

BEFORE THE OIL CONSERVATION COMMISSION OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE APPLICATION)
OF SINCLAIR OIL & GAS COMPANY FOR ()
AN ORDER ESTABLISHING UNIFORM)
SPACING OF WELLS COMPLETED IN THE ()
PENNSYLVANIAN FORMATION IN THE)
AREA OF SINCLAIR'S WELL NO. 1, ()
STATE LEASE NO. 735, AND CERTAIN)
LANDS ADJACENT THERETO, ()
LEA COUNTY, NEW MEXICO)

CASE NO. 1077

ORDER NO. _____

A P P L I C A T I O N

Sinclair Oil & Gas Company makes this application for an order establishing uniform spacing of wells in the area of Sinclair's Well No. 1, State Lease No. 735, which well is located in the center of the SW/4 of the NE/4, Section 26, Township 15 South, Range 36 East, Lea County, New Mexico, and certain lands adjacent thereto in Lea County, New Mexico, and in support of said application will show the Commission as follows:

I.

Sinclair Oil & Gas Company is the operator of an oil well recently completed in the Pennsylvanian formation located in the center of the SW/4 of the NE/4 of Section 26, Township 15 South, Range 36 East, Lea County, New Mexico, and that said well was completed through casing perforations from 11,560 feet to 11,600 feet.

II.

It appears from the information obtained from the drilling of the aforesaid well, and other wells in the area, that the Pennsylvanian formation will probably be productive of oil under the following described land:

Township 15 South, Range 36 East

All of Section 26

All of Section 35

East 1/2 of NE/4 of Section 34

SE/4 of Section 34

Township 16 South, Range 37 East

Lots 1, 2, 3, 4, 5, 6, 7 and 8 of Section 5

Lots 1, 2, 7 and 8 of Section 6

the aforesaid area being outlined in red on a plat attached to this application.

III.

It is requested that an order be entered establishing a uniform spacing of wells in the aforesaid area completed in the Pennsylvanian formation and that wells drilled in said area be required to be drilled in the center of 40-acre tracts which are substantially in the form of a square that is a legal subdivision of the United States Land Surveys or on a governmental quarter quarter section or lot, with a tolerance allowance of 200 feet in any direction from the center of said 40-acre tract when such tolerance is necessary in order to avoid structures or natural obstructions, except that those wells drilled on lots containing more than 40 acres may be located 660 feet from the North line of the lot.

IV.

Such spacing of wells as herein requested will insure orderly development of said area, protect correlative rights and prevent possible waste providing same is developed on a 40-acre spacing pattern with the wells to be drilled in the center of said tracts with the tolerance of 200 feet hereinabove referred to.

V.

All wells drilled or drilling to or through the Pennsylvanian formation at the time of the filing of this application which are not in compliance with the spacing herein referred to should be excepted from the order herein applied for.

VI.

In order to give interested operators advance notice of this application, a copy thereof has been mailed to the following:

Magnolia Petroleum Company
P. O. Box 727
Kermit, Texas

Humble Oil & Refining Company
P. O. Box 1600
Midland, Texas

Ohio Oil Company
P. O. Box 552
Midland, Texas

Atlantic Refining Company
P. O. Box 871
Midland, Texas

Gulf Oil Corporation
P. O. Box 2167
Hobbs, New Mexico

Tide Water Associated Oil Company
P. O. Box 1404
Houston, Texas

Cities Service Oil Company
P. O. Box 97
Hobbs, New Mexico

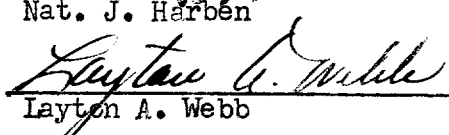
who are all of the parties interested in this application so far as is known to this applicant.

WHEREFORE, Sinclair Oil & Gas Company, the applicant herein, prays that this Commission set this application for a public hearing and that notices be issued according to law, and that upon the hearing hereof that this application be in all things granted.

SINCLAIR OIL & GAS COMPANY

By:


Nat. J. Harben


Layton A. Webb

Attorneys for applicant,
Sinclair Oil & Gas Company
1103 Fair Building
Fort Worth, Texas