STATE OF NEW MEXICO



ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION



BRUCE KING GOVERNOR

ANITA LOCKWOOD
CABINET SECRETARY

November 4, 1992

POST OFFICE BOX 2088 STATE LAND OFFICE BUILDING SANTA FE, NEW MEXICO 87504 (505) 827-5800

Clayton W. Williams, Jr., Inc. 3000 Claydesta National Bank Building Six Desta Drive Midland, TX 79705

Attention: David G. Grafe

Administrative Order NSL-2874-B(SD)

Dear Mr. Grafe:

Reference is made to your application dated October 13, 1992 for two unorthodox Jalmat gas well locations in an existing non-standard 640-acre gas spacing and proration unit (GPU) for said Jalmat Gas Pool comprising the N/2 and SW/4 of Section 13 and the NE/4 of Section 14, both in Township 23 South, Range 36 East, NMPM, Lea County, New Mexico. Said GPU was authorized by Division Order No. R-9073, dated December 14, 1989 (Paragraph No. (11) of Exhibit "A") and had decided thereon the State "A" A/C-1 Well No. 20, 21, and 22 located, respectively, in Units C, H, and N of said Section 13 and Well Nos. 77 and 13 located respectively in Units B and H of said Section 14 to this proration unit.

By Division Order R-9073-A, dated February 28, 1990, three additional wells, the State "A" A/C-1 Well Nos. 66, 71, and 75, located at unorthodox gas well locations in Units D, M, and L, respectively, of said Section 13 were approved for the subject GPU.

Further, by Division Administrative Orders NSL-2874 and NSL-2874-A, dated September 25, 1990 and January 18, 1991, respectively, three more wells, the State "A" A/C-1 Well Nos. 57, 106, and 122, located at unorthodox gas well locations in Units B, A, and L, respectively, of said Section 13 were approved for the subject GPU. Authorization was also given in said administrative order to simultaneously dedicate Jalmat Gas production from the State "A" A/C-1 Well Nos. 13, 20, 21, 22, 57, 66, 71, 75, 77, 106 and 122 to the subject GPU.

It is our understanding that the two subject wells to be considered at this time are currently completed in the Langlie-Mattrix Pool, however, said wells will be plugged back to the Jalmat Gas Pool upon issuance of this order.

Administrative Order NSL-2874-B(SD) Clayton W. Williams, Jr., Inc. June 28, 1991 Page 2

By authority granted me under the provisions of Rule 2(c) of the Special Rules and Regulations for the Jalmat Gas Pool, as promulgated by Division Order No. R-8170, as amended, the following two described wells located at unorthodox gas well locations are hereby approved:

State "A" A/C-1 Well No. 60 1980' FN & EL (Unit G), Section 13

State "A" A/C-1 Well No. 78 1980' FN & EL (Unit G), Section 14

Also, you are hereby authorized to simultaneously dedicate Jalmat Gas production from the State "A" A/C-1 Well Nos. 60 and 78 with the State "A" A/C-1 Well Nos. 13, 20, 21, 22, 57, 66, 71, 75, 77, 106, and 122; furthermore, you are hereby permitted to produce the allowable assigned the GPU from all of the said wells in any proportion.

All provisions of Division Order R-9073-A, dated February 28, 1990, Division Administrative Order NSL-2874, dated September 25, 1990, Division Administrative Order NSL-2874-A, dated January 28, 1991, and those provisions applicable to the subject GPU in Division Order No. R-9073 shall remain in full force and effect until further notice.

Sincerely,

WILLIAM J. LEMAY

Director

WJL/MES/amg

cc: Oil Conservation Division - Hobbs

NM State Land Office - Santa Fe

File: Case No. 9775

Case No. 9874

NSL-2874 NSL-2874-A

OIL CONSERVE ON DIVISION W. WILLIAMS, JR., INC.

292 007 15 PM 9 08

3000 CLAYDESTA NATIONAL BANK BUILDING SIX DESTA DRIVE MIDLAND, TEXAS 79705 915/682-6324

October 13, 1992

ADMINISTRATIVE APPLICATION FOR UNORTHODOX GAS WELL LOCATIONS AND SIMULTANEOUS DEDICATION JALMAT TANSIL YTS 7-RVRS (PRO GAS) 1980' FNL AND 1980' FEL SECTION 14, T-23-S, R-36-E 1980' FNL and 1980' FEL SECTION 13, T-23-S, R-36-E LEA COUNTY, NEW MEXICO

State of New Mexico
Energy, Minerals and Natural Resources Dept.
Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87504

Attn: Mr. William J. LeMay - Director

Gentlemen:

Clayton W. Williams, Jr., Inc. respectfully requests your approval of this administrative application for the subject Unorthodox Gas Well Locations and Simultaneous Dedication.

