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 ORDER NO. R-610 AND APPROVAL OF A 160-ACRE NON-STANDARD PRORATION UNIT IN THE BLINEBRY GAS POOL COMPRISED OF THE $W_2^{1}SW_{4}^{1}$, $SE_{4}^{1}SW_{4}^{1}$ AND $SW_{4}^{1}SE_{4}^{1}$ OF SECTION 26, T-21-S, R-37-E, N.M.P.M., LEA COUNTY, NEW MEXICO.

case no. 1399 order no.

APPLICATION

SINCLAIR OIL & GAS COMPANY, a Maine corporation with offices at Midland, Texas, hereby files application for an exception to Order No. R-610 and approval of a 160-acre non-standard proration unit in the Blinebry Gas Pool comprised of the $W_2^1SW_4^1$, $SE_4^1SW_4^1$ and $SW_4^1SE_4^1$ of Section 26, T-21-S, R-37-E, N. M. P. M., Lea County, New Mexico, and in support thereof shows:

1.

That Sinclair Oil & Gas Company is the co-owner and operator under operating agreement with J. R. Cone of the entire leasehold interest under the aforementioned tracts, the $W_2^{\frac{1}{2}}SW_{\frac{1}{4}}^{\frac{1}{4}}$ of said Section 26 being covered by Sinclair's J. R. Cone "A" lease and the $SE_{\frac{1}{4}}^{\frac{1}{4}}SW_{\frac{1}{4}}^{\frac{1}{4}}$ and $SW_{\frac{1}{4}}^{\frac{1}{4}}SE_{\frac{1}{4}}^{\frac{1}{4}}$ of said Section 26 being covered by Sinclair's J. R. Cone "B" lease.

2.

That Sinclair Oil & Gas Company is the operator of its J. R. Cone "A" well No. 2, located 660 feet from the west line and 1980 feet from the south line of said Section 26, which is now completed and producing from within the vertical limits of the Blinebry Gas Pool.

3.

That there is now assigned to said J. R. Cone "A" Well No. 2 a non-standard 80 acre proration unit for the Blinebry Gas Pool, comprised of the $W_2^1SW_2^1$ of said Section 26.

That all interests, including the royalty interests, under the proposed non-standard proration unit herein applied for have been pooled and unitized.

5.

That the granting of this application will protect correlative rights and tend to prevent waste.

WHEREFORE, applicant Sinclair Oil & Gas Company prays that this Commission set this application for a public hearing before an Examiner in Santa Fe, New Mexico, that notices be issued according to law, and that upon hearing the above described 160-acre non-standard proration unit be approved.

SINCLAIR OIL & GAS COMPANY

Layton A. Webb Division Attorney