Casa Mo.

1016, 1017

Application, Transcript, 5 mall Exhibits, Etc.

CASE 1017: Sinclair application for order establishing Dean-Pennsylvanian Pool & uniform 40-acre well spacing in said pool.

The Book of the second of the second

BEFORE THE OIL CONSERVATION COMMISSION OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE APPLICATION OF SINCLAIR OIL & GAS COMPANY FOR AM ORDER AUTHORIZING THE DUAL COMPLETION OF WELLS IN THE DEVONIAN COMMON SOURCE OF SUPPLY AND THE PENNSYLVANIAN COMMON SOURCE OF SUPPLY UNDERLYING THE EN NET AND SET OF SECTION 34, ALL OF SECTION 26 AND 35, TOWNSHIP 15 SOUTH, RANGE 36 EAST AND LOTS 1 THROUGH 8, SECTION 5 AND LOTS 1, 2, 7 and 8 OF SECTION 6, TOWNSHIP 16 SOUTH, RANGE 37 EAST, LEA COUNTY, NEW MEXICO

CAUSE	мо	1019
FILED	_	
HEARIN	16 SET	

APPLICATION

Comes now Sinclair Oil & Gas Company and respectfully shows to the Oil Conservation Commission as follows, to-wit:

1. That Applicant is the owner of oil and gas leases within the following described area, to-wit:

East Half of Northeast Quarter (E\ NE\) and Southeast Quarter (SE\) of Section Thirty-four (34), all of Section Twenty-six (26) and Thirty-five (35), Town-ship Fifteen (15) South, Range Thirty-six (36) East, and Lots One through Eight (1 through 8) of Section Five (5) and Lots One, Two, Seven and Eight (1, 2, 7 and 8) of Section Six (6), Township Sixteen (16) South, Range Thirty-seven (37) East, Lea County, New Mexico.

- 2. That Applicant has heretofore completed its J. P. Dean Well No. 1, located in the Southeast Quarter of Southwest Quarter (SE_{4}^{1} SW_{4}^{1}) of Section 35, Township 15 South, Range 36 East, at a total debth of 13,910 feet; that said well encountered the Pennsylvanian common source of supply between 11,429 feet and 11,530 feet below the surface and the Devonian common source of supply between 13,600 feet and 13,725 feet below the surface; that said well is capable of producing oil from both of said formations.
- 3. Applicant further states that the entire area covered by this application is underlain by both the Devonian and Pennsylvanian common source of supply at the approximate depths as those encountered in its J. P. Dean Well No. 1; that it costs approximately Three Hundred Five Thousand Dollars (\$305,000.00) to drill and complete a well to the Devonian common source of supply and equip same for production; that it costs approximately Two Hundred Fifty Thousand Dollars (\$250,000.00) to drill a well to the Pennsylvanian common source of supply and complete same for production; that one well can be dually completed to produce oil from both common sources of supply at an approximate cost of Three Hundred Thirty-eight Thousand Five Hundred Dollars (\$338,500.00).
- 4. That Applicant proposes to dually complete wells into said common sources of supply by using parallel strings of tubing in each hole, one string of tubing to each common source of supply,

and further states that such method of dually completing a well for two separate common sources of supply productive of oil is mechanically feasible, will result in separate production and reporting from each common source of supply and will not result in any oil being left in the ground in either source of supply that could be produced by separate wells.

- 5. That Applicant proposes that any well within the above described area capable of producing from the Devonian common source of supply and the Pennsylvanian common source of supply may be dually completed without the necessity of the operator thereof appearing before the Commission at a separate hearing with respect to each such dual completion upon said operator furnishing to this Commission the following data:
 - a. Diagrammatic sketch of dual completion installation.
 - b. An electric log of the subject well or a type electric log showing clearly thereon the subsurface location of the separate reservoirs claimed.
 - c. Affidavit of packer setting upon form prescribed by the Commission.
 - d. Packer leakage test upon form prescribed by the Commission.
 - e. Either waiver of offset operator or evidence that notice of such dual completion has been given to said operators.

