

BEFORE THE OIL CONSERVATION COMMISSION OF THE
STATE OF NEW MEXICO

IN THE MATTER OF THE APPLICATION OF
SINCLAIR OIL & GAS COMPANY FOR
APPROVAL OF THE GUADALUPE RIDGE UNIT
AGREEMENT EMBRACING 23,357.64 ACRES,
MORE OR LESS, LOCATED IN TOWNSHIPS
25 AND 26 SOUTH, RANGES 21 and 22 EAST,
N.M.P.M., EDDY COUNTY, NEW MEXICO

CASE NO. 3832
ORDER NO. _____

A P P L I C A T I O N

SINCLAIR OIL & GAS COMPANY, a Maine corporation with an operating office in Midland, Texas, hereby files application for approval of the Unit Agreement for the Development and Operation of the Guadalupe Ridge Unit Area, Eddy County, New Mexico, and in support thereof shows:

1.

That applicant files as a part hereof three copies of said unit agreement, which embraces the following described land as constituting the unit area:

New Mexico Principal Meridian, New Mexico

Township 25 South, Range 21 East

Sections 25, 26, 35 and 36: All

Township 25 South, Range 22 East

Section 20: S/2
Section 21: All
Section 22: W/2
Sections 28, 29, 30, 31, 32 and 33: All

Township 26 South, Range 21 East

Sections 1, 2, 3, 4, 9, 10, 11, 12, 13, 14, 15, 16,
21, 22, 23, 24, 25, 26, 27, 28, 33, 34, 35 and 36:
All

Township 26 South, Range 22 East

Sections 4, 5 and 6: All

Situated in Eddy County, New Mexico, and containing
23,357.64 acres, more or less.

DOCKET MAILED
Date 7-26-68

The applicant has made application to the Director of the United States Geological Survey for designation of said lands as logically subject to exploration and development under the unitization provisions of the Mineral Leasing Act. The area consists of 22,668.54 acres of Federal lands and 689.10 acres of fee lands, which is, respectively, 97.04979% and 2.95021% of the unit area. A map of the unit area is attached as Exhibit A to the unit agreement.

2.

That the substances unitized in the agreement are all oil and gas in the hereinabove specified lands as to all formations.

3.

That the unit area embraces all of the geological features reasonably expected to be productive of unitized substances, and, therefore, operation and development of the area as a unit will contribute to orderly development and will be in the interest of conservation.

4.

That applicant Sinclair Oil & Gas Company is designated as Unit Operator and is required within six months after the effective date of the unit agreement (any well commenced earlier and prior to the effective date of the unit agreement also to be counted) to commence a well and thereafter drill same to a total depth of 7,000 feet, or such lesser depth as will test the Strawn Carbonate formation of the Pennsylvanian Age, unless unitized substances are discovered in paying quantities at a lesser depth. The unit operator is required to continue drilling diligently one well at a time with not more than six months between the completion of one well and the commencement of another well until the discovery of a deposit of unitized substances capable of being produced in paying quantities, and after discovery the unit operator is required to submit for the approval of the Supervisor of the United States Geological Survey an acceptable plan of development and operation which, when approved, constitutes the further

Drilling and operating obligations of the unit operator. Said agreement is in substantially the same form as unit agreements heretofore approved by the Director of the United States Geological Survey and by the New Mexico Oil Conservation Commission.

5.

That attached hereto as Exhibit "A" and made a part hereof is a list of the names and addresses of all persons or parties having a working interest, royalty or overriding royalty interest in the unit area, which are all of the interested parties known to applicant.

6.

Applicant believes and therefore alleges that in the event oil or gas in paying quantities is discovered on lands within the unit area, the pool can be developed more economically and efficiently under the terms of said unit agreement to the end that the maximum recovery will be obtained, and that said agreement is in the interest of the conservation of oil and gas and the prevention of waste. Applicant would further show that the agreement is fair to all royalty owners.

WHEREFORE, applicant prays that this application be set for public hearing before an Examiner in Santa Fe, New Mexico, that notice be issued hereon according to law, and that upon hearing said unit agreement be approved.

