# REPOILED OIL COMPANSION COMMISSION

SINCLAIR BUILDING

### TUILSA, OKILAHONIA

JUN 29 1948

Box 1470 Midland, Texas June 28, 1948

Graham

(2 mare copies 3)

New Mexico Cil Conservation Commission Santa Fe, New Mexico

Gentlemen:

Repollo Oil Company respectfully petitions the Oil Conservation Commission of New Mexico for a hearing upon its application heretofore filed on the 25th day of May, 1948, for bonus discovery allowable under the Commission's Order No. 573, for and in respect of applicant's Well No. 5, Phillips "A" lease, located in the SW/4 of the SW/4 of Section 31, Township 19 South, Range 37 East, N.M.P.M., Lea County, New Mexico.

Jaid well was completed May 21, 1948 as a productive oil well, flowing 402 barrels of oil through a 34/64" choke in nine hours, through perforations from 5695 to 5715 feet from the surface.

Said well has been continuously producing at the rate allowed by the rules and regulations of the Commission, from the date of completion. At the time of said completion on May 21, 1948, there was no well producing oil from the same horizon in commercial quantities within two miles of applicant's completed well, and since said time there has been no well within two miles of applicant's well producing oil in commercial quantities from said horizon.

Applicant shows that on account of the depth of said horizon from which its well is commercially productive of oil, as aforesaid, it is entitled to 28,475 barrels of oil as the discovery allowable, and it prays that such allowable be granted to it.

REPOLLO OIL COMPANY Assistant Division Engineer

GHG/lm



SINCLAIR BUILDING

# Tullsa, Okilahonia

Box 1470 Midland, Texas July 7, 1948

No. 153

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29,5 ?

New Mexico Oil Conservation Commission Santa Fe, New Mexico

Gentlemen:

Attached are two additional copies of Repollo Oil Company's request for a hearing on their application for bonus discovery allowable on Phillips "A" lease, Well #5, as per your letter dated June 30, 1948.

Yours very truly,

REPOLLO OIL COMPANY

By Assistant Division Angineer

GHG/lm

# STATE OF NEW MEXICO OFFICE OF STATE GEOLOGIST SANTA FE, NEW MEXICO

30 June 1948

Mr. G. H. Gray Asst. Division Engineer Repollo Oil Company Midland, Texas

Dear Mr. Gray:

C O

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With reference to your application for a hearing on your discovery well, this is to advise you that only one copy was received and it is necessary that you file three.

Your case will be set for hearing as soon as possible, and we shall advise your company as to date.

Very truly yours,

RRS:bsp

Artesia, New Mexico

Box 517

June 15, 1948

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

Dear Sir:

The New Mexico Nomenclature Committee has voted to recommend to the Oil Conservation Commission that a new pool be created to be designated the "Monument-Blinebry" Pool and to embrace the following described acreage: All of Sec. 36-195-36E; all of Sec. 31-195-37E; all of Sec. 1-205-36E., and all of Sec. 6-205-37E., N.M.P.M., Lea County, New Mexico.

The pay zone of the Pool is a zone of porosity in the Yeso formation commonly referred to as the "Blinebry Zone". In this Pool it occurs at an approximate depth of 5650° and is separated from the productive zone of the overlying Monument-Paddock Pool by approximately 400° of vertical interval.

Yours very truly,

/s/ Wilton E. Scott Wilton E. Scott, Chairman Nomenclature Committee

LEA COUNTY OPERATORS COMMITTEE HOBBS, NEW MEXICO June 16 1948 16 July

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MAY 27 1948	
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Box 1470 Midland, Texas Nay 25, 1948

Oil Conservation Commission State of New Mexico Santa Fe, New Mexico

Attention Mr. R. R. Spurrier Secretary

Gentlemen:

Attached please find Repollo Gil Company's application for a bonus discovery allowable on their J. R. : hillips "A" Well #5, which was drilled in the old Monument Field to a total depth of 5720'.

The attached data, we believe, warrants a bonus discovery allowable for this well.