Clayton W. Williams, Jr., Inc. is planning to re-complete it's **State** "A" A/C 1 Well Nos. 60 and 78 in the Jalmat Tansil Yates 7-Rivers (Pro Gas) Pool. It is our desire to also simultaneously dedicate the existing 640-acre Jalmat Gas Proration Unit assigned to our State "A" A/C 1 Well Nos. 77, 13, 66, 122, 71, 20, 75, 22, 57, and 106 to all twelve wells. As a result, the location of the State "A" A/C 1 Well Nos. 60 and 78 become unorthodox in that they are less than 990 feet from the outer boundary of the proration unit. The location of Well No. 60 is 1980 feet FNL and 1980' FEL of Section 13, T-23-S, R-36-E, Lea County, New Mexico. The location of Well No. 78 is 1980 feet FNL and 1980' FEL of Section 14, T-23-S, R-36-E, Lea County, New Mexico.

In order to prevent waste, Clayton W. Williams, Jr., Inc. respectfully requests your approval of this administrative application for unorthodox gas well locations and simultaneous dedication. Attached is a map showing offset operators and a Form C-102 plat for each well. A copy of this letter and attachments are being furnished by Certified Mail to offset operators as their notice of these applications.

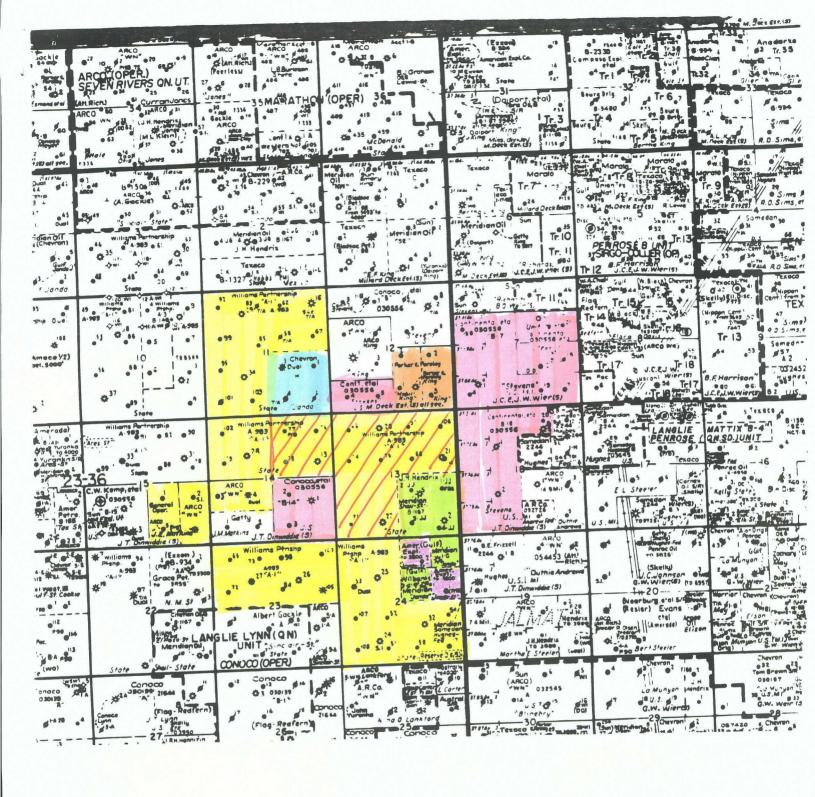
If you have any questions or require any further information concerning these applications, please contact me at (915) 688-3239.

