTH, RANGE 33
EAST AND SECTIONS 16, 17, 18, 19, 20,
21, 28, 29 AND 30, TOWNSHIP 16 SOUTH,
RANGE 34 EAST, LEA COUNTY, NEW MEXICO)

CASE NO. 1253

A P P L I C A T I O N

Comes now Sinclair Oil & Gas Company and respectfully shows to the Corporation Commission as follows:

1. That applicant has drilled and completed several wells into the Wolfcamp common source of supply underlying the lands described above, particularly its Seaman #2 Well located in the -

Northwest Quarter (NW $\frac{1}{4}$) of Section 19, Township
16 South, Range 33 East

and Seaman Well #3 located in the -

Southeast Quarter (SE $\frac{1}{4}$) of Section 24, Township
16 South, Range 33 East

and that other operators have drilled other wells into said Wolfcamp common source of supply, said common source of supply being encountered between the approximate depth of 9600 feet below the surface and 10,900 feet below the surface.

2. That said Seaman Well #2 encountered the top of the Wolfcamp common source of supply at approximately 9600 feet below the surface and the base thereof at approximately 10,800 feet below the surface; that said well is presently producing, through perforations, between 10,338 feet and 10,366 feet; that the other wells drilled into the said Wolfcamp common source of supply have encountered the Wolfcamp at comparable depths and are producing or can produce from approximately the same depth as said Seaman #2 Well is producing from.

3. That the probable productive limits of said common source of supply include the following described area to-wit:

Sections 13, 24 and 25, Township 16 South,
Range 33 East and Sections 16, 17, 18, 19,
20, 21, 28, 29 and 30, Township 16 South,
Range 34 East, Lea County, New Mexico;

that the suggested name for this common source of supply is the Seaman Pool.

4. That, in order to bring about the orderly and proper development of said common source of supply and prevent waste and avoid the drilling of unnecessary wells and secure the greatest ultimate recovery therefrom and protect the correlative rights of the interested parties therein, it is necessary and proper for the Commission to enter its Order providing for proration units of 80 acres each, such being the area which may be efficiently and economically drilled and developed by one well and to provide for uniform spacing of wells drilled into said common source of supply.

5. That said 80-acre proration units should be allowed to run in either direction so long as it contains two (2) contiguous 40-acre tracts with only one well located thereon; that all wells drilled into said common source of supply should be located in the center of either 40 acres within any 80-acre unit, with a tolerance of 150 feet to avoid surface obstructions.

6. That all wells heretofore completed or now drilling should be granted an exception and then allowed as the unit well for the 80-acres assigned thereto; that the allowable formula for said units should be based solely upon acreage.

7. A plat showing the area described above and the location of all wells drilled or drilling in said area is attached hereto marked Exhibit "A" and made a part hereof.

8. That attached hereto and made a part hereof as Exhibit "B" is a list of the names and addresses of all parties appearing of record to own any leasehold interest within the area covered by this Application and within one (1) mile of the outer boundaries thereof.

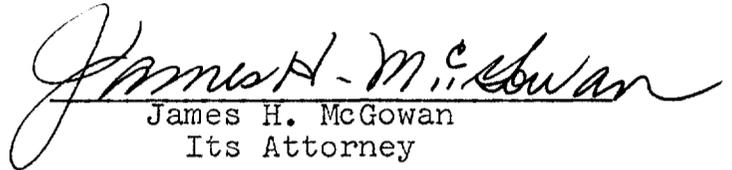
WHEREFORE, applicant respectfully requests that the Commission set this Application for public hearing before the Commission at a time and place to be fixed by the Commission, and that due and proper notice be given as required by law and that, at the conclusion of said hearing, the Commission make and enter an Order determining and defining the probable productive limits of the Wolfcamp common source of supply referred to above to include all of -

Sections 13, 24 and 25, Township 16 South,
Range 33 East and Sections 16, 17, 18, 19,
20, 21, 28, 29 and 30, Township 16 South,
Range 34 East, Lea County, New Mexico,

naming said pool or common source of supply, establishing proration units of 80-acres each, designating the location of all

wells drilled to said common source of supply to be in the center of either 40-acre tract contained in said 80-acre proration unit, with a tolerance of 150 feet in any direction from said described location to avoid surface obstructions; to provide for acreage factor in determining allowables and to provide for an exception for all wells presently drilled or drilling and to further provide that said Order shall apply to all said common source of supply.

DATED this 16th day of April, 1957.

