

Case No.

2090

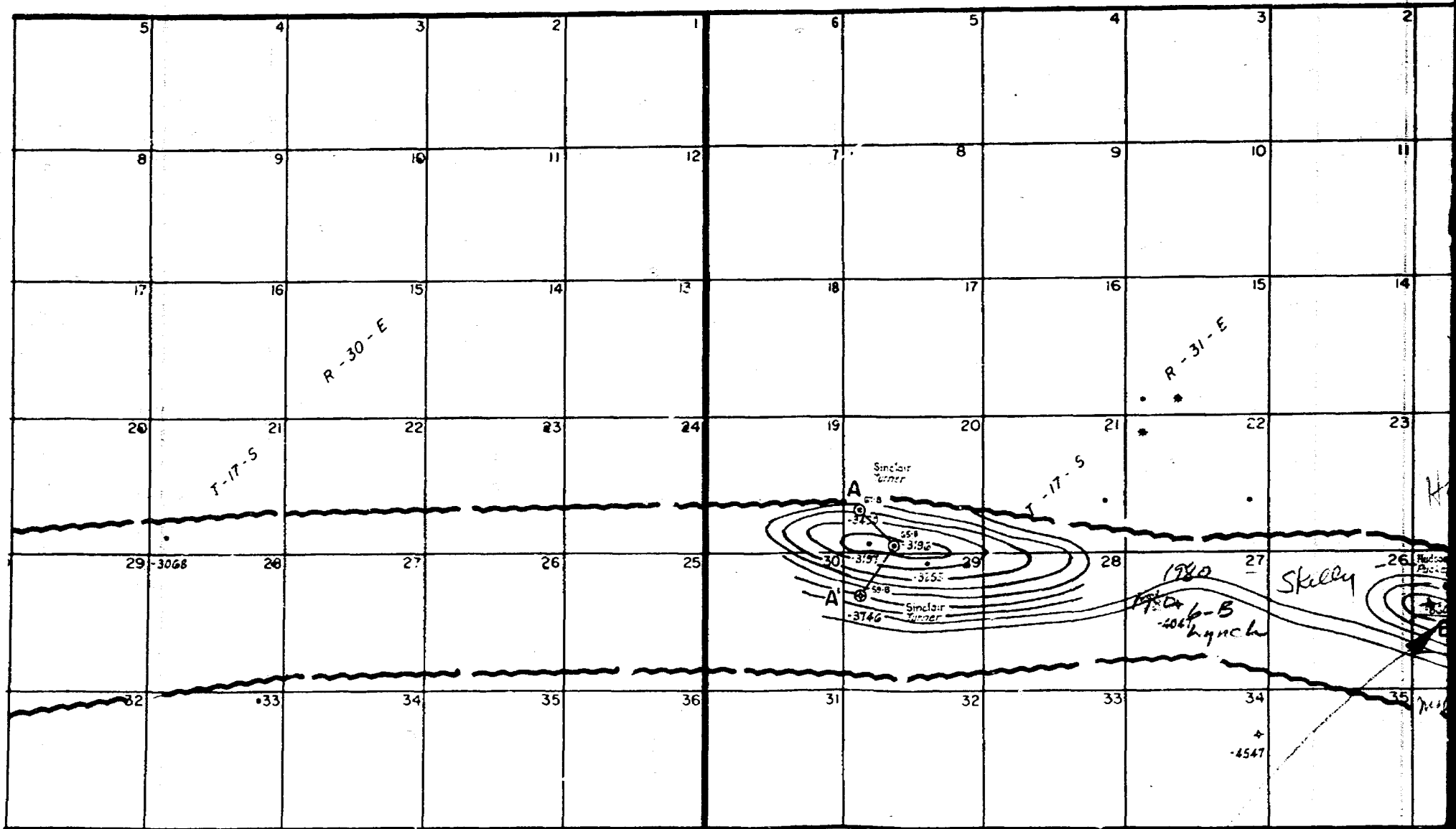
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Large Exhibits

# A PORTION OF EDDY & LEA COUNTY

SHOWING LOCATION OF WM.  
#B-19 PUCKETT. SECTION

MAP SECTION



SINCLAIR  
#67-B - Turner

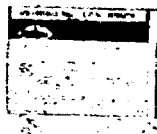
SINCLAIR  
#65-B - Turner

SINCLAIR  
#58-B - Turner

A

A'