Yours very truly,

G. H. Gray

GHG/1m

Grig. & 3 cc: Vil Conservation Commission, Santa Fe, New Nexico cc: H. J. Summy, Repollo Oil Co., 901 Fair Bldg., Ft. Worth, Texas W. H. Cain, Repollo Oil Co., Box 521, Tulsa, Oklahoma C. S. Mose, Repollo Oil Co., Box 1470, Midland, Texas W. B. thees, Repollo Oil Co., Box 1427, Hobbs, New Mexico

# NEW & XICO OIL CONSERVATION COMM

#### Santa Fe, New Mexico

# MISCELLANEOUS NOTICES

Submit this notice in triplicate to the Oil Conservation Commission or its proper agent before the work specified is to begin. A copy will be returned to the sender on which will be given the approval, with any modifications considered advisable, or the rejection by the Commission or agent, of the plan submitted. The plan as approved should be followed, and work should not begin until approval is obtained. See additional instructions in the Rules and Regulations of the Commission.

Indicate nature of notice by checking below:

NOTICE OF INTENTION TO TEST CASING SHUT-OFF	NOTICE OF INTENTION TO SHOOT OR CHEMICALLY TREAT WELL
NOTICE OF INTENTION TO CHANGE PLANS	NOTICE OF INTENTION TO PULL OR OTHERWISE ALTER CASING
NOTICE OF INTENTION TO REPAIR WELL	NOTICE OF INTENTION TO PLUG WELL
NOTICE OF INTENTION TO DEEPEN WELL	Application for Bonus Discovery Allowable
Midland, Tex	As May 25, 1948 Place Date
OIL CONSERVATION COMMISSION, Santa Fe, New Mexico.	<b>.</b>
Gentlemen:	
Following is a notice of intention to do certain work as descr <u>Repollo Oil Company</u> J. R. Phil	
Company or Operator Lease	
of Sec. 31, T. 195, R. 37E, N	I. M. P. M., <u>New Field</u> Field,
County.	
FULL DETAILS OF PROP	
FOLLOW INSTRUCTIONS IN THE RULES A	
Repollo Oil Company's J. R. Phillips "A" We $5\frac{1}{2}$ " OD casing set at 5719', casing perforat depth is 5720'.	ell #5 with a surface elevation of 3582', ed from 5695' to 5619', and the well's total
This well is producing from 5695' to 5720' producing wells are The Texas Company's J. J. R. Phillips #5 which are producing from	R. Phillips #5 and Amerada Petroleum Company's
	ble for Repollo Oil Company's J. R. Phillips from the Blineberry "pay" within a radius of the attached data.
W.H. Cain, Repollo Oil Co., E C. S. Rose, Repollo Oil Co., W. B. Rhees, Repollo Cil Co.,	901 Fair Bldg., Fort Worth 2, Texas Jox 521, Tulsa, Oklahoma Box 1470, Midland, Texas Box 1427, Hobbs, New Mexico
Approved, 19	Repollo Oil/Company Company or Operator
except as follows:	MAT MARIN
	By UN + may
	Position <u>Division Engineer</u>
	Send communications regarding well to
OIL CONSERVATION COMMISSION,	Name G. H. Gray
By	Address Repollo Oil Company
Title	Box 1470, Midland, Texas

A drill stem test was made in the Paddock "one. The test was from 5215' to 5251', open 1 hour and 20 minutes. There was a slight blow of air throughout the test and recovery was 110' of drilling fluid cut with gas and sulphur water and a small show of oil.

After this test the well was drilled deeper until porosity and staining was encountered. A drill step test was made from 5529' to 5570', open 3 hours. There was a slight blow of hir throughout test with recovery of 40' of drilling fluid with show of oil and gas. Another drill stem test was made from 5570' to 5605', open 3 hours with small blow of air throughout the test with recovery of 93' of drilling fluid cut with gas and sulphur water.

Better porosity was found from 5690' to 5720' and a drill stem test was made from 5679' to 5720', open 1 hour and 30 minutes. It had gas to surface in 3 minutes, mud in 7 minutes and oil in 10 minutes and flowed 65 barrels oil in 1 hour.

Completion - Flowing 402 bbls. oil thru 3/4" choke in 9 hours thru perforation 5695' to 5715', 5-21-48. In this well there is a vertical interval of 444' from the base of the Paddock zone to the top of the Blineberry zone.

Bottom hole pressure was ran on this well and found to be 2273 p.s.i.g. at -2100' ss, 5-24-48.

#### Amerada Petroleum Corporation - J. R. Phillips Well #5

Froducing from 5180' to 5200' and from 5215' to 5218', Paddock "pay".

#### The Texas Company - J. R. Phillips Well #5

Froducing from 5130' to 5220', Faddock "pay".