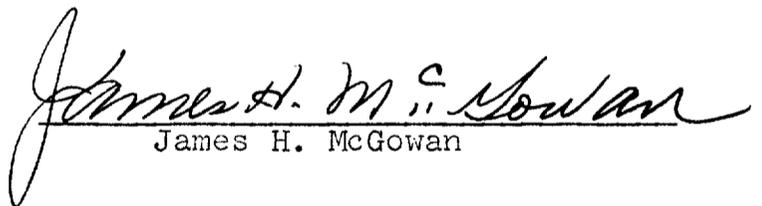

James H. McGowan
Its Attorney

STATE OF OKLAHOMA)
) SS.
COUNTY OF TULSA)

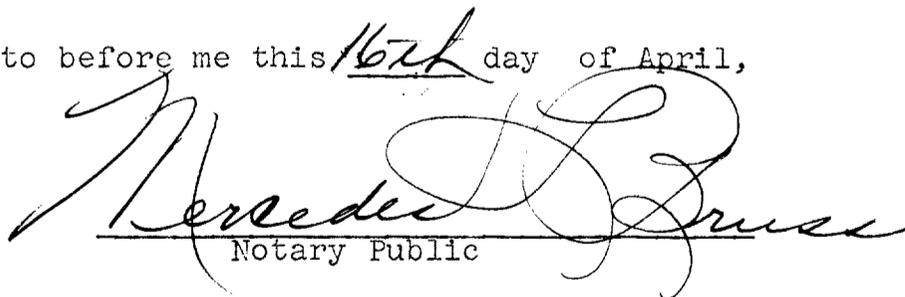
I, James H. McGowan, of lawful age, being first duly sworn, deposes and says:

That on the 17th day of April, 1957, I mailed a copy of the foregoing Application to all parties appearing on Exhibit "B" hereto, by depositing a copy of said Application in the United States mail, properly addressed to each with postage thereon.

Further affiant sayeth not.


James H. McGowan

Subscribed and sworn to before me this 16th day of April, 1957.


Mercedes L. Druss
Notary Public

My commission expires:
May 22, 1960.

Cabot Carbon Company
P. O. Box 2095
Midland, Texas
Attention: Mr. French Board

J. E. Mabee Company
P. O. Box 3149
Odessa, Texas

Shell Oil Company
P. O. Box 1957
Hobbs, New Mexico
Attn: Mr. W.E. Owen

Cities Service Oil Company
Cities Service Building
Bartlesville, Oklahoma
Attn: Mr. J.A. Cleverley

Ohio Oil Company
P. O. Box 552
Midland, Texas
Attn: Mr. C. S. Mills

Sinclair Oil & Gas Co.
P. O. Box 1470
Midland, Texas

Cities Service Oil Company
P. O. Box 97
Hobbs, New Mexico
Attn: Mr. D. D. Bodie

Pacific Western Oil
Corporation
P. O. Box 38
Hobbs, New Mexico

Skelly Oil Company
P. O. Box 1650
Tulsa, Oklahoma
Attn: Mr.G.W. Selinger

Forest Oil Corporation
P. O. Box 1821
Midland, Texas

Phillips Petroleum Co.
P. O. Box 791
Midland, Texas
Attn: Mr. D.A. Miller

Skelly Oil Company
P. O. Box 38
Hobbs, New Mexico
Attn: Mr. J.N. Dunlavey

Freeport Sulphur Company
Box 1414
Midland, Texas

Phillips Petroleum Co.
Hobbs, New Mexico
Attn: Mr. W.A. Roberts

Sunray Mid-Continent Oil
Company
P. O. Box 2039
Tulsa, Oklahoma

Frontier Drlg. & Prod. Co.
107 Wilkinson-Foster Bldg.
Midland, Texas

Pure Oil Company
P. O. Box 671
Midland, Texas

Sunray Mid-Continent Oil
Company
201 Midland Nat'l Bank
Bldg., Midland, Texas
Attn: Mr. E.J. Pierce

L. C. Harris
Hinkle Building
Roswell, New Mexico

Ryan Oil Company
218 Court Building
Evansville, Indiana
Attn: Mr. W. J. Gorman

Tennessee Gas
Transmission Company
P. O. Box 1031
Midland, Texas
Attn: Mr. Cecil Davidson

Humble Oil & Refining Co.
P. O. Box 1600
Midland, Texas
Attn: Mr. J. N. Graybeal

Samedan Oil Corporation
P. O. Box 959
Ardmore, Oklahoma

W. D. Anderson
Box 136
Midland, Texas

A. A. Kemnitz
Hobbs, New Mexico

Samedan Oil Corporation
P. O. Box 2137
Hobbs, New Mexico
Attn: Mr. G. W. Putnam

EXHIBIT "B"