HORACE N. BURTON
P. O. Box 1470
Midland, Texas 79701

WHITE, GILBERT, KOCH & KELLY

By *[Signature]*

P. O. Box 787
Santa Fe, New Mexico 87501

ATTORNEYS FOR APPLICANT
SINCLAIR OIL & GAS COMPANY

EXHIBIT "A"
TO APPLICATION FOR APPROVAL OF GUADALUPE RIDGE UNIT
AGREEMENT EMBRACING 23,357.64 ACRES, EDDY COUNTY,
NEW MEXICO.

NAMES AND ADDRESSES OF OWNERS OF WORKING INTERESTS,
ROYALTY AND/OR OVERRIDING ROYALTY INTERESTS.

Franklin, Aston & Fair, Inc.
P. O. Box 1090
Roswell, New Mexico 88201

The Superior Oil Company
P. O. Box 510
Midland, Texas 79701

Gordon M. Cone and
Kathleen Cone
P. O. Box 597
Lovington, New Mexico 88260

J. H. Herd & Harriet Daniel Herd
P. O. Box 121
Midland, Texas 79701

Stephen C. Helbing and
Ellen S. Helbing
P. O. Box 568
Roswell, New Mexico 88201

Frank W. Podpechan and
Jane A. Podpechan
P. O. Box 1747
Midland, Texas 79701

Bruce Anderson
Suite 600 - Southwest Tower
Houston, Texas 77002

Jacqueline Anderson
Suite 600 - Southwest Tower
Houston, Texas 77002

Beard Oil Company
Suite 200 - 2000 Classen Bldg.
2000 Classen Boulevard
Oklahoma City, Okla. 73106

Redfern Development Corporation
P. O. Box 1747
Midland, Texas 79701

Amarillo Oil Company
P. O. Box 151
Amarillo, Texas 79100

CRA Inc.
111 Cameron Bldg.
Oklahoma City, Okla. 73100

William A. Jenkins
Dorothy Ann Jenkins
313 First National Bank Bldg.
Stillwater, Okla. 74074

Joseph A. Adair and
Jacqueline L. Adair
905 $\frac{1}{2}$ South Main
Stillwater, Okla. 74074

Vola Horst Bunnell
P. O. Box 2059
Taos, New Mexico

J. U. Cone, Trustee for Douglas,
Clifford, Thomas, Cathie & Kenneth Cone
c/o Gordon M. Cone
P. O. Box 1148
Lovington, New Mexico 88260

Howell Spear
c/o Gordon M. Cone
P. O. Box 1148
Lovington, New Mexico 88260

W. G. and Vee K. Ross
P. O. Box 86
Midland, Texas 79701

Marilyn Beard
c/o Beard Oil Company
Suite 200 - 2000 Classen Bldg.
2000 Classen Boulevard
Oklahoma City, Okla. 73106

Arthur H. Spiegel
400 San Pasquale Ave. S.W.
Albuquerque, New Mexico

John M. Beard
c/o Beard Oil Company
Suite 200 - 2000 Classen Bldg.
2000 Classen Boulevard
Oklahoma City, Okla. 73106

Shoreline Exploration Company
c/o Charles B. Reed
P. O. Box 2126
Roswell, New Mexico 88201

Michael Shearn
3101 Fort Blvd.
El Paso, Texas

Redfern Oil Company
P. O. Box 1747
Midland, Texas 79701

United States of America
Mr. John Anderson
Oil and Gas Supervisor
U. S. G. S.
P. O. Drawer 1857
Roswell, New Mexico 88201

Susie Shattuck
619 N. Ash
Carlsbad, New Mexico

Will D. Meiers
704 W. Blodgett
Carlsbad, New Mexico

John J. & Opal G. McCollaum
Queen Route
Carlsbad, New Mexico 88220

S. O. Hughes, et al
Queen Route
Carlsbad, New Mexico 88220

Ruby C. Donohue
c/o Goodman, Hallmark, Hoy & Beard
Suite 13-A, El Paso National Bank Bldg.
El Paso, Texas 79901

Jannell Corporation
(Address unknown at this time)