PROVIDED that upon a determination by an operator to dually complete a given well, notice of such shall be given by registered mail to all offset operators and to the Conservation Commission and if any offset operator shall, within ten days from the date of receipt of said notice, file in writing with the operator giving said notice, an objection to such dual completion with a copy of such objection going to the Conservation Commission, or if the Commission, on its own motion, shall determine that a hearing should be held, then and in such event the operator desiring to dually complete the well shall file a separate application with the Conservation Commission and cause notice thereof to be given as required by law and thereafter a hearing will be conducted with respect to such application. In the event, however, that no objection is filed by any operator within the time allowed and the Commission does not determine that a hearing should be held concerning said proposed dual completion, then the operator desiring to dually complete said well as herein set forth may proceed with such dual completion and furnish forthwith to the Commission the data set forth above.

Applicant further proposes that it be provided that any well dually completed hereunder shall be so equipped that there will be no commingling of the production from the formations in the well and the production from each of said formations shall be separately stored and measured on the lease in such a manner that the pipe line company or purchaser can separately identify the production from each of said formations and separately report the same to the Conservation Commission.

Further, that the operator shall notify the Conservation Commission of the date of dual completion so that tests may be made and allowables figured by the Commission and that each well

dually completed hereunder shall be operated in such a manner that no detriment or damage will be done to either of said common sources of supply or to any other oil, gas or fresh water bearing formation.

WHEREFORE, applicant prays that this matter be set down for hearing, that notice thereof be given as required by law and that upon final hearing this Commission enter its order permitting the dual completion of wells in the Devonian formation and the Pennsylvanian formation common sources of supply.

SINCLAIR OIL & GAS COMPANY

Βv

N. J. Harben

mes ii. medonaii

- Its attorneys

CERTIFICATE

STATE OF OKLAHOMA) ss

JAMES H. McGOWAN, of lawful age, being first duly sworn, deposes and says:

That on the 23rd day of January, 1956, he mailed a copy of this application to all parties appearing of record to own any leasehold interest within the area covered hereby.

Further affiant sayeth not.

James H. McGowan

Subscribed and sworn to before me this 23rd day of January, 1956.

My commission expires:

Jany 30 - 1959

Notary Public Payton

DEARNLEY-MEIER AND ASSOCIATES

Ada Dearnley · Marianna Meier · Juanita Godding Phorman Moody · Amado Trujillo

605 SIMMS BUILDING . P. 6956 1 1077 . ALBUQUERQUE, NEW MEXICO . Phone 3-6691



STENOTYPE REPORTERS

- CONVENTIONS
- COURT PROCEEDINGS
- DEPOSITIONS
- HEARINGS
- STATEMENTS

NOTARIES PUBLIC

Momber: NSRA, ASA, SWSRA

ada Sicked harvanist up 5-28-56 B.P.

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

Attention: Bobby Postlewaite

Dear Bobby:

We have received an order for a copy of the transcript of proceedings of cases No. 1016 & 1017 Consolidated.

We would appreciate your forwarding to us one of your copies, which will be returned to you as soon as possible.

Sincerely yours,

DEARNLEY-MEIER & ASSOCIATES Incorporated

AD/bh

DEARNLEY-MEIER AND ASSOCIATES

Ada Dearnley • Marianna Mejer • Juanita Godding • Thurman Moody • Amado Trujillo
605 SIMMS BUILDING • P.O. Box 1092 • ALBUQUERQUE, NEW MEXICO • Phone 3-6691



STENOTYPE REPORTERS

- CONVENTIONS
- COURT PROCEEDINGS
- DEPOSITIONS
- HEARINGS
- STATEMENTS

NOTARIES PUBLIC

Member: NSRA, ASA, SWSRA

May 9, 1956 Sent 5 hip

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

Attention: Bobby Postlewaite

Dear Bobby:

We would appreciate it very much if you would send us a copy of Cases 1016 and 1017.

Sincerely,

DEARNLEY-MEIER & ASSOCIATES Incorporated

By Cola Acardens

AD/bh

SINCHAIR OHI & GAS COMPANY

FAIR SUILDING

FORM MARAMATANA

LEGAL DEPARTMENT

January 30, 1956

New Mexico Oil Conservation Commission Box 871 Santa Fe, New Mexico

In re: Application of Sinclair Cil & Gas Company for an order establishing the Dean-Pennsylvanian Pool in Lea County, New Mexico, and establishing a uniform 40-acre well spacing in said pool. Case No. 1017

Gentlemen:

Sinclair Oil & Gas Company, the applicant in the above entitled case, desires to withdraw its application for an order establishing the Dean-Pennsylvanian Pool in Lea County, New Mexico and establishing a uniform 40-acre well spacing in said pool and by this letter requests that the above captioned case be dismissed.

