

BEFORE THE OIL CONSERVATION COMMISSION OF THE
STATE OF NEW MEXICO

IN THE MATTER OF THE APPLICATION OF
SINCLAIR OIL & GAS COMPANY FOR APPROVAL
OF THE COMINGLING INTO COMMON STORAGE
THE DISTILLATE PRODUCED FROM THE TUBB
AND BLINEBRY GAS POOLS AND THE OIL PRO-
DUCED FROM THE DRINKARD POOL ON ITS
J. R. CONE "A" AND "B" LEASES, IN
LEA COUNTY, NEW MEXICO

CASE NO. 3346
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 files its
application herein, in triplicate, and represents:

1.

That the applicant, Sinclair Oil & Gas Company, is the
operator of its J. R. Cone "A" lease, consisting of the $W\frac{1}{2}SW\frac{1}{4}$
of Section 26, T-21-S, R-37-E, N.M.P.M., and its J. R. Cone
"B" lease, consisting of the $SE\frac{1}{4}SW\frac{1}{4}$ and $SW\frac{1}{4}SE\frac{1}{4}$ of said Section
26, in Lea County, New Mexico. Said leases are comprised of
patented lands and the leasehold interest is owned by Sinclair
Oil & Gas Company, 93.71234%; J. R. Cone, 6.25000%, and J. H.
Atwood, an unleased mineral interest, .03766% (a carried int-
erest). The leasehold interest of J. R. Cone and the unleased
mineral interest of J. H. Atwood are owned in common in both
the "A" and "B" leases. A portion of the interests leased to
Sinclair Oil & Gas Company are owned in common and as to such
interests the leases cover both tracts "A" and "B". Other
interests leased to Sinclair Oil & Gas Company are not owned
in common and are separately leased under the two tracts.

2.

That the J. R. Cone "A" lease has one completion in
the Tubb Gas Pool and one completion in the Blinebry Gas Pool,
producing a total of approximately 12 barrels per day, and two
completions in the Drinkard Oil Pool producing approximately
6 barrels of oil per day. That the J. R. Cone "B" lease has

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[Signature]

two completions in the Drinkard Oil Pool producing approximately 23 barrels of oil per day. All of such production is marginal and is expected to continue to be marginal. Applicant proposes to commingle all such production into common storage without individually measuring the production from the separate pools and separate leases. It is proposed to proportion the production to the various pools and the separate leases by periodic testing.

3.

That applicant seeks approval of the Commission, as exceptions to general Rules 303 and 309, to the commingling of the production in the manner stated.

4.

Applicant would show that the granting of this application is in the interest of prevention of waste and will not impair correlative rights.

WHEREFORE, applicant prays that this application be set for hearing before an Examiner in Santa Fe, New Mexico; that notice be given hereon and that upon such hearing the Commission grant its approval to the commingling of production from the separate pools and leases as hereinabove set forth.

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