B

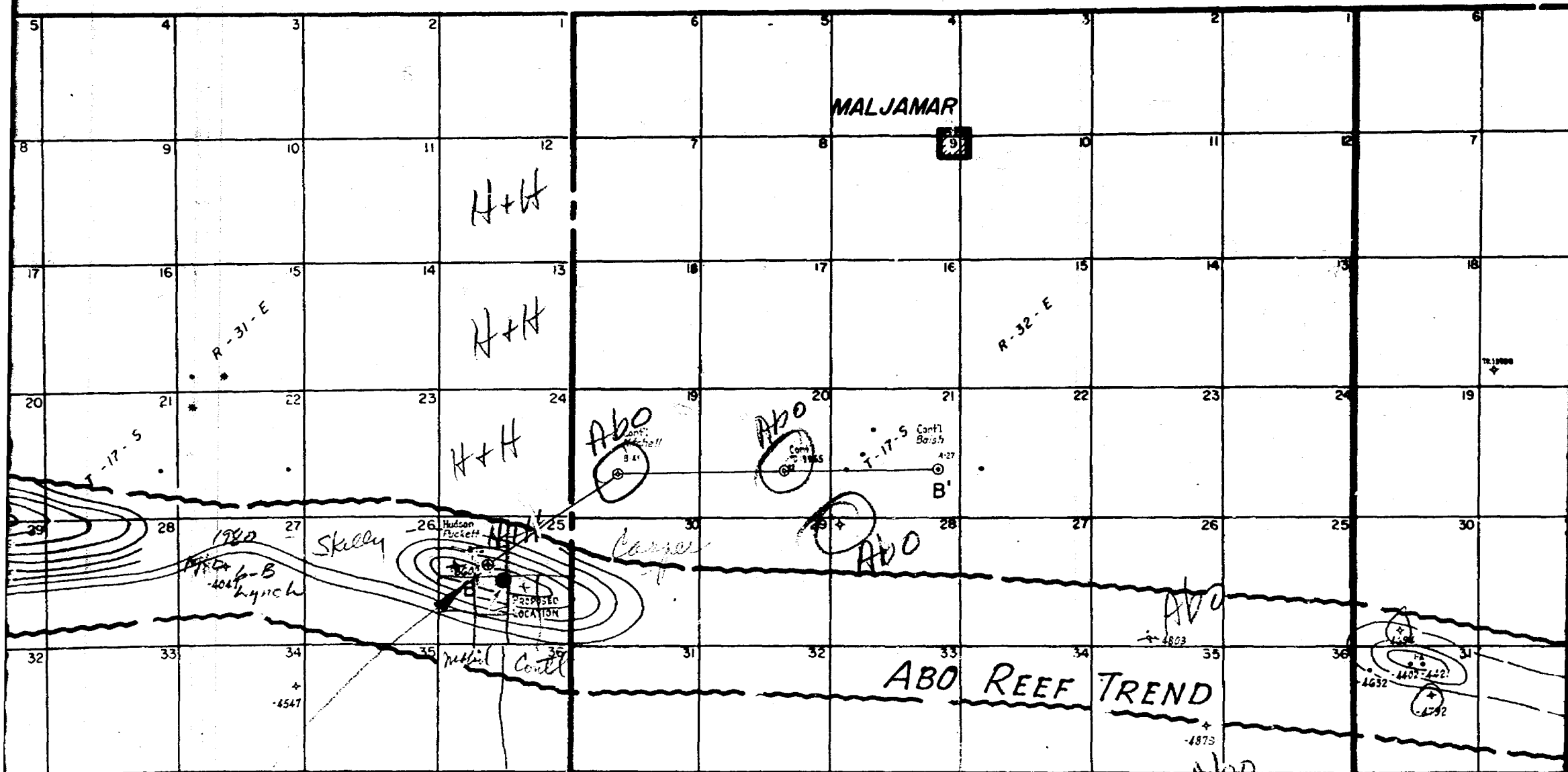


1980  
67-B-3068  
Skelly  
67-B-3068  
4547  
FNL  
FNL

# A PORTION OF THE ABO TREND EDDY & LEA COUNTIES, NEW MEXICO

SHOWING LOCATION OF WM. A. HUDSON & EDWARD R. HUDSON  
\*B-19 PUCKETT. SECTION 25, T-17-S, R-31-E.

MAP SCALE: 1" = 5000'



A'