A copy of this request has been forwarded to all interested parties named in the application.

Yours very truly,

Division Attorney

NJH-ms

OIL CONSERVATION COMMISSION P. O. BOX 871

SANTA FE, NEW MEXICO

March 20, 1956



Mr. Mat J. Harben Sinclair Oil & Gas Company 1103 Fair Building Fort Worth, Texas

Dear Sir:



We enclose a copy of Order R-757 issued Harch 14, 1955, by the Oil Conservation Commission in Case 1017, which was heard on February 15th.

Very truly yours,



W. B. Macey Secretary - Director

WBM: brp Encl.

DEFORE THE CIL 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. 1017 Order No. R-757

THE APPLICATION OF SINCLAIR OIL AND GAS COMPANY FOR AN ORDER CALLING FOR THE CREATION OF THE DEAM-PENNSYLVANIAN POOL IN LEA COUNTY, NEW MEXICO, SAID POOL CONSISTING OF ALL OF SECTION 26, ALL OF SECTION 35, E/2 OF THE HE/4 AND THE SE/4 OF SECTION 34, TOWNSHIP 15 SOUTH, RANGE 36 EAST, NMPM, AND LOTS 1, 2, 3, 4, 5, 6, 7 & 8, OF SECTION 5, LOTS 1, 2, 7 & 8 OF SECTION 6, TOWNSHIP 16 SOUTH, RANGE 37 EAST, NMPM, LEA COUNTY, NEW MEXICO, AND THE ESTABLISHMENT OF SPECIAL BULES FOR SAID POOL REGARDING THE SPACING AND LOCATION OF WELLS DRILLED THEREIN.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on February 15, 1956, at Santa Fe, New Mexico, before the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission".

MOW, on this day of March 1956, the Commission, a quorum being present, having considered the testimony presented and the exhibits received at said hearing and being fully advised in the premises,

FINDS:

- (1) That due public notice having been given as required by law, the Commission has jurisdiction of this cause and the subject matter thereof.
- (2) That the original application for and the legal advertisement of Case No. 1017 called for the creation of the Dean-Pennsylvanian Pool in Lea County, New Mexico, and the establishment of pool rules regarding the spacing and location of wells in said pool. That applicant, by means of an amended application filed February 2, 1956, and a motion presented at the hearing of Case 1017, moved that that portion of the original application pertaining to said pool rules be dismissed, and that only that portion of the application concerning the creation of the Dean-Pennsylvanian Pool be considered.

- (3) That there is need for the creation of a new pool in Lea County, New Mexico, for the production of oil from the Pennsylvanian formation, said pool to bear the designation Dean-Pennsylvanian Pool. Said Dean-Pennsylvanian Pool was discovered by Sinclair Oil and Gas Company, State 735 Mg. 1, located in the SW/4 of the NE/4 of Section 26, Township 15 South, Range 36 East, NMPM. It was completed December 4, 1956. The top of the perforations is at 11,560°.
- (4) That evidence presented at said hearing indicates that the horizontal limits of said Dean-Pennsylvanian Pool should be somewhat different from the horizontal limits of the pool as set forth in applicant's application.

IT IS THEREFORE ORDERED:

- (a) That the portion of the application in regard to the establishment of pool rules for the proposed Dean-Pennsylvanian Oil Pool, be and the same is hereby dismissed.
- (b) That a new pool in Lea County, New Mexico, classified as an oil pool for Pennsylvanian production be, and the same is hereby created and designated as the Dean-Pennsylvanian Pool, consisting of the following described area:

TOWNSHIP 15 SOUTH, RANGE 36 EAST SW/4 SW/4 Section 25; All Section 26; E/2 NE/4 and SE/4 Section 34; All Section 35, NW/4 Section 36;

TOWNSHIP 16 SOUTH, RANGE 37 EAST Lots 1, 2, 3, 4, 5, 6, 7 & 8 of Section 5; Lot 1 of Section 6;

