

Casa No.

826

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Application, Transcript,  
Small Exhibits, Etc.

*File in Case 826*

# SINCLAIR OIL & GAS COMPANY

FAIR BUILDING

**FORT WORTH, TEXAS**

February 24, 1955

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

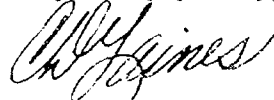
Attention: Mr. W. B. Macy

Gentlemen:

Attached is the information requested by Mr. H. N. Rhodes at the February 16, 1955 hearing of Case No. 826 regarding Sinclair Oil & Gas Company's W. P. Byrd well No. 7. The information was assembled by Mr. W. J. Parsons, Geologist with Sinclair at Roswell, New Mexico.

To confirm the information given you in our telephone conversation of February 23, 1955 in regard to the deliverability of the subject gas well, the January production was 61,736 MCF; the January allowable was 17,091 MCF; the well, as of February 1, 1955, is 18,551 MCF over produced. These figures indicate that the previous under production of the well was due to pipe line demand and not capability of the well to deliver.

Very truly yours,



C. O. Gaines

CLG:js

cc: File

INTER-OFFICE COMMUNICATION

Location Roswell, New Mexico

February 21, 1955

To Mr. W. J. Rogers  
Fort Worth, Texas

Reply Attention:

Dear Sir:

Enclosed please find the information you requested in our telephone conversation of February 16, 1955. All the tops listed except those on our #7 Byrd are from sample log "picks". As the Seven Rivers formation is difficult to pick on these older sample logs this call was left blank.

If we can be of further service to you in this matter we shall be glad to oblige.

Yours very truly,

  
W. J. PARSONS

WJP:ahw  
cc: C. C. Salter

FORMATION TOPS

WELL	YATES	SEVEN RIVERS	QUEEN	GRAYBURG	TYPE PROD.	PROD. INTERVAL	PROD. FORMATION
M. J. Byrd #1	2410'		3206'	3560'	oil	3846' - 3894'	Grayburg
M. J. Byrd #2	2420'		3205'	3590'	oil	3845' - 3896'	Grayburg
W. P. Byrd #1	2430'		3220'	3600'	oil	3880' - 3905'	Grayburg
W. P. Byrd #2	2470'		3290'	3650'	oil	3800' - 3915'	Grayburg
W. P. Byrd #3	2490'		3330'	3660'	oil	3763' - 3890'	Grayburg
W. P. Byrd #4	2440'		3260'	3620'	oil	3790' - 3901'	Grayburg
W. P. Byrd #5	2510		3340'	3700'	oil	3779' - 3900'	Grayburg
W. P. Byrd #6	2560'		3390'	3730'	oil	3778' - 3894'	Grayburg
W. P. Byrd #7	2443'	2730'	3215'	3583'	gas	3520' - 3582'	Queen

OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

November 18, 1954

Sinclair Oil and Gas Company  
901 Fair Building  
Fort Worth, Texas

Attention: Mr. J. T. Reeves

Gentlemen:

Administrative Order NSP-25

Reference is made to your application (received October 18, 1954) for approval of a 240-acre non-standard gas proration unit in the Eumont Gas Pool consisting of the following acreage:

Twp. 20 South, Rge. 36 East, NMPM  
NW/4, N/2 SW/4 of Section 11.

It is understood that this unit is to be ascribed to your W. P. Byrd No. 7 Well, NE/4 NW/4 of said Section 11.

By authority granted me under provisions of Rule 5, Section (b)-6 of the Special Rules and Regulations for the Eumont Gas Pool, as set forth in Order R-520, you are hereby authorized to operate the above-described acreage as a non-standard gas proration unit, with allowable to be assigned thereto in accordance with pool rules.

