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-586 AND APPROVAL OF A 240-ACRE NON-STANDARD PRORATION UNIT IN THE TUBB GAS POOL COMPRISED OF THE SW AND THE S SET 4, SECTION 26, T-21-S, R-37-E, N.M.P.M., LEA COUNTY, NEW MEXICO.

CASE NO. <u>/499</u>
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-586 and approval of a 240-acre non-standard proration unit in the Tubb Gas Pool comprised of the SW_{4}^{1} and the $S_{2}^{1}SE_{4}^{1}$, 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 of the proposed 240-acre proration unit under operating agreement with Gulf Oil Corporation and J. R. Cone, as non-operators.

2.

That applicant proposes to assign the 240-acre proration unit to its J. R. Cone "A" Well No. 1, located 660 feet from the South and West lines of said Section 26, which is dually completed in the Tubb Gas Pool and the Drinkard Oil Pool and is now producing from within the vertical limits of the Tubb Gas Pool.

3.

That there is now assigned to said J. R. Cone "A" Well No. 1 a non-standard 160-acre proration unit for the Tubb 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 said Section 26.

4.

That all interests, including the royalty interests, under the proposed non-standard proration unit herein applied for have been pooled and unitized, or the same are subject to pooling and unitizing contingent upon the granting of this application.

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That the granting of this application will not impair correlative r_{\perp} ghts and will be in the interest of prevention of 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 240-acre non-standard proration unit be approved.

SINCLAIR OIL & GAS COMPANY

Horace N. Burton Division Attorney