Yours very truly,

David G. Grafe Petroleum Engineer

Enclosures DGG/rsm

cc: NMOCD - Hobbs, NM



OFFSET OPERATORS



State of New Mexico Energy, Minerals and Natural Resources Department

Form C-102 Revised 1-1-89

OIL CONSERVATION DIVISION

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

DISTRICT II P.O. Drawer DD, Artesia, NM 88210

DISTRICT I P.O. Box 1980, Hobbs, NM 88240

DISTRICT III 1000 Rio Brazos Rd., Aziec, NM 87410

WELL LOCATION AND ACREAGE DEDICATION PLAT

All Distances must be from the outer boundaries of the section

| Operator | | | | | Lease | | | | Well No. | |
|---|--|-------------------|--|---|--|---|-------------------|--|--|--|
| Clayton V | J. W: | illiams, | Jr., Inc. | | State | A A/C 1 | | | 78 | 8 |
| Unit Letter | Section | | Township | | Range | | | County | | |
| G | <u> </u> | 14 | M23Sh | | 19803 | 6E | NMPM | Lea | | |
| Actual Footage Loca | uion of | Well: | | | | | | | | |
| 1980 | feet f | | North | line and | 1980 | | feet from | the Eas | | |
| Ground level Elev. | } | | Formation | | | m .11 | ** . " " | | Dedicated Acres | age: |
| GR - 3400 | | Yates | to the subject wel | l bu caland man | | | Yates 7 R | ivers | 640 | Acres |
| 2. If more unitizal If answer this form | than of than of the than of th | one lease is dedi | cated to the well, erent ownership is | outline each and dedicated to the swer is "yes" ty ions which have | l identify the own well, have the pe of consolidate actually been c | interest of all or ononsolidated. (U | (both as to worki | lidated by comm | nunitization, | |
| | | | ninating such inter | | | | | | | |
| | Sec | #18#1 1 10 n | 1980' | 1980' 1980' 1980' 1980' 1980' | #201 886 #75 | #60 Section /3 | 1980' E | I hereby contained hereicest of my know contained hame David G. Position Producti Company Clayton Date 10 | on Engine | er ms, Jr., In |
| | Se. | tion_ | | | Sect 2 | ion | | on this plat w actual surveys supervison, an | that the well as plotted from made by me d that the sam best of my l | field notes of or under my e is true and |
| 99 | à | | | | | | | | | |
| 0 330 660 | 990 | 1320 1650 | 1980 2310 26 | 540 20 | 00 1500 | 1000 | 500 0 | | | |

State of New Mexico Energy, Minerals and Natural Resources Department

Form C-102 Revised 1-1-89

<u>DISTRICT I</u> P.O. Box 1980, Hobbs, NM 88240

DISTRICT II P.O. Drawer DD, Artesia, NM 88210

DISTRICT III 1000 Rio Brazos Rd., Azzec, NM 87410

OIL CONSERVATION DIVISION

P.O. Box 2088 Santa Fe, New Mexico 87504-2088

WELL LOCATION AND ACREAGE DEDICATION PLAT

All Distances must be from the outer boundaries of the section

| perator | | | | Lease | | | | Well No. |
|----------------------|--|--------------------------------|--|--|---|---|---|--|
| Clayton W. | . William | s, Jr., Inc. | | State A | A/C 1 | | | 60_ |
| nit Letter | Section | Township | | Range | | | County | |
| G | 13 | 23S | | | 86E | NMP | u Lea | |
| tual Footage Loca | | | | | | | | |
| 1980 | feet from the | North Mucing Formation | line and | 1980 Pool | | feet from | n the 1980 | line East Dedicated Acreage: |
| | | | | | | -+ 7 D | | (10 |
| R - 3391 | | tes licated to the subject we | | Jalmat Ta | | | Ivers | 040 Acres |
| 3. If more unitizate | than one lease tion, force-poolinyes is "no" list the cif neccessaryable will be assigned. | | swer is "yes" typions which have interests have be | well, have the in consolidation actually been con en consolidated (| terest of all own is solidated. (Us by communitization. | rners been considered reverse side considered reverse reverse side considered reverse reverse side considered reverse reverse reverse reverse reverse reverse side considered reverse | of on, forced-poolin OPERAT I hereby contained herei best of my brow Signature | munitization, |
| | Section 14 | 7780 | 460 14 #122 20 1980 | #22 | Section 13 | | Company Clayton W Date 10/13/ | n Engineer |
| | <u>Sec tio</u> 213 | n | | Sect i | <u>on</u> | | on this plat w actual surveys supervison, an | y that the well location shon as plotted from field notes made by me or under r d that the same is true a best of my knowledge a al of rveyor |

CLAYTON W. WILLIAMS, JR., INC. State "A" Account 1 Well Nos. 60 and 78

Application For Unorthodox
Gas Well Locations
and
Simultaneous Dedication of Acreage
Jalmat Tansil Yates 7-Rivers (Pro Gas)
1980' FNL and 1980' FEL
Section 13, T-23-S, R-36-E
1980' FNL and 1980' FEL
Section 14, T-23-S, R-36-E
Lea County, New Mexico