Very truly yours,

W. H. Hacy  
Secretary-Director

WBH:mr

cc: Oil Conservation Commission:  
Hobbs

N. M. Oil & Gas Eng. Committee:  
Hobbs

OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

April 22, 1955

Sinclair Oil and Gas Company  
901 Fair Building  
FORT WORTH, TEXAS

Attention: Mr. C. D. Gaines

Gentlemen:

We enclose copies of the following Oil Conservation Commission orders, which were signed April 20, 1955:

Order R-612 in Case 825  
Order R-613 in Case 826

Very truly yours,

W. B. Macey  
Secretary - Director

WBM:nr

BEFORE THE OIL CONSERVATION COMMISSION  
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING  
CALLED BY THE OIL CONSERVATION  
COMMISSION OF THE STATE OF NEW  
MEXICO FOR THE PURPOSE OF  
CONSIDERING:

CASE NO. 826  
Order No. R-613

THE APPLICATION OF THE COMMISSION  
UPON ITS OWN MOTION, DIRECTED TO  
SINCLAIR OIL AND GAS COMPANY, FOR  
THE RECONSIDERATION OF ADMINISTRATIVE  
ORDER NSP-25 WHICH CREATED A NON-  
STANDARD GAS PRORATION UNIT IN THE  
EUMONT GAS POOL CONSISTING OF THE NW/4,  
AND THE N/2 SW/4 OF SECTION 11, TOWNSHIP  
20 SOUTH, RANGE 36 EAST, NMPM, LEA  
COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on  
February 16, 1955, at Santa Fe, New Mexico, before the Oil Conservation  
Commission, hereinafter referred to as the 'Commission'.

NOW, on this 20<sup>th</sup> day of April, 1955, the Commission, a  
quorum being present, having considered the records and testimony adduced,  
and being fully advised in the premises,

FINDS:

(1) That due notice of the time and place of hearing and the  
purpose thereof having been given as required by law, the Commission  
has jurisdiction of this case and the subject matter thereof.

(2) That pursuant to provisions of Rule 5 (a) of the Special  
Rules and Regulations for the Eumont Gas Pool of Order No. R-520, the  
Commission has power and authority to permit the formation of a gas pro-  
ration unit consisting of other than a legal section after notice and hearing  
by the Commission.

(3) That applicant, Sinclair Oil and Gas Company, is the  
owner of an oil and gas lease in Lea County, New Mexico, the land consist-  
ing of other than a legal section, and described as follows, to-wit:

TOWNSHIP 20 SOUTH, RANGE 36 EAST, NMPM  
NW/4, N/2 SW/4 of Section 11

containing 240 acres, more or less.

(4) That applicant, Sinclair Oil and Gas Company, has a producing well on the aforesaid lease known as W. P. Byrd Well No. 7, located 990 feet from the north line and 1980 feet from the west line of Section 11, Township 20 South, Range 36 East, NMPM, Lea County, New Mexico.

(5) That the above-described 240-acre non-standard gas proration unit has been producing under the provisions of Administrative Order NSP-25, and that the Sinclair Oil and Gas Company was required to, and did, show cause why this 240-acre proration unit should not be reduced in size.

(6) That it is impractical to pool applicant's said lease with adjoining acreage in the Eumont Gas Pool, and that the owners of adjoining acreage in said area have not objected to the formation of the proposed proration unit of 240 acres.

(7) That unless a proration unit consisting of applicant's aforesaid acreage is permitted, applicant will be deprived of the opportunity to recover its just and equitable share of the natural gas in the Eumont Gas Pool.

(8) That creation of a proration unit consisting of the aforesaid acreage will not cause but will prevent waste, and will protect correlative rights.

IT IS THEREFORE ORDERED:

(1) That the application of Sinclair Oil and Gas Company, for approval of an unorthodox proration unit consisting of the following described acreage:

TOWNSHIP 20 SOUTH, RANGE 36 EAST, NMPM  
NE 1/4, N 1/2 SW 1/4 of Section 11

be and the same is hereby approved, and a proration unit consisting of aforesaid acreage is hereby created.