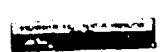
B

HUDSON  
\*B-16 - Puckett

CONTINENTAL  
\*B-41 - Mitchell

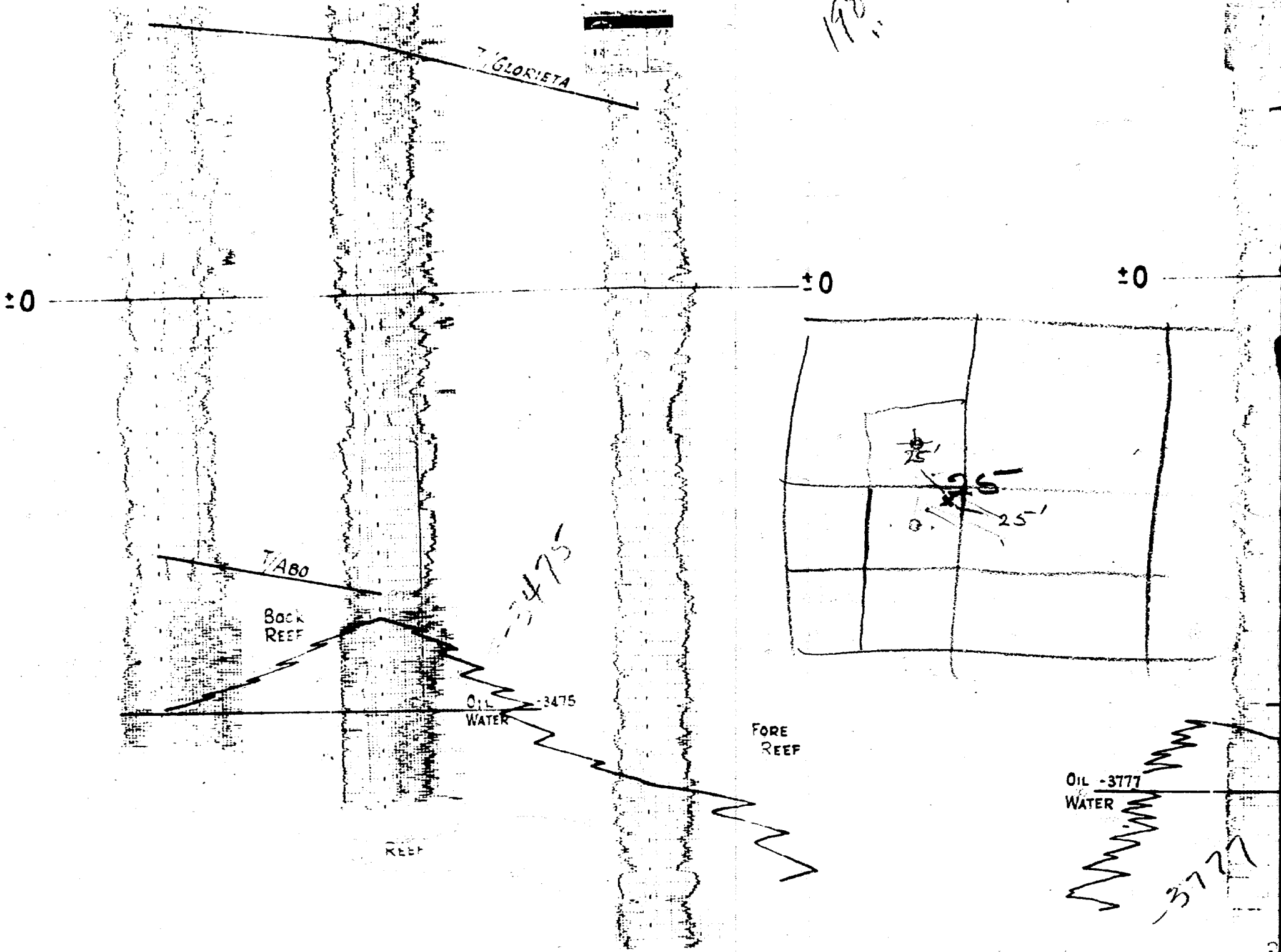
CONTINENTAL  
\*B-28 - Mitchell

1 ENC  
FWC





190



CROSS-SECTION SCALE

VERT: 1" = 400'  
HORIZ: 1" = 1000'

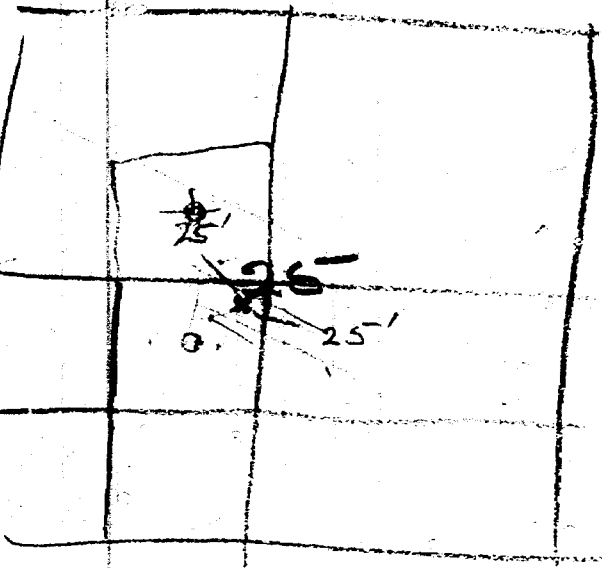
2615  
2615

119

TOP GLORIETA

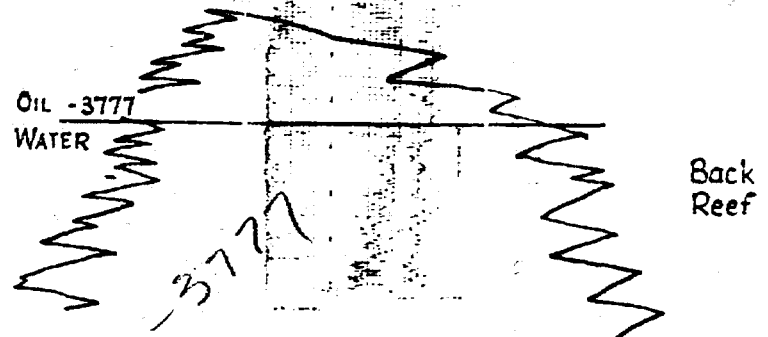
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±0



TOP AEG

OIL - 3777  
WATER



Back Reef

Back REEF Shelf Facies

REEF

2640  
2615  
25

2615 FSL  
2615 FWL

TOP WOLFCAMP

BEFORE EXAMINER N  
OIL CONSERVATION COMM  
Apple EXHIBIT NO.  
CASE NO. 2090

CROSS-SECTION SCALE

VERT: 1" = 400'  
HORIZ: 1" = 2000'

TOP GLORIETA

12

10

TOP ABO

Back Reef

Back REEF Shelf Facies

Pay Zone  
Maljamar  
Abo Field

TOP WOLFCAMP

2640  
2615  
25

BEFORE EXAMINER NUTTER  
OIL CONSERVATION COMMISSION  
App EXHIBIT NO. E  
CASE NO. 2090

CROSS-SECTION SCALE

VERT: 1" = 400'  
HORIZ: 1" = 2000'

McMillan 92669

CASE 2090: Application of HUDSON &  
HUDSON for an unorthodox location  
of its PUCKETT WELL NO. 19-B.