OFFSET OPERATORS

CONOCO Attn: J. W. Hoover P. O. Box 1959 Midland, Texas 79702

CHEVRON, INC. Attn: A. W. Bohling P. O. Box 1150 Midland, Texas 79702

AMERICAN EXPLORATION Attn: Donny Hill P. O. Box 1885 Eunice, New Mexico 88231

MERIDIAN
P. O. Box 51810
Midland, Texas 79710-1810

DOYLE HARTMAN
P. O. Box 10426
Midland, Texas 79702

OIL CONSERVICION DIVISION CLAYTON W. WILLIAMS, JR., INC. State "A" A/C 1
Well #78

Application For An Unorthodox Gas Well Location and

Simultaneous Dedication of Acreage
Jalmat Tansil Yates 7-Rivers (Prorated Gas)
1980' FNL and 1980' FEL
Section 14, T-23-S, R-36-E
Lea County, New Mexico

WAIVER TO OBJECTION

We, the undersigned, as an offset operator, waive any objection to Clayton W. Williams, Jr., Inc.'s application for NMOCD approval of an Unorthodox Gas Well Location in the Jalmat Tansil Yates 7-Rivers (Pro Gas) Pool. This location is to be 1980' FNL and 1980' FEL, Section 14, Township 23 South, Range 36 East, NMPM, Lea County, New Mexico. We further understand that this well will be simultaneously dedicated to an existing 640 acre gas proration unit along with Clayton W. Williams, Jr., Inc.'s State "A" A/C 1 Nos. 77, 60, 13, 66, 122, 71, 20, 75, 22, 57, and 106. This proration unit is comprised of the North East Quarter of Section 14, and Section 13, excluding the South East Quarter, T-23-S, R-36-E, Lea County, New Mexico.

| Company: | CHEVRON U.S.A. INC. |
|-----------------|--|
| Representative: | F.S. GODBOLD |
| Signature: | Alas le Bohling |
| Title: | NEW MEXICO AREA ENGINEERING SUPERVISOR |
| Date: | 10/21/92 |

CLAYTON W. WILLIAMS, JR., INC.

OIL CONSERVATION DIVISION RECEIVED

State "A" A/C 1 Well #60

'92 OCT 25 AM 9. 05.

Application For An Unorthodox Gas Well Location

and

Simultaneous Dedication of Acreage
Jalmat Tansil Yates 7-Rivers (Prorated Gas)
1980' FNL and 1980' FEL
Section 13, T-23-S, R-36-E
Lea County, New Mexico

WAIVER TO OBJECTION

We, the undersigned, as an offset operator, waive any objection to Clayton W. Williams, Jr., Inc.'s application for NMOCD approval of an Unorthodox Gas Well Location in the Jalmat Tansil Yates 7-Rivers (Pro Gas) Pool. This location is to be 1980' FNL and 1980' FEL, Section 13, Township 23 South, Range 36 East, NMPM, Lea County, New Mexico. We further understand that this well will be simultaneously dedicated to an existing 640 acre gas proration unit along with Clayton W. Williams, Jr., Inc.'s State "A" A/C 1 Nos. 77, 78, 13, 66, 122, 71, 20, 75, 22, 57, and 106. This proration unit is comprised of the North East Quarter of Section 14, and Section 13, excluding the South East Quarter, T-23-S, R-36-E, Lea County, New Mexico.

Company: CHEVRON U.S.A. INC.

Representative: F.S. GODBOLD

Signature: 48 Godbold

Title: NEW MEXICO AREA ENGINEERING SUPERVISOR

Date: /0/31/9Z

OIL CONSERVE UN DIVISION RECEIVED

CLAYTON W. WILLIAMS, JR., INC. State "A" A/C 1 Well #78

Application For An Unorthodox Gas Well Location and

Simultaneous Dedication of Acreage
Jalmat Tansil Yates 7-Rivers (Prorated Gas)
1980' FNL and 1980' FEL
Section 14, T-23-S, R-36-E
Lea County, New Mexico

WAIVER TO OBJECTION

We, the undersigned, as an offset operator, waive any objection to Clayton W. Williams, Jr., Inc.'s application for NMOCD approval of an Unorthodox Gas Well Location in the Jalmat Tansil Yates 7-Rivers (Pro Gas) Pool. This location is to be 1980' FNL and 1980' FEL, Section 14, Township 23 South, Range 36 East, NMPM, Lea County, New Mexico. We further understand that this well will be simultaneously dedicated to an existing 640 acre gas proration unit along with Clayton W. Williams, Jr., Inc.'s State "A" A/C 1 Nos. 77, 60, 13, 66, 122, 71, 20, 75, 22, 57, and 106. This proration unit is comprised of the North East Quarter of Section 14, and Section 13, excluding the South East Quarter, T-23-S, R-36-E, Lea County, New Mexico.