(2) That applicant's well, W. P. Byrd Well No. 7, located in the NE 1/4 NE 1/4 of Section 11, Township 20 South, Range 36 East, NMPM, Lea County, New Mexico, shall be granted an allowable in the proportion that the above described 240-acre unit bears to the standard or orthodox proration unit for said pool, all until further order of the Commission.

DONE at Santa Fe, New Mexico, the day and year hereinabove designated.

STATE OF NEW MEXICO  
OIL CONSERVATION COMMISSION

*John F. ...*  
JOHN F. ... , Chairman

*E. S. ...*  
E. S. ... , Member

*W. B. Macey*  
W. B. MACEY, Member and Secretary







OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

January 21, 1955

Sinclair Oil & Gas Company  
901 Fair Building  
Fort Worth, Texas

Administrative Order NSP-25

Attention: Mr. J. T. Reeves

Gentlemen:

On November 18, 1954, by virtue of the provisions of Administrative Order NSP-25, I approved the formation of a non-standard gas proration unit consisting of the following described acreage in the Eumont Gas Pool.

Section 11, Township 20 South, Range 36 East  
NW/4, N/2 SW/4

Information available to me at this time indicates that I exceeded the authority granted to me by the provisions of Rule 5-b of Order R-520, (Eumont Pool Rules) due to the fact that the third paragraph of Rule 5-a specifically limits the maximum amount of acreage that may be assigned to a gas well, the amount being governed by the well location.

The formation of a 240-acre non-standard proration unit with your W. P. Byrd Lease, Well No. 7, located 990 feet from the North line and 1980 feet from the West line is contrary to the provisions of this rule.

On February 16, 1955, this Commission will hold hearings directed to you as operator for you to show cause why the acreage assigned your W. P. Byrd, Well No. 7, NE/4 NW/4 Section 11, Township 20 South, Range 36 East, NMPM, Eumont Gas Pool, should not be reduced to 160 acres in accordance with the provisions of Paragraph 3 of Rule 5-a of Order R-520. The description of this 160-acre unit is as follows:

OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

-2-

Section 11, Township 20 South, Range 36 East  
NW/4

This proposed reduction would be effective March 1, 1955. You will of course be afforded the opportunity to present any testimony or evidence to support the formation of the proration unit as it now exists.

This letter is being directed to you so that you can prepare your case, if you so desire. A copy of the advertisement will be mailed to you when available.

Very truly yours,

W. B. MACEY,  
Secretary-Director

WBM/ir

BEFORE THE  
Oil Conservation Commission  
SANTA FE, NEW MEXICO  
February 11, 1957

IN THE MATTER OF:

CASE NO. 5046

TRANSCRIPT OF PROCEEDINGS

ADA DEARNLEY AND ASSOCIATES  
COURT REPORTERS  
ROOMS 105, 106, 107 EL CORTEZ BUILDING  
TELEPHONE 7-9546  
ALBUQUERQUE NEW MEXICO

1000  
ALBUQUERQUE, NEW MEXICO  
January 17, 1955

IN THE MATTER OF:

The application of the Oil Corporation Commission  
for the revision of its administrative order  
non-standard gas production rule.

Applicant, in the above-styled matter, seeks an  
order annulling Administrative Order No. 1-1-55  
directing the said Oil Corporation Commission to reduce  
the size of its non-standard gas production rule  
permitted therein to conform with the provisions  
of Paragraph 2 of Rule 5(a) of the Rules of the  
and Regulations of the said Commission, as set  
forth in Rule 1-1-55; the said order is proposed  
will to consist of the following: The 11, Ten-  
sixth Street, Albuquerque, New Mexico, New  
Mexico.

REPORT:

Honorable John H. Jones, Jr.  
Mr. H. S. (John) Jones  
Mr. William H. Jones

ALBUQUERQUE, NEW MEXICO

1. Review the application.
2. Prepare a report on the application.
3. Serve the report on the applicant.

For an application to receive consideration for administrative approval, the unit for which the exception is requested must in all respects meet the requirements of Rule 3(a) and Rule 3(b) of the various pool rules contained in Order R-570. Any application which does not meet these requirements for administrative approval must be heard after notice at a hearing of the Commission at which time the merits of the application may be considered.

