

Case No.

273

Application, Transcript,
Small Exhibits, Etc.

273 - Sinclair for exception to Rule
for high gas-oil ratio well Boyd #2
-22-38

SINCLAIR OIL & GAS COMPANY

P. O. Box 1470
Midland, Texas
May 4, 1951

Honorable R. R. Spurrier
Oil Conservation Commission
Box 871
Santa Fe, New Mexico

Case 273

In re: Sinclair Oil & Gas Company's
Ollie Boyd No. 2 - NW/4 NW/4
Section 23, Township 22-S,
Range 37-E, Lea County, New Mexico

Dear Mr. Spurrier:

According to the Notice of Publication dated April 30, 1951, Case No. 273, in the matter of the application of Sinclair Oil & Gas Company for an order granting an exception to Rule 506 of the Rules and Regulations of the Oil Conservation Commission for its high gas-oil ratio well, Ollie Boyd No. 2, located NW/4 NW/4 Section 23, Township 22-S, Range 37-E, Lea County, New Mexico, is set for hearing on May 22, 1951, before the Oil Conservation Commission in the city of Santa Fe, New Mexico.

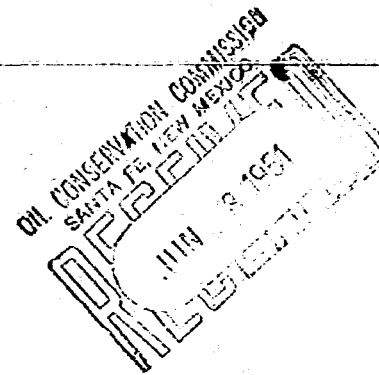
Please be advised that the Sinclair Oil & Gas Company has decided to withdraw its application for exception to Rule 506 for the subject well and respectfully begs the Oil Conservation Commission to cancel the hearing scheduled and to strike Case No. 273 from its docket.

Very truly yours,


R. A. Wright
Division Superintendent

RAW-JPK:md

OIL CONSERVATION
COMMISSION
SANTA FE, N.M.
MAY 10 1951
RECEIVED



BEFORE THE
OIL CONSERVATION COMMISSION

May 22, 1951

TRANSCRIPT OF PROCEEDINGS
CASE NO. 273

E. E. GREESON
COURT REPORTER
UNITED STATES COURT HOUSE
TELEPHONE 2-0872
ALBUQUERQUE, NEW MEXICO

BEFORE THE
OIL CONSERVATION COMMISSION

May 22, 1951

Case No. 273: This is an application by Sinclair for an exception to Rule 506 of the Oil Commission Rules and Regulations for a high gas-oil ratio well known as Ollie Boyd No. 2, NW/4 NW/4 23-22S-37E.

(Notice of publication read by Mr. Graham.)

MR. SPURRIER: I want to read the following letter with regard to this case:

"SINCLAIR OIL & GAS COMPANY
P.O. Box 1470
Midland, Texas
May 4, 1951

Honorable R. R. Spurrier
Oil Conservation Commission
Box 871
Santa Fe, New Mexico

In re: Sinclair Oil & Gas Company's
Ollie Boyd No. 2 - NW/4 NW/4
Section 23, Township 22-S,
Range 37-E, Lea County, New Mexico

Dear Mr. Spurrier:

According to the Notice of Publication dated April 30, 1951, Case No. 273, in the matter of the application of Sinclair Oil and Gas Company for an order granting an exception to Rule 506 of the Rules and Regulations of the Oil Conservation Commission for its high gas-oil ratio well, Ollie Boyd No. 2, located NW/4 NW/4 Section 23, Township 22-S, Range 37-E, Lea County, New Mexico, is set for hearing on May 22, 1951, before the Oil Conservation Commission in the city of Santa Fe, New Mexico

Please be advised that the Sinclair Oil and Gas Company has

decided to withdraw its application for exception to Rule 506 for the subject well and respectfully begs the Oil Conservation Commission to cancel the hearing scheduled and to strike Case No. 273 from its docket.

