BEFORE THE OIL CONSERVATION COMMISSION OF THE STATE OF NEW MEXICO

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IN THE MATTER OF THE APPLICATION OF SINCLAIR OIL & GAS COMPANY FOR AN ORDER PERMITTING AND AUTHORIZING THE OIL-OIL DUAL COMPLETION OF ITS STATE LEAWELL NO. 1 FOR THE PRODUCTION OF OIL FROM THE KEMNITZ WOLFCAMP POOL AND THE KEMNITZ PENNSYLVANIAN POOL IN LEA COUNTY, NEW MEXICO

CASE	NO.	
ORDEF	NO.	

APPLICATION

Sinclair Oil & Gas Company, a Maine corporation with an operating office in Midland, Texas, hereby files this application, in triplicate, seeking permission and authority for the dual completion of its State Lea, Well No. 1 for the production of oil from both the Kemnitz Wolfcamp Pool and the Kemnitz Pennsylvanian Pool in Lea County, New Mexico, and in support thereof shows:

1.

Applicant, Sinclair Oil & Gas Company, is the owner and operator of its State/lease No. 692 insofar as the same covers the Southwest Quarter (SW $\frac{1}{4}$) of Section 24, T-16-S, R-33-E, in Lea County, New Mexico. Applicant has commenced the drilling of its "No. 1 State Lea" Well located 660 feet from the South line and 660 feet from the West line of said Section 24 and intends to continue the drilling of said well to test the porosity expected to be encountered in the Wolfcamp formation from 10,880 feet to 10,930 feet from ground elevation and in the Pennsylvanian formation from 11,375 feet to 11,450 feet below ground elevation. Applicant further anticipates successful oil completions inasmuch as the location is offset by oil production in both zones. Said well will be completed as an oil-oil dual with the use of parallel strings of 2" I.D. tubing and with such other equipment as may be required to insure adequate separation of the two reservoirs and the separate measurement of production therefrom.

2. Attached hereto as Exhibit "A" is a plat showing the location of all wells on applicant's lease and all offset wells on offset leases. 3. Attached hereto as Exhibit "B" is a list of the names and addresses of all of the offset operators and all interested parties known to applicant. Applicant believes and, therefore, alleges that the manner and method of this proposed oil-oil dual completion is mechanically feasible and practicable and that the same will not adversely affect correlative rights and is in the interest of prevention of waste. WHEREFORE, applicant requests that this application be set for hearing before an Examiner either in Hobbs or Santa Fe, New Mexico, at the earliest convenience and that upon such hearing authority and permission be granted to applicant for the dual completion of said well. Jorace n. Buston Horace N. Burton P. O. Box 1470 Midland, Texas ATTORNEY FOR APPLICANT SINCLAIR OIL & GAS COMPANY

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