Further, the Commission Staff feels that Order R-570 clearly implies the radius of influence for one well to the various south-east gas pools, covered by Order R-570, to be 37.5 miles -- that is, the radius of a circle which will totally enclose the gas pool. And that such radius should be applied to all applications for exception to the provisions of Order R-570. In this connection, this radius of influence cannot be based only on elevation and factors of compaction, offset from surface, or other geological factors, but should be considered. This radius of influence should be applied to the approval of an application for exception to the provisions of Order R-570, and the Commission should be notified of the application for exception, and the Commission should be notified of the application for exception.

The Commission Staff feels that the Commission should be notified of the application for exception to the provisions of Order R-570, and the Commission should be notified of the application for exception to the provisions of Order R-570, and the Commission should be notified of the application for exception to the provisions of Order R-570.

practice will prove it.

We are certain that we can benefit from the full support of all of the operators.

MR. MCGRAW: That is the situation where we have had an administrative order approving a non-standard unit of 240 acres. I request that the application and various notices attached thereto be made a part of the record. We are also enclosing all the maps.

# U. S. G A I L L E T T

called as a witness, having been first duly sworn, testified as follows:

SECRET CONFIDENTIAL

By MR. MCGOWAN:

Mr. Gaines, I call your attention to a copy in front of you.

MR. MCCORMACK: First, I qualified this defendant as an expert in a previous case. Are his qualifications acceptable?

MR. WARD: Yes.

Q I call your attention to the map in front of you and ask if you prepared this or had it prepared under your supervision?

A 100, 1000,

A The J. L. Bird Lease, yes, sir.

Q And the royalty owner is common under the 240 acre lease the northwest quarter and the north half of the southeast quarter of Section 11?

A Yes, sir, it is.

Q Do you have a gas well on the corner of

A Yes, sir, we do.

Q Where is it located?

A It is located 150 feet from the north line and 400 feet from the east line of the lease.

Q When was that well completed?

A It was completed March 10, 1951, as a gas well.

Q It was completed then prior to the issuance of order No. A-520?

A Yes, it was.

Q Therefore you are entitled to the 240 foot royalties. In your opinion is the entire 240 acres productive of gas?

A Yes, sir, in my opinion it is.

Q And the action regarding the setting of the gas pool?

A Yes, sir, it was, the limits of the gas pool as set up was approximately 240 acres, as I have described.

Q And the gas pool was set up as a gas pool?

A Yes, sir, it was, as I have described.

Q And the gas pool was set up as a gas pool?

A Yes, sir.

Q And the gas pool was set up as a gas pool?

A Yes, sir, as I have described.



Yes, Sir,

They are all *Staphylinidae* spp.

Q Your No. 7 well there, does that show any oil?

A Not to my knowledge.

Q I wonder would it be possible for you to furnish to the Commission information on the other calls in that month?

A: Yes, sir, if you would.

MR. MCGOWAN: What information would you provide to us, Sir?

MR. REIDER: I would like to know the parameter for open hole interval. I would like to know what your correlation of the formation is.

A All right,

MR. REUBEN: We feel there might be a possibility of that well again going to oil.

100. **NAME:** \_\_\_\_\_ **Age:** \_\_\_\_\_ **Gender:** \_\_\_\_\_

Mr. NEWMAN: On this case I would like to point out to the Commission that as the evidence shows we are in a position here of having a well that is further from the boundary lines than is required for 160 acres, but not sufficiently far to rightfully give us 320.

1

... have that will produce good results.

A Yes, Sir.

2. and if not, it is allowable?

A: I can't say all the way there. It has not made him allowable the last -- well, I still think it did not make him allowable in November and December.

[illegible]

A. I am not certain about that part.

Q Well, you feel that we should give you an increased amount in view of the fact that we don't know if the well can make the allowable?

A Well, of course, the allowable right now is a little bit higher than it will be next July.

Q You think it would average out over the year?