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

STATE OF NEW MEXICO OIL CONSERVATION COMMISSION

JOHN F. SIMMS, Chairman

71

E. S. WALKEN, Member

W. B. MACEY, Member and Secretary

IN THE MATTER OF THE APPLICATION OF SINCLAIR OIL & GAS COMPANY FOR AN ORDER ESTABLISHING UNIFORM SPACING OF WELLS COMPLETED IN THE PENNSYLVANIAN FORMATION IN THE AREA OF SINCLAIR'S WELL NO. 1, STATE LEASE NO. 735, AND CERTAIN LANDS ADJACENT THERETO, LEA COUNTY, NEW MEXICO

CASE NO.	<u> 1017 -</u>
ORDER NO.	

APPLICATION

Sinclair Oil & Gas Company makes this application for an order establishing uniform spacing of wells in the area of Sinclair's Well No. 1, State Lease No. 735, which well is located in the center of the SW/4 of the NE/4, Section 26, Township 15 South, Range 36 East, Lea County, New Mexico, and certain lands adjacent thereto in Lea County, New Mexico, and in support of said application will show the Commission as follows:

I.

Sinclair Oil & Gas Company is the operator of an oil well recently completed in the Pennsylvanian formation located in the center of the SW/4 of the NE/4 of Section 26, Township 15 South, Range 36 East, Lea County, New Mexico, and that said well was completed through casing perforations from 11,560 feet to 11,600 feet.

II.

It appears from the information obtained from the drilling of the aforesaid well, and other wells in the area, that the Pennsylvanian formation will probably be productive of oil under the following described land:

Township 15 South, Range 36 East
All of Section 26
All of Section 35
East 1/2 of NE/4 of Section 34
SE/4 of Section 34

Township 16 South, Range 37 East

Lots 1, 2, 3, 4, 5, 6, 7 and 8 of Section 5

Lots 1, 2, 7 and 8 of Section 6

the aforesaid area being outlined in red on a plat attached to this application.

 \mathbf{III}_{ullet}

It is requested that an order be entered establishing a uniform spacing of wells in the aforesaid area completed in the Pennsylvanian formation and that wells drilled in said area be required to be drilled in the center of 40-acre tracts which are substantially in the form of a square that is a legal subdivision of the United States Land Surveys or on a governmental quarter quarter section or lot, with a tolerance allowance of 200 feet in any direction from the center of said 40-acre tract when such tolerance is necessary in order to avoid structures or natural obstructions, except that those wells drilled on lots containing more than 40 acres may be located 660 feet from the

IV.

Such spacing of wells as herein requested will insure orderly development of said area, protect correlative rights and prevent possible waste providing same is developed on a 1:0-acre spacing pattern with the wells to be drilled in the center of said tracts with the tolerance of 200 feet hereinabove referred to.

V.

All wells drilled or drilling to or through the Pennsylvanian formation at the time of the filing of this application which are not in compliance with the spacing herein referred to should be excepted from the order herein applied for.

VI.

In order to give interested operators advance notice of this application, a copy thereof has been mailed to the following:

Magnolia Petroleum Company P. O. Box 727 Kermit, Texas

Humble Oil & Refining Company P. O. Box 1600 Midland, Texas

Ohio Oil Company P. O. Box 552 Midland, Texas

Atlantic Refining Company P. O. Box 871 Midland, Texas Gulf Oil Corporation P. O. Box 2167 Hobbs, New Mexico

Tide Water Associated Oil Company P. O. Box 1104 Houston, Texas

Cities Service Oil Company P. O. Box 97 Hobbs, New Mexico

who are all of the parties interested in this application so far as is known to this applicant.

WHEREFORE, Sinclair Oil & Gas Company, the applicant herein, prays that this Commission set this application for a public hearing and that notices be issued according to law, and that upon the hearing here-of that this application be in all things granted.