Casa No.

2090

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Application, Transcript,  
Small Exhibits, Etc.

DOMESTIC SERVICE	
Check the class of service desired; otherwise this message will be sent as a full-rate telegram.	
FULL RATE TELEGRAM	
DAY LETTER	
NIGHT LETTER	

\$  
S  
E

# WESTERN UNION

1206 10-51

W. P. MARSHALL, PRESIDENT

INTERNATIONAL SERVICE	
Check the class of service desired; otherwise the message will be sent at the full rate.	
FULL RATE	
LETTER TELEGRAM	
SHIP RADIOGRAM	

NO. WDS.-CL. OF SVC.	PD. OR COLL.	CASH NO.	CHARGE TO THE ACCOUNT OF	TIME FILED
	<b>000-0000</b>			

Send the following message, subject to the terms on back hereof, which are hereby agreed to:

**SEPTEMBER 30, 1960**

**HUDSON & HUDSON  
ENGINEERS BUILDERS  
FORT WORTH, TEXAS**

**ORDER NO. R-1791 ENTERED TODAY APPROVES NON-STANDARD LOCATION 1615 FEET FROM SOUTH AND WEST LINES SECTION 25, TOWNSHIP 17 SOUTH, RANGE 31 EAST. APPROVAL GRANTED SUBJECT TO REQUIREMENT OF DIRECTIONAL SURVEY FILED WITH COMMISSION WITHIN 30 DAYS OF COMPLETION OF PRODUCING WELL WITH PROVISION THAT ALLOWABLE WOULD PROBABLY BE ADJUSTED IF WELL BOTTOMED UNDER SE/4 NW/4 OF SECTION 25.**

**A. L. PORTER, JR.  
SECRETARY-DIRECTOR  
NEW MEXICO OIL CONSERVATION COMMISSION**

## ALL MESSAGES TAKEN BY THIS COMPANY ARE SUBJECT TO THE FOLLOWING TERMS:

To guard against mistakes or delays, the sender of a message should order it repeated, that is, telegraphed back to the originating office for comparison. For this, one-half the unreported message rate is charged in addition. Unless otherwise indicated on its face, this is an unreported message and paid for as such, in consideration whereof it is agreed between the sender of the message and this Company as follows:

1. The Company shall not be liable for mistakes or delays in the transmission or delivery, or for non-delivery, of any message received for transmission at the unreported-message rate beyond the sum of five hundred dollars; nor for mistakes or delays in the transmission or delivery, or for non-delivery, of any message received for transmission at the repeated-message rate beyond the sum of five thousand dollars, unless specially valued; nor in any case for delays arising from unavoidable interruption in the working of its lines.

2. In any event the Company shall not be liable for damages for mistakes or delays in the transmission or delivery, or for the non-delivery, of any message, whether caused by the negligence of its servants or otherwise, beyond the actual loss, not exceeding in any event the sum of five thousand dollars, at which amount the sender of each message represents that the message is valued, unless a greater value is stated in writing by the sender thereof at the time the message is tendered for transmission, and unless the repeated-message rate is paid or agreed to be paid, and an additional charge equal to one-tenth of one percent of the amount by which such valuation shall exceed five thousand dollars.

3. The Company is hereby made the agent of the sender, without liability, to forward this message over the lines of any other company when necessary to reach its destination.

4. Except as otherwise indicated in connection with the listing of individual places in the filed tariffs of the Company, the amount paid for the transmission of a domestic telegram or an incoming cable or radio message covers its delivery within the following limits: (a) in cities or towns of 5,000 or more inhabitants where the Company has an office which, as shown by the filed tariffs of the Company, is not operated through the agency of a railroad company, within two miles of any such main or branch office of the Company; in cities or towns of 5,000 or more inhabitants where, as shown by the filed tariffs of the Company, the telegraph service is performed through the agency of a railroad company, within one mile of the telegraph office; in cities or towns of less than 5,000 inhabitants in which an office of the Company is located, within one-half mile of the telegraph office. Beyond the limits above specified the Company does not undertake to make delivery, but will endeavor to arrange for delivery as the agent of the sender, with the understanding that the sender authorizes the collection of any additional charge from the addressee and agrees to pay such additional charge if it is not collected from the addressee. There will be no additional charge for deliveries made by telephone within the corporate limits of any city or town in which an office of the Company is located.

