

BEFORE THE OIL CONSERVATION COMMISSION OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE APPLICATION OF
SINCLAIR OIL & GAS COMPANY FOR AN
EXCEPTION TO RULE 309 OF THE NEW
MEXICO OIL CONSERVATION COMMISSION
PERMITTING THE USE OF COMMON TANKAGE
FOR THE STORAGE OF OIL PRODUCED FROM
PORTIONS OF STATE LEASES NUMBERED
B-10209, B-10137 AND E-6931, LAZY "J"
FIELD, LEA COUNTY, NEW MEXICO

CAUSE NO 545
FILED May 14, 1953
HEARING SET 6-16-53

A P P L I C A T I O N

Comes now SINCLAIR OIL & GAS COMPANY, applicant herein, and would show to the Commission as follows:

1. That applicant is the sole owner of New Mexico State oil and gas leases Nos. B-10209, B-10137 and E-6931; that said leases cover lands owned in fee by the State of New Mexico; that applicant desires to use common tankage for the storage of oil produced upon the following contiguous portions of said leases:

State Lease No. B-10209 in so far only as it covers the -

South Half ($S\frac{1}{2}$) of Southeast Quarter ($SE\frac{1}{4}$) of
Section Twenty-eight (28), Township Thirteen
(13) South, Range Thirty-three (33) East,
Lea County, New Mexico;

State Lease No. B-10137 in so far only as it covers the -

North Half ($N\frac{1}{2}$) of Section Thirty-three (33),
Township Thirteen (13) South, Range Thirty-
three (33) East, Lea County, New Mexico;

State Lease No. E-6931 in so far only as it covers the -

Southwest Quarter ($SW\frac{1}{4}$) of Section Thirty-
three (33), Township Thirteen (13) South,
Range Thirty--three (33) East, Lea County,
New Mexico;

Containing a total of 560 acres.

2. That applicant has heretofore completed a well located 330 feet from the east and north lines of the Southeast Quarter ($SE\frac{1}{4}$) of Southeast Quarter ($SE\frac{1}{4}$) of Section 28, Township 13 South, Range 33 East, and proposes to locate a tank battery in the center of the North Half ($N\frac{1}{2}$) of Section 33, Township 13 South, Range 33 East, and seeks permission to use said tank battery as common tankage for the storage of all oil produced from the Pennsylvania Formation underlying the above described 560 acres.

3. That adequate tankage and other equipment will be installed so that the production from each well which may be drilled upon the above described land can be accurately determined at reasonable intervals or upon request of the Commission, in the event applicant is authorized to maintain such common tankage.

4. That authority to use common tankage in the operation of portions of said leases will result in substantial economies of operation and maintenance and will minimize the use of steel.

5. Attached hereto, marked Exhibit "A" and made a part hereof is a plat of the lands sought to be joined by common tankage showing the location of the well thereon and the properties of offsetting operators.

WHEREFORE, applicant prays that the Commission set a day for hearing, that notices be given as required by law and that upon said hearing permission be granted applicant to receive and measure in common tankage oil produced from the Pennsylvania Formation underlying the above described portions of State Leases Nos. B-10209, B-10137 and E-6931.

Respectfully submitted,

SINCLAIR OIL & GAS COMPANY

By

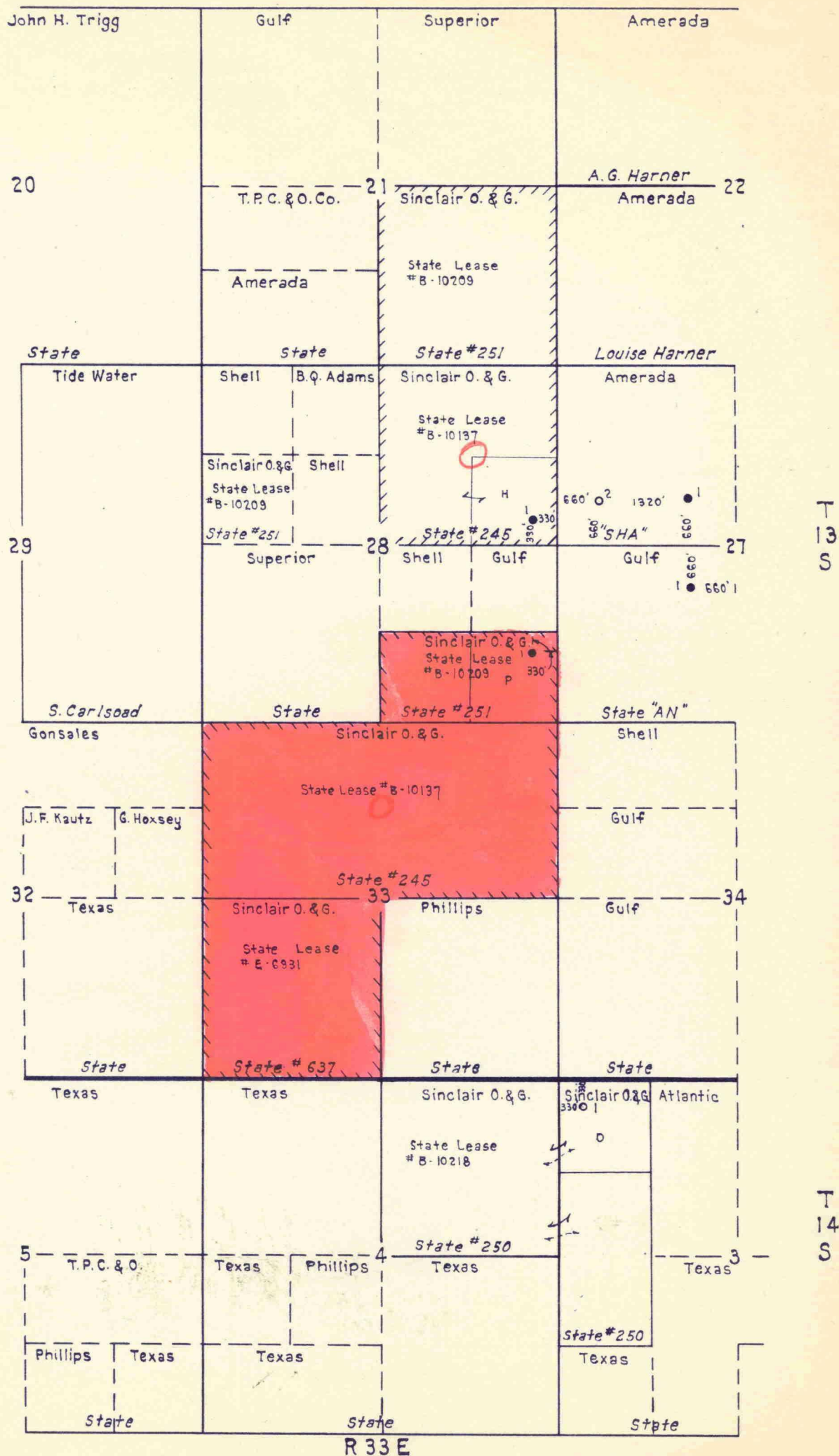
Ralph W. Garrett

Robert L. Fowler

Ben. D. Almen, Jr.

Frederic C. Shillig
Its Attorneys

DCP/ws



PART OF
LEA CO., NEW MEXICO
SCALE: 1"=2000'

EXHIBIT "A"