SINCLAIR OIL & GAS COMPANY

Rire

TWO TO

Juguar G

Attorneys for applicant, Sinclair Oil & Gas Company

1103 Fair Building Fort Worth, Texas

CKETT	ــــــــــــــــــــــــــــــــــــــ	<i>E</i> 4/// =			
		E. AULT			LEEMAN
GUI.F	HUMBLE	HU	HUMBLE		S.O. & G. 636
					:
			-	8	U.S.
	<i>w = 1</i> ,=				
	K.E. AULT	ST	ATE		STA
HUMBLE 28	HUMBLE	ОН	10 27	MAGNOLIA	SO.8 G. 413
	•				
		5 2.5.2		- !	
		PACIFIC V	VESTERN		
C.L. AULT, of al	AULT	05/	DEAN		
MID - WEST	HUMBLE		MAGNOLIA		TIDE WATER
					TIDE WATER
			CONE	CONE	
		MID - CO	NTINENT		
W.E. SUMRULD	W.E. SUMRULD	STA	TE		<i>ST</i> .
GULF 33		ОНІ	34	ОНЮ	S.Q.8 G. *413
				,	
				A.C. DEAN	
		JR D	AN		
1		J.R. D.	<u> </u>		

	l	1				l
	BR. AMER.	LOS NIETOS				i
VONES				-	Mc CI	RARY
GULF	К	UMBLE.	1		GUL	.F
			!		k	
SO & G 735 1/2 DAN AULD 1/2			LOS NIETOS			
TE		sr	ATE		J. HAM	ILTON
SOAG 735 1/2 GULF 26	MID - CONT.	LOS NIETOS	MID CONT.	LOS 25		GULF
	MA	AGNOLIA	LOS NIETOS	GULF	:	
					J. HAN	MILTON
HUMBLE "AJ"	GULF	MID	- CONT.	LOS NIETOS	M. FEAT	HERSTO
					15 <i>J. HAM</i>	ILTON
Ø ¹			MID-C	ONTINENT		KELLY
TE .		S	TATE		W.R.	DEAN
SINCLAIR * 396 35	(Ø	S.O.&G [#] 7 OHIO DAN AUL	'58	36	SKELLY	
	HU	MBLE				

		NV	10 'B'			
	A.C. DEAN			•		
S.Q.B.G. 413	отно	45	1НО		55	enre
15		31	115	M'E' SUMBULD	070	W.E. SUMR
		*				
		NTINENT	WID-COI			
	3NOJ	ZNOO				
RETAW BOIT	÷	AIJONDAM	RESTAW BOIT	номоге	1	MID - MES
		PACIFIC WESTERN		1708	C.L. AULT, et al	
EIP 9808	MAGNOLIA	72 0	НО	HOMBLE	28	HOMBLE
715		311	115	LTOW 3'X		-
.2.0					*	
929 9 8 0 5	MID - CONT	явге	NUH	номвге		GULF
NWW337	NVW337		17/10	X.E	-	CKELL
	js.***			•		

					,
	BR. AMI	R. LOS NIETOS			
VONES					Mc CRARY
GULF		HUMBLE			GULF
SOR G 735 1/2 DAN AULD 1/2			LOS NIETOS	7	
TE		S7	 47 <i>E</i>		J. HAMILTON
SO&G 735 1/2 GUL DAN AULD 1/2	F 26. MID - CON			LOS 25 NIETOS	GULF
		MAGNOLIA	LOS NIETOS	GULF	
- LUMBI F			:		J. HAMILTON
HUMBLE "AJ "	GULF	MID ·	- CONT.	LOS NIETOS	M. FEATHERSTO
⊘ ¹			MID-CO	DNTINENT	S SKELLY
E SINCLAID * 700	7.5		ATE		W.R. DEAN
SINCLAIR # 396	3 5 <u>@</u>	S.O.&G [#] 75 OHIO DAN AUL(36	SKELLY
	H	UMBLE			
		*****			!

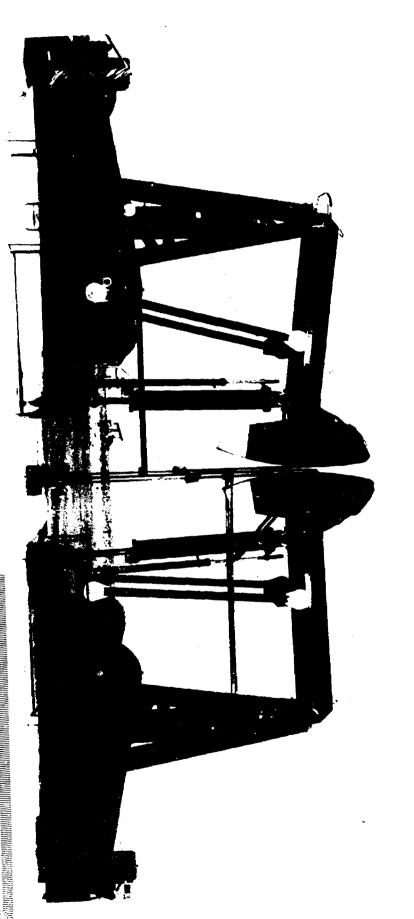
OH CONS STATE WASSION
SETTLE FOR MEN WASCO
SETTLE FOR MEN WASCO
AND SERVICE FOR MEN WASCO