5. No responsibility attaches to this Company concerning messages until the same are accepted at one of its transmitting offices; and if a message is sent to such office by one of the Company's messengers, he acts for that purpose as the agent of the sender.

6. The Company will not be liable for damages or statutory penalties when the claim is not presented in writing to the Company, (a) within sixty days after the message is filed with the Company for transmission in the case of a message between points within the United States (except in the case of an intrastate message in Texas) or between a point in the United States on the one hand and a point in Alaska, Canada, Labrador, Mexico, Newfoundland and St. Pierre & Miquelon Islands on the other hand, or between a point in the United States and a ship at sea or in the air, (b) within 90 days after the cause of action, if any, shall have accrued in the case of an intrastate message in Texas, and (c) within 180 days after the message is filed with the Company for transmission in the case of a message between a point in the United States and a foreign or overseas point other than the points specified above in this paragraph; provided, however, that this condition shall not apply to claims for damages or overcharges within the purview of Section 415 of the Communications Act of 1934.

7. It is agreed that in any action by the Company to recover the tolls for any message or messages the prompt and correct transmission and delivery thereof shall be presumed, subject to rebuttal by competent evidence.

8. Special terms governing the transmission of messages according to their classes, as enumerated below, shall apply to messages in each of such respective classes in addition to all the foregoing terms.

9. No employee of the Company is authorized to vary the foregoing.

1-48

## CLASSES OF SERVICE

### DOMESTIC SERVICES

#### FULL RATE TELEGRAM

A full rate expedited service.

#### DAY LETTER (DL)

A deferred service at lower than the full rate.

#### SERIAL (SER)

Messages sent in sections during the same day.

#### NIGHT LETTER (NL)

Accepted up to 2 A. M. for delivery not earlier than the following morning at rates substantially lower than the full rate telegram or day letter rates.

### INTERNATIONAL SERVICES

#### FULL RATE (FR)

The standard fast service at full rates. May be written in any language that can be expressed in Roman letters, or in secret language. A minimum charge for 5 words applies.

#### LETTER TELEGRAM (LT)

Oversight plain language messages. Minimum charge for 22 words applies.

#### VICTORY LETTER TELEGRAM (VLT)

Oversight plain language messages to armed forces overseas. Minimum charge for 10 words applies.

#### SHIP RADIOGRAM

A service to and from ships at sea. Plain or secret language may be used. Minimum charge for 5 words applies.

GOVERNOR  
JOHN BURROUGHS  
CHAIRMAN

State of New Mexico  
Oil Conservation Commission

LAND COMMISSIONER  
MURRAY E. MORGAN  
MEMBER



STATE GEOLOGIST  
A. L. PORTER, JR.  
SECRETARY DIRECTOR

P. O. BOX 871  
SANTA FE

September 30, 1960

Hudson & Hudson  
1810 Electric Building  
Fort Worth, Texas

Re: Case No. 2090  
Order No. R-1791  
Applicant: Hudson & Hudson

Dear Sir:

Enclosed herewith are two copies of the above-referenced  
Commission order recently entered in the subject case.

Very truly yours,

A. L. PORTER, Jr.,  
Secretary-Director

ir/

Carbon copy of order also sent to:

Hobbs OCC

Artesia OCC

Aztec OCC

Other \_\_\_\_\_

BEFORE THE OIL CONSERVATION COMMISSION  
OF THE STATE OF NEW MEXICO

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

CASE No. 2090  
Order No. R-1791

APPLICATION OF HUDSON AND HUDSON  
FOR AN UNORTHODOX OIL WELL LOCA-  
TION IN AN UNDESIGNATED ABO POOL,  
EDDY COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on September 30, 1960, at Santa Fe, New Mexico, before Daniel S. Matter, Examiner duly appointed by the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission," in accordance with Rule 1214 of the Commission Rules and Regulations.

NOW, on this 30th day of September, 1960, the Commission, a quorum being present, having considered the application, the evidence adduced, and the recommendations of the Examiner, Daniel S. Matter, 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 applicant, Hudson and Hudson, is the owner and operator of the NE/4 SW/4 of Section 25, Township 17 South, Range 31 East, NMPM, Eddy County, New Mexico.
- (3) That the applicant proposes to locate its Puckett "B" Well No. 19 at an unorthodox oil well location in an undesignated Abo pool at a point 2615 feet from the South line and 2615 feet from the West line of said Section 25.
- (4) That a directional survey should be taken upon completion of the well as a producer.
- (5) That in the event the said directional survey establishes that the subject well is bottomed on the SE/4 NW/4 of said Section 25, the Commission may deem it necessary to adjust the allowable assigned to said well.

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CASE No. 2090  
Order No. R-1791

(6) That inasmuch as all offset operators have waived objection to the proposed unorthodox location, approval of the application will neither cause waste nor impair correlative rights.

IT IS THEREFORE ORDERED:

That the applicant, Hudson and Hudson, Inc and the same is hereby authorized to locate its Fracture "H" Well No. 29 at an unorthodox oil well location in an undesignated ABE pool, at a point 2615 feet from the south line and 2615 feet from the west line of Section 25, Township 17 South, Range 31 East, NMPA, Sddy County, New Mexico.

