

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
COMMISSION OF NEW MEXICO FOR
THE PURPOSE OF CONSIDERING:

CASE NO. 1500
Order No. R-1255-A

APPLICATION OF SINCLAIR OIL & GAS
COMPANY FOR ESTABLISHMENT OF A 200-
ACRE NON-STANDARD GAS PRORATION UNIT
IN THE BLINEBRY GAS POOL, LEA COUNTY,
NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on September 10, 1958, at Santa Fe, New Mexico, before Daniel S. Nutter, Examiner duly appointed by the New Mexico Oil Conservation Commission in accordance with Rule 1214 of the Commission Rules and Regulations, and Order No. R-1255 was entered denying the subject application, and this cause came on for hearing de novo at 9 o'clock a.m. on November 13, 1958, at Santa Fe, New Mexico, before the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission."

NOW, on this 11th day of December, 1958, the Commission, a quorum being present, having considered the application and the evidence adduced and being fully advised in the premises,

FINDS:

- (1) That due public notice having been given as required by law, the Commission has jurisdiction of this cause and the subject matter thereof.
- (2) That the applicant, Sinclair Oil & Gas Company, is the co-owner and operator of the SW/4 and the SW/4 SE/4 of Section 26, Township 21 South, Range 37 East, NMPM, Lea County, New Mexico.
- (3) That the applicant is the operator of the J. R. Cone "A" Well No. 2, located 1980 feet from the South line and 680 feet from the West line of said Section 26.
- (4) That the applicant proposes the establishment of a 200-acre non-standard gas proration unit in the Blinebry Gas Pool for the said J. R. Cone "A" Well No. 2, to consist of the SW/4 and the SW/4 SE/4 of said Section 26.

-2-

Case No. 1500
Order No. R-1255-A

(5) That the evidence discloses that applicant has not made every effort to communitize the acreage in this area thereby forming standard 160-acre Blinebry gas proration units.

(6) That the development of the Blinebry Gas Pool on 160-acre standard gas proration units has been relatively uniform and that such uniform development is highly desirable from the standpoint of conservation and the protection of correlative rights.

(7) That in Case No. 727 the Commission determined that the Blinebry Gas Pool could be drained and developed most efficiently on a 160-acre spacing pattern; that accordingly it is the present policy of the Commission not to approve proration units substantially in excess of 160 acres.

(8) That there is a reasonable probability that approval of the subject application would cause waste and impair correlative rights.

(9) That therefore, the subject application should be denied.

IT IS THEREFORE ORDERED:

That the application of Sinclair Oil & Gas Company for a 200-acre non-standard gas proration unit in the Blinebry Gas Pool, consisting of the SW/4 and the SW/4 SE/4 of Section 26, Township 21 South, Range 37 East, NMPH, Lea County, New Mexico, be and the same is hereby denied.

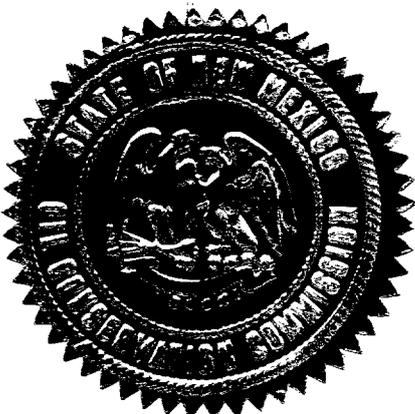
DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION


EDWIN L. MECHEM, Chairman


MURRAY E. MORGAN, Member


A. L. PORTER, Jr., Member & Secretary



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