

GILBERT, WHITE AND GILBERT

ATTORNEYS AND COUNSELORS AT LAW

BISHOP BUILDING

SANTA FE, NEW MEXICO

CARL H. GILBERT - (1891-1963)

L. C. WHITE

WILLIAM W. GILBERT

SUMNER S. KOCH

WILLIAM B. KELLY

June 5, 1963

New Mexico Oil Conservation Commission
P. O. Box 871
Santa Fe, New Mexico


Attention: Ida Rodriguez

Gentlemen:

Enclosed in triplicate is Sinclair Oil & Gas Company's application to create a new pool for Pennsylvanian Gas Production and for temporary operating rules in Lea County, New Mexico.

We would appreciate you setting this down for hearing before an examiner at an early date.

Very truly yours,



L. C. WHITE

LCW/ab
Encls.

DOCKET MAILED

Date 7-1-63

RECEIVED OCT 20 1935
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BEFORE THE OIL CONSERVATION COMMISSION OF THE
STATE OF NEW MEXICO

IN THE MATTER OF THE APPLICATION
OF SINCLAIR OIL & GAS COMPANY TO
CREATE A NEW POOL FOR PENNSYLVANIAN
GAS PRODUCTION AND FOR TEMPORARY OP-
ERATING RULES IN LEA COUNTY, NEW MEXICO)

CASE NO. 2844
ORDER NO. _____

A P P L I C A T I O N

SINCLAIR OIL & GAS COMPANY, a Maine corporation with an operating office in Midland, Texas, hereby makes application for an order creating a new pool for Pennsylvanian gas production and adopting temporary operating rules and in support thereof represents to the Commission:

1.

That the applicant, Sinclair Oil & Gas Company, seeks the creation of a new gas pool for Pennsylvanian production and the promulgation of temporary special rules and regulations governing said pool, including a provision for 640-acre spacing units.

2.

That a new gas pool for Pennsylvanian production should be created and designated the Teas Pennsylvanian Gas Pool. This pool was discovered by the Sinclair Oil & Gas Company Mahaffey-Federal (ARC) Well No. 1 located 660 feet from the North Line and 1,980 feet from the West Line of Section 14, Township 20 South, Range 33 East, Lea County, New Mexico, The top of the perforations in the Pennsylvanian formation is at 13,294 feet.

3.

That temporary special rules and regulations establishing 640-acre spacing units should be promulgated for the subject pool in order to prevent the possibility of economic loss resulting from the drilling of unnecessary wells and in order to allow the operators in the subject pool to gather information concerning the reservoir

characteristics of the pool; that the known characteristics of the reservoir indicate that the subject pool can be efficiently and economically drained on 640-acre spacing units.

4.

That the temporary special rules and regulations, in order to assure orderly development of the pool and protect correlative rights, should provide that each well completed in the subject pool shall be located no nearer than 1,650 feet to the outer boundary of the section and no nearer than 330 feet to any governmental quarter-quarter section line; that each well completed shall be located on a standard unit containing 640 acres, more or less, consisting of a single governmental section.

5.

That special rules and regulations should be established for a temporary period to expire one year from the date that a pipe line connection is first obtained for a well in the pool; that during this temporary period, all operators in the subject pool should gather all available information relative to drainage and recoverable reserves.

WHEREFORE, applicant prays that the Commission set this application for public hearing before an Examiner in Santa Fe, New Mexico, that notice be issued according to law and that upon hearing this application be granted.

HORACE N. BURTON
P. O. Box 1470
Midland, Texas

GILBERT, WHITE AND GILBERT

By


Bishop Building
Santa Fe, New Mexico

ATTORNEYS FOR APPLICANT