SINCIAIR OIL & GAS COMPANY DEAN DEVONIAN and PENNSYLVANIAN POOLS NAXIMEN PURPING RATES

Type Redet Bothlehem Type k3 Rated k5,000 pei working stress Type Unit: Bothlehem ChCB - B343 - 192

Sobting Ropth	13,5001	12,5001	9,5001	7,500°	7,500
Sine Tubing, Inches Sine Red String, Inches	1 1/4 7/8-3/4-5/8	2* 1 1/4 7/8-3/4-5/8	11/4 7/8-3/4-5/8	1 1/2 7/8-3/4	7/8-3/4
length Stroke, Inches	19 t 7	192	192	192	9 1/2
Finis Lead, Dec. led Lead, Dec. I Implie Pertor, Lie.	5,387 20,871 23,689 29,076	4,509 17,779 21,690 26,279	3,791 14,687 19,534 23,325	13,765 15,254 22,599	6,163 13,660 17,293 23,686
feek Red Land, Lba. Sounter Balance, Lba.	23,571	20,079	16,587	15,878	17,005
Peak Torque, in lie.	528,480 48,355	595,200 k3,70k	646,848 36,791	37,517	39,375
Inpulse Factor	1.135	1,22	1.33	1.33	1.245
Overtravel, Inches	38	45	16	29	22. 1/2
Rod Stretch	79"	57 1/2"	39 ⁿ	26ª	m.
	151	179 1/2	199	193	172 1/2
Plunger Travel, inches	15h	235	3 19	hls	ŠÔĮ

OIL CONSTRUCT THE OF MISSION OSAMIA, FE, MININ MEXICO SAME TO THE OF THE OFFICE OFFICE



CONTRACTOR SERVICE STATES ON SERVICE H THE NO.

SINCLAIR OIL & GAS COMPANY

H. M. FOED NO. 2

PARKER WOLFCAMP AND PENNEYLVANIAN PROLE
WOLFCAMP 8623-8651. PEMP © 85001

BAKER WODEL D PACKER © 90101

BAKER WODEL D PACKER © 90101

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

January 3, 1956



Mr. Nat J. Harben Sinclair Oil & Gas Company Fair Building Fort Worth, Texas

Dear Sir:

Your application for uniform spacing in the Pennsylvanian formation in the area adjacent to your No. 1 State 735 Lease was received in this office this morning.

I have found that I am unable to get the members of the Commission together for a hearing prior to the February 15th statewide hearing, and, therefore, we will be unable to set your application for hearing prior to that date.

Very truly yours,

W. B. Macey Secretary - Director

WBM:brp

SINGLAIR OIL & GAS COMPANY

FAIR BUILDING

FORTWORTH, TEXAS

LEGAL DEPARTMENT

December 30, 1955

New Mexico Oil Conservation Commission Box 871 Santa Fe, New Mexico

> Re: Application of Sinclair Oil & Gas Company for an order establishing uniform spacing of wells completed in the Pennsylvanian formation in the area of Sinclair's Well No. 1, State 735 Lease, and certain lands adjacent thereto, Lea County, New Mexico.

Gentlemen:

Enclosed are three copies of an application of Sinclair Oil & Gas Company for an order establishing uniform spacing of wells completed in the Pennsylvanian formation in the area of Sinclair's Well No. 1, State Lease 735, and certain lands adjacent thereto, in Lea County, New Mexico. It will be greatly appreciated if you will issue the required notices and set the application for hearing.

Yours very truly,

Nat. J. Harben, Bivision Attorney

NJH-ms

Encl.