Very truly yours,

/s/

R. A. Wright
R. A. Wright
Division Superintendent.

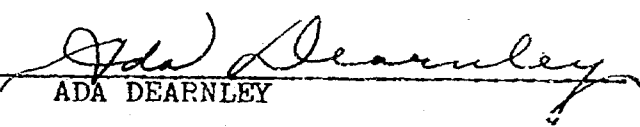
RAW-J BK:md"

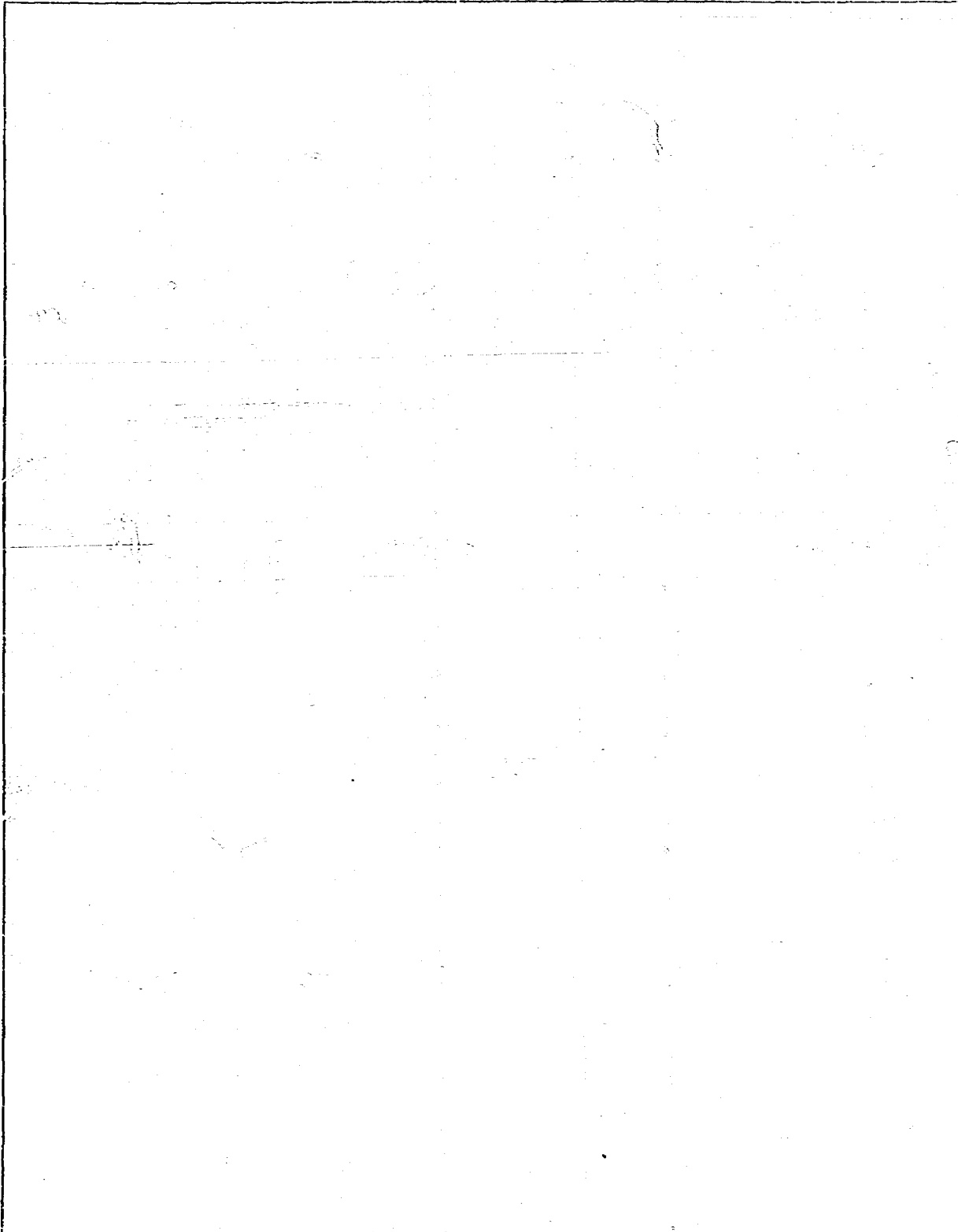
Does anyone have any comment on this case? Is anyone from the Sinclair Company here? Without objection, I will recommend to the Commission that the case be dismissed. If nothing further we will proceed with the next case.

STATE OF NEW MEXICO)
COUNTY OF BERNALILLO) SS

I HEREBY CERTIFY that the foregoing and attached transcript of hearing in Case 273 before the Oil Conservation Commission on May 22, 1951, at Santa Fe is a true record of the same to the best of my knowledge, skill and ability.