REVISED ORDER. That a directional survey shall be taken upon completion of said well as a producer and the results of such survey shall be filed with the Commission within 30 days thereafter.

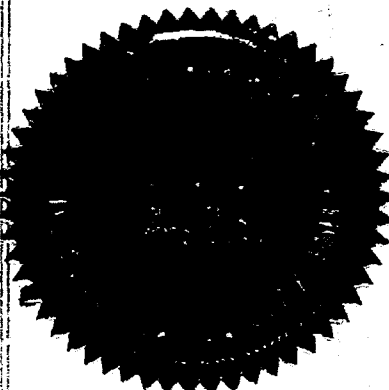
DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO  
OIL CONSERVATION COMMISSION

*John Burroughs*  
JOHN BURROUGHS, Chairman

*Murray E. Morgan*  
MURRAY E. MORGAN, Member

*A. L. Porter, Jr.*  
A. L. PORTER, JR., Member & Secretary



esr/

28-60

DOCKET: EXAMINER HEARING, FRIDAY, SEPTEMBER 30, 1960

OIL CONSERVATION COMMISSION - 9 a.m., Room 109 - State Capitol, Santa Fe, N. M.

The following case will be heard before Daniel S. Nutter, Examiner, or Oliver E. Payne, Attorney, as Alternate Examiner:

CASE 2090:

Application of Hudson and Hudson for an unorthodox oil well location. Applicant, in the above-styled cause, seeks approval of an unorthodox location for its Puckett Well No. 19-B to be located in an undesignated Abo pool at a point 2615 feet from the South and West lines of Section 25, Township 17 South, Range 31 East, Eddy County, New Mexico.

*Hudson & Hudson*  
*Electric Building*

*William A. Hudson*  
*Edward R. Hudson*

MAIN OFFICE OCC

1960 SEP 13 PM 1:16

*Fort Worth, Texas*

September 12, 1960

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

Gentlemen:

Attention: Mr. A. L. Porter,  
Secretary and Director

We are enclosing in triplicate, our Application to Drill our Puckett 19-B well, located 2615 feet from the North Line and 2615 feet from the West line of Section 25, T17S, R31E, Eddy County, New Mexico. This well will be drilled to the Abo Formation at approximately 8000 feet and is a wildcat. This well is located in the same 40-acre tract as the Abo well that we drilled as our No. 16-B, which has now been plugged back and completed in the Grayburg-San Andres Formation, and completely abandoned as an Abo test.

The reason for the odd location is the apparent narrow band of the Abo Reef crossing this property and our geologists have recommended this location as the best geological location for a producing well on this lease.

It will be necessary to have an exception to Rule 104(b)(1) and we would appreciate your calling a special hearing on this application ten days from the date the notice of hearing is issued.


The Carper Oil Company owns the acreage to the East in Section 12, which is one-half mile east of the location, Skelly Oil Company owns the acreage one-half mile west of the well and the Magnolia Petroleum Company and Continental Oil Company own the acreage in the adjoining section to the South, which is one-half mile south of the well. We own all of the acreage within a one-half mile radius of the well.



We do not have written waivers from these adjoining owners but I am sure that these can be obtained quickly as they will have no objection to the drilling of this well in the above location.

We are very anxious to start this well as soon as possible and if it is possible for you to issue an emergency order for a period of fifteen days in order to give us time to have a hearing therein, we would certainly appreciate it so that we can start immediately.

Very truly yours,

  
EDWARD R. HUDSON, FOR  
WILLIAM A. & EDWARD R. HUDSON

ERH:jbm  
Encls

CC: U S Geological Survey  
Artesia, New Mexico

NEW MEXICO OIL CONSERVATION COMMISSION

Examiner Hearing - Daniel S. Nutter

Santa Fe, NEW MEXICO

REGISTER

HEARING DATE September 30, 1960

TIME: 9 a.m.

NAME:	REPRESENTING:	LOCATION:
Edward Hudson	self & others	Ft Worth
Harry A. Hill Jr	Hudson & Hudson	Midland, Tex
Edward Simpson	O.C.C.	Ft Worth
A. K. Carter, Jr		Santa Fe

BEFORE THE  
OIL CONSERVATION COMMISSION  
SANTA FE, NEW MEXICO

In the Matter of:

Case No. 2090 Application of Hudson and Hudson for an unorthodox oil well location. Applicant, in the above-styled cause, seeks approval of an unorthodox location for its Puckett Well No. 19-B to be located in an undesignated Abo pool at a point 2615 feet from the South and West lines of Section 25, Township 17 South, Range 31 East, Eddy County, New Mexico.

Oil Conservation Commission  
State Capitol Building  
September 30, 1960

BEFORE:

Daniel S. Nutter, Examiner.

TRANSCRIPT OF PROCEEDINGS

MR. NUTTER: The hearing will come to order, please.

The first case this morning will be Case Number 2090.

MR. PAYNE: Case 2090, "Application of Hudson and Hudson for an unorthodox oil well location."