A Well, for the month of November it produced approximately  
4 million, & believe for the --

6. A little over a million a day?

[illegible]

... ..

[illegible]

\_\_\_\_\_

A. DALE: Yes.

MR. RODEN: That is all.

MR. HAYES: Did anyone have any further questions of this witness?

MR. CHRISTIE: I don't have any questions. Sinclair asked for waivers on this particular application. It was withheld pending the hearing. We see no objection in granting this application.

MR. MACEY: Anyone else? If not, we will take the case under advisement.

STATE OF NEW MEXICO: )  
COUNTY OF BERNALILLO: )

I, ADA DEARNLEY, Court Reporter, do hereby certify that the foregoing and attached transcript of proceedings before the New Mexico Oil Conservation Commission at Santa Fe, New Mexico, is a true and correct record to the best of my knowledge, skill and ability.

IN WITNESS WHEREOF I have affixed my hand and notarial seal this 4th day of March, 1955.

*Ada Dearnley*  
Notary Public, Court Reporter

In witness, expires:  
April 15, 1956



SINCLAIR OIL & GAS COMPANY  
901 Fair Building  
Fort Worth, Texas

11-20S-36E

October 13, 1954

11-20S-36E

New Mexico Oil Conservation Commission (3)  
Santa Fe, New Mexico

Re: Assignment of additional acreage  
to Sinclair's W. P. Byrd No. 7  
producing from the Eumont Gas Pool.

Gentlemen:

Sinclair Oil & Gas Company wishes to submit this application for additional acreage to be assigned to our W. P. Byrd No. 7 Well under the provisions of Rule 5b, Order No. R-520 as pertains to the Eumont Gas Pool.

Sinclair hereby requests that a Non-Standard Proration Unit be established for subject well consisting of that 160 acres (NW/4 of 11-20S-36E) currently assigned and of that contiguous 80 acres to the south (N/2 of SW/4 of 11-20S-36E) making a Non-Standard Gas Proration Unit of 240 acres which we believe conforms to all requirements set forth in above Rule and Order.

All Offset Operators are notified of this request by copy of this application via Registered Mail as required by Rule 6 of subject Order.

Very truly yours,

SINCLAIR OIL & GAS COMPANY

*J. T. Reeves*  
J. T. Reeves

Attached: Gas Well Plat

cc: Via Registered Mail

Amerada Petroleum Corporation  
Box 2040, Tulsa, Oklahoma

Gulf Oil Corporation  
Box 2167, Hobbs, New Mexico

Continental Oil Company  
Box 427, Tulsa, New Mexico

NEW MEXICO  
OIL CONSERVATION COMMISSION

Gas Well Plat

Date October 12, 1954

Sinclair Oil & Gas Company Wm. P. Byrd 7  
Operator Lease Well No.

Name of Producing Formation Queen Pool Summit Gas

No. Acres Dedicated to the Well 240

SECTION 11 TOWNSHIP 20-S RANGE 36-E

2 • 330 Sinclair Oil & Gas Company	1 • 330 7 ★ 660 330	Sinclair Oil & Gas Company 1 •	Amerada • 2
330 • 5 330	4 • 330 330	2 • Wm. P. Byrd	• 3 H. J. Andrews
6 • 330 330	3 • 330 330	• 2 Cont. 3/4.	Std. Tex. 1/4 • 1
6 •	3 • Janderson	4 •	• 5

I hereby certify that the information given above is true and complete to the best of my knowledge.

Name J. M. Gaudin  
Position Petroleum Engineer  
Representing Sinclair Oil & Gas Company  
Address Fort Worth, Texas

(over)

### INSTRUCTIONS

1. Is this gas well a dual completion? Yes No.
2. If the answer to Question 1 is Yes, are there any other dually completed wells within the dedicated acreage?  
Yes No.

A separate plat must be filed for each gas well, outlining the area dedicated to such well and showing the location of all other wells (oil and gas) within the outlined area.

Mail in duplicate to the district office for the district in which the well is located.