DATED at Albuquerque, this 5th day of June, 1951.


ADA DEARNLEY



E. E. GREESON
COURT REPORTER
UNITED STATES COURT HOUSE
TELEPHONE 2-0872
ALBUQUERQUE, NEW MEXICO

BEFORE THE OIL CONSERVATION COMMISSION
STATE OF NEW MEXICO
SANTA FE, NEW MEXICO

CASE NO. 273
ORDER NO. R-77

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

THE APPLICATION OF SINCLAIR OIL AND
GAS COMPANY FOR AN ORDER GRANTING
AN EXCEPTION TO RULE 506 OF THE RULES
AND REGULATIONS OF THE OIL CONSERVATION
COMMISSION FOR ITS HIGH OIL-GAS RATIO WELL,
OLLIE BOYD NO. 2 LOCATED REGULARLY IN
NW/4 NW/4 SEC. 23, T. 22 S, R. 37E, NMPM,
LEA COUNTY, NEW MEXICO.

ORDER OF DISMISSAL

BY THE COMMISSION:

This matter came on for hearing at Santa Fe, New Mexico, at 10 A. M.
on May 22, 1951, and upon motion of applicant for dismissal, the same
being well-taken,

It is therefore ordered that Case No. 273 be, and the same hereby is
dismissed, without prejudice.

DONE at Santa Fe, New Mexico, this 4th day of May, 1951.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

Edwin L. Mechem
EDWIN L. MECHEM, Chairman

GUY SHEPARD, Member

R. R. Spurrer
R. R. SPURRIER, Secretary

SEAL

Before the Oil Cons Com
State of New Mexico
Santa Fe, 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 273

Order no _____

The Applicant, Sinclair Oil
and Gas Company, for an
Order granting ^{an} exception
to Rule 506, of the Rules and Regulations
of the Oil Conservation Commission
for its high oil-gas ratio
well, Ollie Boyd No. 2 located
regularly in NW 1/4 Sec 23, T23S.
R. 37E N 1/4 Pm etc.

Order of Dismissal

By the Commission

This matter came on
for hearing at Santa Fe, New Mexico
at 10 o'clock AM on May 22, 1951,
and upon motion of applicant
for dismissal, the same being
well taken,

It is therefore Ordered that Case No 273
be and the same hereby is
dismissed, without prejudice
(over)

Done at Santa Fe New Mexico
this — day 9 May 1951

State of New Mexico
Oil Conservation Commission

Meekem
Harold
Spanner

Before the Oil Conservation Commission
State of New Mexico
Santa Fe - New Mexico

In the Matter of the Hearing
called by the Oil Conservation
Commission of New Mexico for
the purpose of Considering:

Case no 270

Order no

The Application of Phillips
Petroleum Company, for
an Order establishing
80 acre proration units
and providing for allowances
for the Wolf Camp Common
Source of Supply discovered
in Atlantic Refining Company's
Betty C Dickinson well No 1-B,
NW 1/4 Sec 12, Twp 15S, R 37E, Twp 15N
Lea County, New Mexico

Betty?

Order of the Commission

By The Commission: This matter came on for
hearing at 10:00 o'clock a.m. on the 28th day
of May - 1951 at Santa Fe, New Mexico, pursuant
to notice given the Oil Conservation Commission
of New Mexico, hereinafter referred to as the
"Commission", and the Commission having
heard the testimony adduced at said hearing
and being fully advised in the premises,

Finds

1. That due public notice having been given pursuant to law, and the rules & regulations of the Commission, the Commission has jurisdiction both of the subject matter and of the parties interested.

(2) That the probable productive limits of the Wolfcamp Common source of supply as discovered in Atlantic Refining Company's Betty C. Dickinson Well No. 1-13, ^{located in} ~~W. 1/4~~ Section 12, T. 15S. R. 37E 7 1/2 m p m, and further contributed by production from three other wells, are:

Trp. - 14 S. R. 37E, 7 1/2 m p m;
all Secs. 34, 35, & 36.

Trp. 15 S. R. 37E 7 1/2 m p m:
all Sections 1, 2, 3, 10, 11, 12,
13, 14, 15; and, 7 1/2 Sec 22,
7 1/2 Sec 23, 7 1/2 Sec 24.

(3) That a pool should be created described as aforesaid, classified as an oil pool, and named (~~Dickinson~~ Wolfcamp) for Wolfcamp production 8500' to 9500'.