| Company: | AMERICAN EXPLORATION COMPANY |
|-----------------|------------------------------|
| Representative: | BILLY M. PRIEBE |
| Signature: | Billy H. Ruil |
| Title: | PRODUCTION MANGGER |
| Date: | 10-16-92 |

GIL CONSERVE ON DIVISION RECEIVED

CLAYTON W. WILLIAMS, JR., INC. State "A" A/C 1 Well #109

'92 OCT 29 AM 8 50

Application For An Unorthodox
Gas Well Location
and

Simultaneous Dedication of Acreage
Jalmat Tansil Yates 7-Rivers (Prorated Gas)
560' FNL and 660' FEL
Section 23, T-23-S, R-36-E
Lea County, New Mexico

WAIVER TO OBJECTION

We, the undersigned, as an offset operator, waive any objection to Clayton W. Williams, Jr., Inc.'s application for NMOCD approval of an Unorthodox Gas Well Location in the Jalmat Tansil Yates 7-Rivers (Pro Gas) Pool. This location is to be 560' FNL and 660' FEL, Section 23, Township 23 South, Range 36 East, NMPM, Lea County, New Mexico. We further understand that this well will be simultaneously dedicated to an existing 320 acre gas proration unit along with Clayton W. Williams, Jr., Inc.'s State "A" A/C 1 Nos. 65, 73, 27, 98, 84, 26, and 105. This proration unit is comprised of Section 23, excluding the South Half, T-23-S, R-36-E, Lea County, New Mexico.

| Company: | EXXON CORP. |
|-----------------|---------------------|
| Representative: | CHARLOTTE H. HARPER |
| Signature: | Charlotte & arper |
| Title: | PERMITS SUPERVISOR |
| Date: | 10/23/92 |

OIL CONSERSE FON DIVISION RECTIVED

92 NOT 5 AM 8 59

CLAYTON W. WILLIAMS, JR., INC. State "A" A/C 1 Well #60

Application For An Unorthodox
Gas Well Location
and
Simultaneous Dedication of Acreage
Jalmat Tansil Yates 7-Rivers (Prorated Gas)
1980' FNL and 1980' FEL
Section 13, T-23-S, R-36-E

Lea County, New Mexico

WAIVER TO OBJECTION

We, the undersigned, as an offset operator, waive any objection to Clayton W. Williams, Jr., Inc.'s application for NMOCD approval of an Unorthodox Gas Well Location in the Jalmat Tansil Yates 7-Rivers (Pro Gas) Pool. This location is to be 1980' FNL and 1980' FEL, Section 13, Township 23 South, Range 36 East, NMPM, Lea County, New Mexico. We further understand that this well will be simultaneously dedicated to an existing 640 acre gas proration unit along with Clayton W. Williams, Jr., Inc.'s State "A" A/C 1 Nos. 77, 78, 13, 66, 122, 71, 20, 75, 22, 57, and 106. This proration unit is comprised of the North East Quarter of Section 14, and Section 13, excluding the South East Quarter, T-23-S, R-36-E, Lea County, New Mexico.

| Company: | DOTLE HARMAN |
|-----------------|-------------------|
| Representative: | PATRICK K. WORREN |
| - | fatuit K. Wnell |
| Signature: | |
| Title: | ENGINEER |
| Date: | 10/29/92 |

\$7.11 44.71 57.11 10.11

STATE OF NEW MEXICO

OIL CONSERVE ON DIVISION

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION '92 NOW 2 AM 10 33 HOBBS DISTRICT OFFICE

10-16-92

BRUCE KING GOVERNOR POST OFFICE BOX 1980 HOBBS, NEW MEXICO 88241-1980 (505) 393-6161

| OIL CONSERVATION DIVISION P. O. BOX 2088 SANTA FE, NEW MEXICO 87501 |
|---|
| RE: Proposed: MC DHC NSL NSP SWD WFX PMX |
| Gentlemen: |
| I have examined the application for the: State $A-MC-1 #78-G 19-23-36$ |
| I have examined the application for the: State A-AC-1 #78-6 14-23-36 Clayton W. Williams Jr Anc. State A AC-1 #60-6 13-23-36 Operator Lease & Well No. Unit S-T-R |
| and my recommendations are as follows: |
| |
| |
| |
| Yours) very truly, |
| Jerry Sexton Supervisor, District 1 |
| anger, rear y broat to a t |