STATE OF NEW MEXICO OFFICE OF STATE GEOLOGIST SANTA FE, NEW MEXICO 4

July 16, 1948

Er. G. H. Gray, Assistant Division Engineer Repollo Oil Company Midland, Texas

RE: Case No. 153

Dear Mr. Gray:

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This is to advise you that the above captioned case, in the matter of the application of Repollo Oil Company for bonus allowable in respect to well No. 5, Fhillips "A" lease, located in the OW/A GW/4 section 31, T.19 S, R.37 E, Lea County, will be heard at 10:00 o'clock a.m., July 29, 1948, Santa Fe, New Mexico, in the House of Representatives.

Very truly yours,

GEORGE A. GRAHAM, Attorney

be: Mr. F. B. Crew, District Supt. The Texas Company Midland, Texas GEORGE LIREESE, JR. DON GIMSCORMILK REESE AND MCCORMICK

BUJAC BUILDING CARLSBAD, NEW MEXICO

July 31, 1948



Mr. George Graham State Land Office Santa Fe, New Mexico

Dear Georges

As soon as the same are available, I would like for you to send me the files and transcript in case No. As you recall, this is the case involving the mus discovery allowable. I am especially anxious to have the reports which will be included in the files, showing the exact dates of testing, etc.

I plan to leave in about one week for a short trip and I imagine it will be the latter part of August before I will have an opinion prepared in this case.

With kind personal regards, I am

Very truly yours,

Don G. McCormick Attorney for the New Mexico Oil Conservation Commission.

DGMing

cc: VMr. R. R. Spurrier State Geologist Santa Pe, New Mexico

OIL CONSERVATION COMMISSION SANTA FE, NEW MEXICO.

Box 1470 Midland, Texas August 4, 1948

file Case # 15.

Mr. Don G. McCormack Bujack Building Carlsbad, New Mexico

Dear Sir:

Complying with your request in Santa Fe, New Mexico on July 29, 1948, attached please find photostatic copies of the Texas Company's Form C-115, Operators Monthly Report, which gives the production from their J. R. Phillips Well #5, Monument Paddock Field for the months of May and June, 1948.

These reports reflect that this well produced 990 barrels oil for these two months. This well was placed on the proration schedule effective May 16, 1948.

We trust that this information meets with your requirements.

G. H. Gray

Asst. Div. Engineer

GHG/lm

cc: .R. R. Spurrier, Oil Conservation Commission, Santa Fe, N. Mex. Dan Almen, Repollo Oil Company, Box 521, Tulsa, Oklahoma H. J. Summy, Repollo Oil Company, 901 Fair Building, Fort Worth, Texas.

C. S. Rose, Repollo Oil Company, Box 1470, Midland, Texas File

## RVATION COMMISSION , New Mexico

Form C-115

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#### S MONTHLY REPORT 1910

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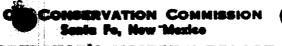
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#### REESE AND MCCORMICK

GEORGE L.REESE, JR DON G.M&CORMICK ATTORNEYS AT LAW BUJAC BUILDING CARLSBAD, NEW MEXICO August 31, 1943

Oil Conservation Commission Santa Fe, New Mexico

ATTENTION: Mr. R. R. Spurrier

Re: Case No. 153, In the Matter of the Application of Repollo Oil Company for Bonus Discovery Allowable.

Gentlemen:/

At the request of the Commission, I have made a study of the facts and law pertaining to the above case, and shall nerewith give you my opinion.

Repollo Oil Company, which will hereinafter be called Repollo, has filed an Application for a Bonus Allowable on its J. R. Phillip No. 5 well located in the  $SW_{\pm}^{1}SW_{4}^{1}$ , Section 31, Township 19 South, Range 37 East, Lea County, New Mexico.

Texas Company, which will hereinafter be referred to as Texas, has also filed an Application for a Bonus Discovery Allowable on its Phillip No. 5 Well located in the  $NW_{4}^{\perp}NW_{4}^{\perp}$ , Section 6, Township 20 South, Range 37 East. It is claimed by each of the applicants that the wells are producing from the Blinebry pay. Amerada Petroleum Corporation, which is not involved in this case is the owner of a well located in the  $NE_{4}^{\perp}NE_{4}^{\perp}$ , Section 1, Township 20 South, Range 36 East.