MR. HUDSON: Edward Hudson, Junior, of Fort Worth appearing individually for ourselves and on behalf of other individuals, on our Puckett Lease, which covers the--on Section 25, Township 17 South, Range 31 East, Eddy County, New Mexico. First, I would like to introduce three waivers from adjoining lease owners, from Continental and the Magnolia Oil Companies and Skelley,

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PHONE CH 3-6691

ALBUQUERQUE, NEW MEXICO



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WITNESS

HARRY A. MILLER

4

Direct Examination by Mr. Hudson

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ALBUQUERQUE, NEW MEXICO



and we ask that they be made a part of the record, and I believe you have a letter in your file from the Corporation Drilling Company --

MR. NUTTER: Yes sir, we do.

MR. HUDSON: --to the same effect, and we ask that it be made a part of the record.

MR. NUTTER: We can identify these as exhibits in the record if you so desire.

MR. HUDSON: All right, Exhibits A, B, C and D.

(Thereupon, the documents were marked as Exhibits A, B, C and D for identification.)

MR. HUDSON SR.: And it may be noted the Hudsons own the acreage on the lease to the north.

MR. NUTTER: Do you have a plat showing the location of this lease with relation to the other leases?

MR. HUDSON: Yes, sir; I don't believe this actually sets forth the ownership of the other leases.

MR. NUTTER: Let's see, which is 17, 31, right here, this is Section 25.

MR. HUDSON: Yes sir, Skelley owns this whole section here, Carper owns this whole section here, and Magnolia and Continental here.

MR. HUDSON SR.: Continental owns the east half and --

MR. HUDSON: Mobile.

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MR. HUDSON SR.: Nobile owns the west half.

MR. HUDSON: And Hudson and Hudson own these three.

MR. NUTTER: And also 12?

MR. HUDSON: Right.

MR. NUTTER: And owns all of Section 25?

MR. HUDSON: Right, all of Section 25, and we have as a witness Harry Miller of Midland.

MR. PAYNE: Would you stand and be sworn, sir?

(Witness sworn in.)

HARRY A. MILLER, JR.

a witness, called by and on behalf of the Applicant, having first been duly sworn, was examined and testified as follows:

DIRECT EXAMINATION

BY MR. HUDSON:

Q Would you state your name?

A My name is Harry A. Miller, Junior.

Q Would you tell the Commission the schools you attended and what degrees you received?

A I attended the University of Texas, obtained a BS Degree, Bachelor of Science Degree in geology.

Q Are you a member of professional societies?

A I am a member of the American Association of Petroleum Geologists, West Texas Geological Association API.

Q And what experience in this area have you had?

A I have been in West Texas and New Mexico since the end



of the war, 1946; I was associated with the Ohio Oil Company to 1952, at which time I opened a division office for the Hancock Oil Company of California.

Q And have you made a special study of the Abo to see which way it runs?

A Yes, I became an independent and consulting geologist in 1954.

MR. HUDSON: Will the Commission accept his qualifications?

MR. NUTTER: Yes sir, please proceed.

Q (By Mr. Hudson) In what capacity are you serving the Hudsons?

A As a consultant.

Q And you have an exhibit which you have prepared yourself?

A Yes.

MR. HUDSON: Which is the map before you. May we mark it Exhibit E?

(Thereupon, the document was marked as Exhibit E for identification.)

Q (By Mr. Hudson) Would you explain that exhibit and tell what the Hudsons propose to do and why they propose to do it?

A The map is a portion of the Abo trend which extends from the Empire Field in Eddy County to the Lovington Field, as indicated by several zones, several areas of production along this

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trend. On the basis of knowing well control, the Hudsons drilled their Number B-16 Puckett 1980 feet from the north and west of Section 25, Township 17 South, Range 31 East. This well encountered a considerable amount of reefing, but it was tight in the upper part and had a transition zone of oil and water below. Recent development east and west of this well indicated that we are in an area of probable small reefing pinnacles which are extremely narrow, but show considerable reef buildup. We can determine this reef buildup by the tight section encountered as we find a back reef, green shale, bedded lime section to the north, and a black salituous shaly lime to the south--excuse me, shaly dolomite, noting the extreme falloff from the pinnacle of the reef, and being unable to determine exactly why we have such a good reception but not production, we did encounter a slight amount of free oil here on the top, and in an attempt to complete were unable to--we feel that we are getting close to the crest of the reef and that by moving a full location to the south, we will miss the pinnacle or the crest and fall off on the reef side, it will possibly be low and possibly out. In the picture as seen here, this is the Carper, Corbin area, which the full south offset was dry.

MR. NUTTER: In that instance, they drilled a dry hole in the north pinnacle, on the one to the south, correct?

A That's correct, right; we also find here a heavy sedimentary lake area of Sinclair's where the north well did make a showing, but they immediately completed a back reef well, and the

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ALBUQUERQUE, NEW MEXICO

PHONE CH 3-6691





location of the south again was extremely fore reefed and very low.

MR. NUTTER: Were they able to make a well on that?

A No, they were not.

MR. PORTER: Where is this proposed location?

A 2615 feet from the south and west of Section 25.

MR. PORTER: How far does that put you from the unit line, that is, the quarter quarter section line?