Check this
Note reduce 100

4. That from limited exposure
of the Wolfcamp formation it appears
that a considerable pay zone is characteristic,
and that despite ^{any} shortage of tabular goods
the prospects for substantial production are
excellent.

5. That for orderly development, the prevention
of waste and protection of Correlative
Rights the area should be developed
upon the standard 40 acre spacing pattern.

It is therefore Ordered

(1) That a pool ^{be and it} ~~is~~ hereby
Created, ^{in Dickinson} described as:

Twp 14S. R 37E 7N PM:

all secs. 34, 35, 36.

Twp. 15S. R. 37E 7N PM:

all sections: 1, 2, 3, 10, 11, 12

13, 14, & 15. and

$\frac{1}{2}$ sec 22; $\frac{1}{2}$ sec 23 and

$\frac{1}{2}$ sec 24, ~~and~~

classified as an oil pool, and named
Dickinson-Wolfcamp.

(2) That that part of Phillips
Petroleum Company's application,
relating to 80 acre spacing
and production limits, be, and the
same hereby is denied.

Done at Santa Fe, New Mexico This
day 7 June, 1951

State of New Mexico
Oil Cons Comm

May 22

SINCLAIR OIL & GAS COMPANY

Hobbs, New Mexico

April 4, 1951

Mr. R. R. Spurrier
Oil Conservation Commission
Box 871
Santa Fe, New Mexico

In Re: Sinclair Oil and Gas Company's
Ollie Boyd No. 2 located in
NW-NW-23-22-37, Lea County, N.M.

Dear Sir:

Application is hereby made for an exception to Rule 506 for the above captioned well.

This well was originally completed as an oil well on Dec. 29, 1936 at a total depth of 3700' in the Grayburg formation. The well was produced from that depth until Feb. 26, 1947 when drilling was resumed to deepen it to 6470'. It was recompleted as an oil well in the Drinkard zone on April 21, 1947. During this deepening operation the following Drill Stem Tests were taken in the Paddock zone which was topped at 4995'.

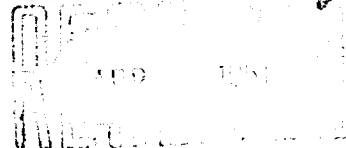
D.S.T. 4985-5060: Gas to surface in 2 min. with flow estimated at 8,000 MCF/day. Shut in pressure 1975 psi. Recovery 20' mud and distillate with SW.

D.S.T. 5046-5109: Gas to surface in 3 min. Flowed 5 bl. oil and 5 bl. SW in 1 hr. Shut in pressure 1850 psi.

D.S.T. 5116-5158: Gas to surface in 2 min. Shut in pressure 1900 psi. Recovery 30' oil, 210' oil cut mud, and 60' SW.

Due to an excessive Gas-Oil Ratio this well was subsequently penalized to 6 bbl. per day. On March 24, 1951, a bridging plug was set at 5140' to shut off the Drinkard zone and well was perforated at 5100-5105' and recompleted as a gas well in the Paddock zone. The present shut in pressure is 1705 psi and the well has been tested at 7500 MCF per day.

Although this well is located but 330' south of the defined limits of the Paddock pool it is our belief that it is in an isolated localized gas reservoir that is separate and not connected with the oil



Mr. R. R. Spurrier

-2-

April 4, 1951

reservoir of the Paddock pool. Our reasons for this contention are as follows:

1. Although the average producing depth of the entire Paddock pool is 5180', the nearest Paddock pool wells on Gulf Oil Corp.'s Hugh lease (N₂-14-22-37), are producing from 5030' and 5017' which indicates that the top of the oil zone slopes upward to the south. This is borne out by the fact that Sinclair's Boyd No. 2 encountered the top of the Paddock formation at 4995'.

2. Examination of records of Drinkard pool wells drilled on Samedan Oil Corporation's Parks lease (S₂-14-22-37) which is immediately north of Sinclair's Boyd lease, did not reveal any pays or shows in the Paddock zone. This suggests that there is a discontinuity of production in the Paddock zone between the Paddock pool proper and Sinclair's Boyd No. 2.

3. The average Bottom Hole Pressure for the south portion of the Paddock pool, as reported in New Mexico Oil and Gas Engineering Committee's Engineering Report for September, 1950, is 1340 psi, whereas the shut in pressure of Sinclair's Boyd No. 2 is 1705 psi. The average B.H.P. for the entire Paddock pool is 1299 psi and the B.H.P. map shows a rather uniform pressure distribution which indicates good continuity to all portions of the pool. The excess B.H.P. found in Sinclair's Boyd No. 2 further substantiates the contention that it is a separate reservoir.

