



SINCLAIR OIL & GAS COMPANY

P. O. Box 1470

MIDLAND, TEXAS 79701

May 10, 1966

MAIN OFFICE 000

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WEST TEXAS REGION

New Mexico Oil Conservation Commission
Post Office Box 2088
Santa Fe, New Mexico

Attention: Mr. A. L. Porter, Jr.

RE: Teas-Pennsylvanian Gas Pool
Lea County, New Mexico

Gentlemen:

Commission Order No. R-2627 dated December 27, 1963, provided for special rules for the Teas-Pennsylvanian Gas Pool which included 320 acre gas proration units. This order also provided for an examiner review after one year of production in order to permit Operators to show cause why the pool should not be developed on statewide 160 acre gas proration units. First gas from this field was sold on January 28, 1965, from Sinclair Oil & Gas Company's Mahaffey-Federal ARC Well No. 1 which is currently the only well completed in this field.

Subsequently, by Commission Order No. R-2707 dated May 25, 1964, Statewide Rule 104 was amended to provide for 320 acre gas proration units for wells in Lea County completed in the Pennsylvanian formation or deeper after June 1, 1964.

Accordingly it is respectfully requested that another examiner review of said Teas-Pennsylvanian Gas Pool rules not be held and that said rules be permanently adopted as they agree with the proration unit requirements of Statewide Rule 104 with regard to fields created and defined by the Commission after June 1, 1964.

Very truly yours,

R. E. Powers
R. E. Powers

Engineering Supervisor

RMA/ah

OIL CONSERVATION COMMISSION
P. O. BOX 871
SANTA FE, NEW MEXICO

56044
2844

May 12, 1966

Sinclair Oil & Gas Company
Post Office Box 1470
Midland, Texas 79701

Attention: Mr. R. E. Powers

Gentlemen:

Reference is made to your letter of May 10, 1966, concerning Order No. R-2627 which authorized temporary 320-acre gas spacing units for the Teas-Pennsylvanian Gas Pool, Lea County, New Mexico.

We are docketing a case for the June 8, 1966 examiner hearing to consider the indefinite extension of the pool rules to conform with the statewide rules as amended June 1, 1964. It should not be necessary for you to appear at said hearing inasmuch as permanent extension of temporary rules in similar cases has always been automatic in the absence of evidence to the contrary.

Very truly yours,

IANIEL S. NUTTER
Chief Engineer

DSN/ir

DOCKET MAILED

Date 5-25-66

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Y

State of New Mexico
Oil Conservation Commission

June 15, 1966

SINCLAIR OIL & GAS COMPANY

Other _____