

OCC
Hable

SUNRAY MID-CONTINENT OIL COMPANY

NSP-325
Due 11/1/56
NSL-64
Due 10/28/56

R. E. FOSS, VICE PRESIDENT

C. J. KERWIN, SUPERINTENDENT
PRODUCTION DIVISION

R. W. GRIFFITH, GENERAL MANAGER
GAS-GASOLINE DIVISION

TULSA 2, OKLAHOMA

PRODUCTION DEPARTMENT

J. H. DOUMA, MANAGER
JOINT OPERATIONS DIVISION

M. S. PATTON, JR., MANAGER
ENGINEERING DIVISION

October 5, 1956

No copies

Oil Conservation Commission
State of New Mexico
125 Mabry Hall
Capitol Building
Santa Fe, New Mexico

Re: Exception to Rules 2 and 5 of the
Special Rules and Regulations for
the Blinebry Gas Pool, Lea County,
New Mexico

Gentlemen:

Sunray Mid-Continent Oil Company respectfully requests that administrative approval be granted for the completion of its Eva Owens Well No. 3 in the Blinebry Gas Pool, Lea County, New Mexico, and for assignment of an 80-acre non-standard gas proration unit to such well as an exception to Rules 2 and 5 of the Special Rules and Regulations for the Blinebry Gas Pool as established under Order R-610.

Sunray's Eva Owens Well No. 3, located 510 feet from the North and East lines of the Northwest quarter (NW/4) of Section 3, Township 22 South, Range 37 East, Lea County, was completed on September 27, 1946 as a Drinkard oil well with perforations from 6498 to 6560 feet. 13-3/8" surface casing was set at 320 feet with 250 sacks of cement. 9-5/8" casing was set at 2816 feet with 2200 sacks of cement. 7" casing was set at 6577 feet with 300 sacks of cement. The total depth of the well was 6590 feet. It is planned to dually complete this well with the presently completed Drinkard oil zone flowing through the tubing and the Blinebry gas zone flowing through the casing-tubing annulus. By separate application, administrative approval of such proposed dual completion is being requested.

An exception to Rule 2 is required since the well was completed in 1946 at a location 510 feet from the North and East lines of the lease, whereas Rule 2 requires that each well shall be drilled not closer than 660 feet to any boundary line of the tract. Well No. 3 is a twin well to Well No. 2, which is located 660 feet from the North and East lines of the lease and is now temporarily abandoned at a depth of 5255 feet. Under Rule 3 the Director of the Commission has the authority to grant exceptions to the requirements of Rule 2 without notice and hearing where application has been filed and the necessity for the unorthodox location is occasioned by the recompletion of a well previously drilled to another horizon.

An exception to Rule 5 is required since this lease does not include 160 acres. Under Rule 5 (B) the Director of the Commission shall have authority to grant an exception to Rule 5 (A) without notice and hearing where application has



been filed and where certain facts exist and certain provisions are complied with. In compliance with the requirements of this rule, Sunray alleges and states that the following conditions exist:

1. The requested 80-acre non-standard gas proration unit consists of two contiguous quarter-quarter sections with a common side between them.

2. The requested 80-acre non-standard gas proration unit lies wholly within a single governmental quarter section.

3. The entire 80-acre unit may reasonably be presumed to be productive of gas from the Blinebry Gas Pool.

4. The length or width of this 80-acre unit does not exceed 2640 feet.

As required by Rule 3 and Paragraph 6 of Rule 5 (B) the following operators have been notified by registered mail this date, by copy of this letter and the attached plat:

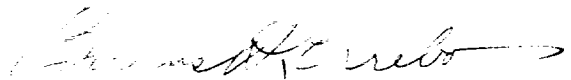
Stanolind Oil and Gas Company
P. O. Box 1410
Fort Worth, Texas

Gulf Oil Corporation
P. O. Box 2167
Hobbs, New Mexico

Sunray asks that this request for administrative approval be granted, as such approval by the Commission will prevent waste, will protect correlative rights of all concerned and will serve the best interests of conservation. I hereby certify that the information contained in this application is true and complete to the best of my knowledge.


Yours very truly,

SUNRAY MID-CONTINENT OIL COMPANY



Burns H. Errebo
Attorney

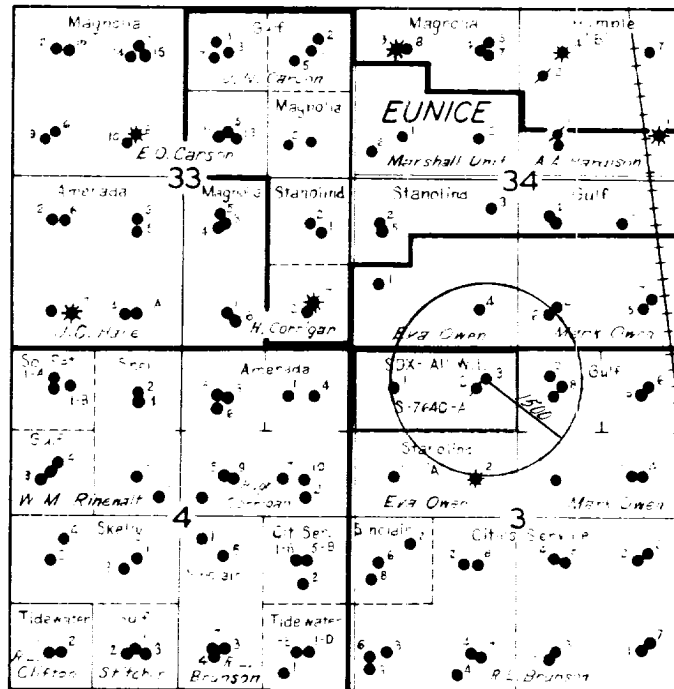
Subscribed and sworn to before me, a Notary Public within and for the State of Oklahoma, County of Tulsa, on this 5th day of October, 1956.


Gladys E. Zani

My Commission expires: 25th day of February, 1957

Attachment: Ownership Map

R - 37 - E



T
2
S

T
22
S

PRODUCING FORMATION		SUNRAY MID-CONTINENT OIL COMPANY	PRODUCING LEASES
NAME	AVERAGE DEPTH	<p>FIELD: DRINKARD & BLINEBRY</p> <p>DISTRICT: N&W TEX. GROUP EUNICE</p> <p>COUNTY LEA STATE: NEW MEX.</p> <p>SCALE</p> <p>3000 1500 0 1500 3000 6000</p> <p>FEET</p>	OWEN, E.