In view of the foregoing it is our opinion that the production of gas from Sinclair's Ollie Boyd No. 2 gas well, would not effect the ultimate recovery of oil from wells in the Paddock pool. With this belief we respectfully request that this well be granted an exception to Rule 506.

Very truly yours,

SINCLAIR OIL AND GAS COMPANY

By John P. Hammett
John P. Hammett

District Engineer

cc: A.L. Porter, Hobbs, N.M.
R.A. Wright, Midland, Tex.
file

AFFIDAVIT OF PUBLICATION

State of New Mexico,
County of Lea.

Robert L. Sumner
Publisher

Of the Hobbs Daily News-Sun, a daily newspaper published at Hobbs, New Mexico, do solemnly swear that the clipping attached hereto was published once a week in the regular and entire issue of said paper, and not in a supplement thereof for a period of

One time
weeks.

beginning with the issue dated

April 30 1951

and ending with the issue dated

April 30, 1951

Robert L. Sumner
Publisher.

Sworn and subscribed to before

me this *30* day of

April, 19*51*

Notary Public.

Betty Beal
My commission expires

January 25, 1953
(Seal)

This newspaper is duly qualified to publish legal notices or advertisements within the meaning of Section 3, Chapter 167, Laws of 1937, and payment of fees for said publication has been made.

LEGAL NOTICE

April 30, 1951

NOTICE OF PUBLICATION STATE OF NEW MEXICO OIL CONSERVATION COMMISSION

The State of New Mexico by its Oil Conservation Commission hereby gives notice pursuant to law and the Rules and Regulations of said Commission promulgated hereunder, of the following public hearing to be held May 23, 1951, beginning at 10:00 A. M. on that day in the City of Santa Fe, New Mexico, in the Council Chamber of the City Hall.

STATE OF NEW MEXICO TO:
All named parties in the following cases and notice to the public:

CASE 272

In the matter of the application of the Oil Conservation Commission of New Mexico, upon its own motion, for the designating of new pools, or extension of various pools listed as follows:

(a) Magnolia Petroleum Company for an order designating a new pool for or the inclusion within an existing pool of a well identified as Magnolia No. 1 State "A", 2310 feet from the south line and 990 feet from the west line section 32, T. 19 S, R. 27 E, N.M.P.M., Eddy County, New Mexico.

(b) Lawton Oil Corporation for an order designating a new pool for or the inclusion within an existing pool of Lawton, Goldston State A-1, 660 feet from the south and east lines section 30, T. 15 S, R. 33 E, N.M.P.M., Lea County, New Mexico.

CASE 273

In the matter of the application of Sinclair Oil and Gas Company for an order granting an exception to Rule 506 of the Rules and Regulations of the Oil Conservation Commission for its high gas-oil ratio well, Ollie Boyd No. 2, located regularly in the NW/4NW/4 section 23, T. 22 S, R. 37 E, N.M.P.M., and not within the exterior boundaries of the adjacent Pad-dock pool, Lea County, New Mexico.

CASE 274

In the matter of the amended application of Cities Service Oil Company to dually complete and produce its State "S" No. 3 and "S" No. 4 wells located in S/2NW/4 section 15, T. 21 S, R. 37 E, N.M.P.M., in the Brunson-Hare pool, Lea County, New Mexico, in the McKee sand and Ellenburger lime, common sources of supply, or in the alternative to authorize the transfer of allowables between said wells in said common sources of supply.

CASE 275

In the matter of the amended application of Tide Water Associated Oil Company to dually complete and produce its State "S" No. 4 and State "S" No. 5 wells located in the N/2NW/4 section 15, T. 21 S, R. 37 E, N.M.P.M., Lea County, New Mexico, in the McKee sand and Ellenburger lime, common sources of supply, or in the alternative to authorize the transfer of allowables between said wells in said common sources of supply.

GIVEN under the seal of the Oil Conservation Commission of New Mexico, at Santa Fe, New Mexico, on this 23d day of April, 1951.

(SEAL)

STATE OF NEW MEXICO
OIL CONSERVATION
COMMISSION
R. R. SPURRIER,
Secretary

OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO.

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