SINGLAHR OIL & GAS COMPANY

P. 0. 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,

Division Superintendent

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(2) That the protoble productive limits of the molfcamp Common Douce of Dopply as discovered in Allantic Refing Company, Bette C Didusm Well no 1-15, × mw sw. Section 12, t 155. R 375 n m pm, and further constraint of production from three other wells, are:

Rep. 145, R. 37E, hm pm; all less, 34, 35, + 36.

Mp 155, R. 37E m mpm: all sections 1, 2, 3, 10,11,12, 13, 14, 15; and 71/2 rec 22, 7/2 rec 23, 7/2 rec 24.

(3) That a pool should be created described as afores and Classified as an oil pool, and named (Dectmons-toolflamp) for warpeans production 8500' to 9500's

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4.) Hat from limite expension of the woofcomp, formation it offers That a consolute pay gone is Cheractereste and that despite technique of tabular goods the properts for soutstanting production we excellent I) That for orderly development The prevention of waste and protection of Cornelative Rights The area showed he developed upon the should see see spring fattern His therefor Ordered Created, in the described as: TWP 145, R 37 E n m Pm. 100 lecs. 34, 35, 36. 1mp. 155. R. 37E nmpm. all bechin: 1,23, 10,11,12 13, 14,715. and 71/2 see 22; 71/2 see 23 am N/ sec 24. Classifies as an oil pool, and named Dickinson - Woof Comp.

(2) that that part of Phillips potrolem Company application, relating to the tiere spraining and provation units be, and the same herely is demed.

Done at Santa Fe, New Mexico This
day of Jane, 1951

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SINGLAIR OIL & GAS GOMPANY

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, 1956 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 antisolated localized gas reservoir that is separate and not connected with the oil

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

- l. Although the average producing depth of the entire Paddock pool is 5180', the nearest Paddock pool wells on Gulf Oil Corp.'s Hugh lease (Ng-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 (S½-14-22-37) 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

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.

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 supple-

ment thereof for a period of ___ beginning with the issue dated ___ and ending with the issue dated _ 2-12, 19_-/ Publisher.

Sworn and subscribed to before

me this _____ day of ____

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.

(Śeal)

April 30, 1951 NOTICE OF PUBLICATION STATE OF NEW MEXICO OIL CONSERVATION COMMISSION 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 thereunder, of the following public hearing to be held May 22, 1951, be-

ginning 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 designing 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, Gold ston 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 Paddock pool, Lea County, New Mex-

ico. 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 line common sources of supply 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

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