A study has been made of the complete Oil Conservation Commission files on each of the three above-described wells. Also other data has been studied in the Proration Office at Hobbs. An attempt will be made to give the complete facts as revealed by these studies. Although the three wells lie in different townships, they are all adjoining, the Texas Well being one location south of the Repollo Well, and the Amerada Well being one location west of the Texas Well.

The Amerada Well spudded in on 8 May, 1947, the elevation being 3576 feet at the top of the casing. This well was drilled to a total depth of 9953 feet. Forty-one different drill stem tests were made. On 21 July, 1947, a drill stem test was made through perforations from 5680 feet to 5704 feet. In four hours the well produced 13.16 barrels, which, on a 24-hour basis would be approximately 80 barrels. The well was then continued down to its total depth and further tests were made of the lower horizons.

The well was ultimately plugged back and completed as a producer in the Paddock pay, the completion date being 12 January, 1948. A Bonus Allowable has previously been awarded to Amerada on this well as a new discovery of the Paddock pay.

The Texas well spudded in on 9 March, 1948 and the elevation was 3583 feet at the top of the casing. 0n 23 April, 1948 a total deptn of 5775 feet had been reached, at which point  $5\frac{1}{2}$ " casing was set. Between that date and May 1, 1948, a test was made of the zone between 5660 feet and 5720 feet through tubing and casing perforations. The well flowed 367 barrels of fluid in 22 hours, with .2% BS & W. A drillable bridge plug had been set at 5746 feet. Prior to 1 May, 1948 the tubing was pulled and a Baker Cement Retainer set at 5320 feet. A test was then made of the zone from 5195 to 5220 feet by swabbing through the tubing that had been re-run. This zone was then acidized prior to 5 May, 1948. The well was then completed as a small producer from the Monument-Paddock zone. A total of 824 barrels of oil was produced during May and June. This figure undoubtedly included the oil recovered from the test made at the lower depth. On 22 June, 1943, the well pumped 28 barrels of fluid in 24 hours. On 1 July, 1948, the cement retainer at 5320 feet was drilled out and the well was then completed in the zone between 5660 and 5720 feet. It produced 89 barrels of oil in 13 hours, in the test made on 5 July, 1948. A completion report was filed with the Proration Office in Hobbs on 15 May, 1948, and the well was given a 46-barrel marginal allowable. After the well had been recompleted, another completion report was filed on 15 July, 1948, and the well was given an allowable of 59 BOPD for the month of August.

The Repollo Well was spudded in on 29 March, 1948, the elevation at the top of the casing being 3571 feet. The well was completed on 21 May, 1948, the total depth being 5709 feet. It is producing from the zone between 5684 and 5704 feet. On its initial test, it produced 936 barrels of fluid in 24 hours, of which 7% was fresh water. A completion report was filed with the Proration Office on 25 May, 1948, and an allowable was given for June, July, and August of 59 BOPD. During the month of June, it produced 1678 barrels and during July, 1819 barrels.

The first paragraph of Order No. 573 issued by this Commission reads as follows:

"That a bonus discovery allowable shall be granted to any operator who makes a discovery of a new oil pool or a new producing horizon in an existing oil field or an extension of the discovered portion of a known oil pool where such discovery is two miles or more from any commercially productive oil well."

It was evidently the intention of the Commission in enacting this Order to encourage wild-catting. The operator who should "discover" a new producing horizon was to be rewarded. If one operator should discover a new producing horizon, although he did not produce it, it is apparent that the Commission did not intend to reward some other operator who would thereafter drill a well and produce from the same horizon that had been previously discovered. In this case, it is apparent that the new producing horizon had been discovered by Amerada. In fact, this company demonstrated on 21 July, 1947 that this horizon would produce 80 barrels of oil per day on a drill stem test. This was more than nine months before the test made by Texas and approximately nine months before the test made by Repollo. It is also evident that the three wells did test the same horizon. Allowing for the difference in elevation, the bottom of the zone tested by the Amerada well was five feet lower than that tested by the Repollo well, which in turn was four feet lower than that tested by the Texas well.

Based upon the foregoing, it is my conclusion that the Amerada Well is the one which made a discovery of the Blinebry pay in the area under consideration. It is, therefore, my recommendation that the applications of both Repollo and Texas be denied. A suggested form of order is attached hereto.

Very truly yours,

DGM:ng

Don G. McCormick Attorney for the Oil Conservation Commission

cc: Mr. George Graham State Land Office Santa Fe, New Mexico