A From the quarter section line, twenty-five feet. We feel that we were fairly close to making a well, and we are afraid to move too far south of that location because of the extreme fore reef side falloff. We have an enigma in the fact that we had a beautiful reception, but the upper part of it was extremely tight, and there is no explanation for that in the Abo trend. I have seen in West Texas in refills, Scurry County and Salt Creek, dry holes, a dry hole right in the productive area where we were fairly close to where it will produce, it just seemed that it became impermeable upon the deposition of it for some reason, and in a localized area, and that's the only reason I can give to the Hudsons as to why that well was dry.

Q (By Mr. Hudson) Did the Hudsons test all of the prospective zones in that well?

A Yes.

MR. NUTTER: All of the possible producing interval was tested by your Number B-16 well?

A That's correct, I have a log.

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MR. NUTTER: Has that well been plugged and abandoned?

MR. HUDSON SR.: It has been plugged back. We ran pipe through it, completely through the San Andres, that is, through all of the known producing zones in the San Andres.

MR. NUTTER: I think you'll have to identify yourself.

MR. HUDSON SR.: Edward R. Hudson, one of the co-owners of the lease. Pipe, 8 5/8 was run through all of the known producing zones in the Maljamar Field, which is producing, and the San Andres, anticipating somewhere in the near future that we will water floor the entire lease in that zone. We plugged the well back to the bottom of the 8 5/8 pipe and have saved the well, it is now shut in with the 8 5/8 casing in the hole, which can be used as an injection well at the time we start the water floor project.

MR. NUTTER: This well is definitely plugged in the Abo formation and will not be produced from the Abo, is that correct?

MR. HUDSON SR.: That's correct.

A That's correct.

MR. PAYNE: Mr. Miller, is that an unorthodox location in topography as well as geology?

A No, not--in topography?

MR. PAYNE: Yes.

A No.

MR. PAYNE: In other words, you could drill a standard location, but --

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A But because of the sub-surface structural relationship, no.

MR. PAYNE: Are you crowding any offset operator who has not waived objection?

A No, we are not.

Q (By Mr. Hudson) And you feel that from drilling on the unorthodox location, that you will encounter the reef further down?

A That's correct.

Q Since the drive of the reef is water from bottom, you will not recover the oil in the top part of the reef?

A Correct; well, I also feel that from the water encountered in the Sinclair Cedarlake Area and the section which we had above water here, that we had two separate reservoirs. The water in the Cedarlake area has been found by test at a minus 3475.

MR. NUTTER: 3475?

A Correct, and the water-oil contact encountered by drill stem tests in the Hudson B-16 was a minus 3777.

MR. NUTTER: So you feel that the water in the pinnacle that you are working on here is at a lower elevation than the water in the pinnacle that Sinclair is working on?

A That's correct.

MR. NUTTER: And for that reason, you feel that they were able to complete a well on the back side of the reef relatively low down on the structure, whereas you were unable to complete a well at all?

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ALBUQUERQUE, NEW MEXICO



A That's correct.

MR. NUTTER: Because of the drive in the water tolerance?

A Right.

MR. NUTTER: Now, will it be possible for you to ascertain where the bottom of this well is located if you drilled this well at that location, which is 25 feet out of the corner of the 40-acre tract?

A Only by survey, of course, which we did not make on the B-16.

MR. HUDSON SR.: Let me correct my testimony there, I am mixed in this well. That well is now completed in the San Andres, but it is permanently plugged in the Abo; it is a regular location in the San Andres.

MR. HUDSON: He's speaking of the B-16 being a regular producing location in the San Andres and is now a producing well in that --

MR. NUTTER: However, this B-16 is completely and permanently plugged in the Abo formation?

MR. HUDSON SR.: That's correct, but it is completed in the San Andres. I'm sorry, what I was thinking about was that if this well were dry, see, we would leave the 8 5/8 casing in the hole and use it as an injection well. I'm sorry, I just wasn't thinking.

MR. NUTTER: Your name is Mr. Miller, correct?

A That is correct.

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MR. NUTTER: Mr. Miller, I am drawing here a plat of Section 25 --

A All right.

MR. NUTTER: --and designating by an "X" mark, twenty-five feet out of the northeast corner of the northeast quarter of the southwest quarter, the proposed location of the well, is that correct?

A That is correct.

MR. NUTTER: So that the well will be located twenty-five feet out of the northeast quarter of Unit K of Section 25?

A Yes.

MR. NUTTER: Now, will Hudson and Hudson be willing to make surveys as would be necessary to determine that the bottom of this well if drilled at that location is on this 40-acre tract?

MR. HUDSON SR.: I think we'd have to, wouldn't we?

A Yes.

MR. NUTTER: You are willing to make such tests?

A Yes, excuse me.

MR. NUTTER: Very well; do you have anything further, Mr. Miller?

Q (By Mr. Hudson) Do you feel that the reservoir we would encounter in the proposed location is the same as the reservoir encountered in the Continental Baish A-27?

A No, it is not. The Baish A-27 is an Abo producer, but it is in the Baish-Abo section and in the back reef or shelf

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facies, and is a bedded productive zone.

Q Rather than a reef?

A Rather than a reef, not reef in characteristic.

MR. NUTTER: Do you have an opinion as to whether the area between the pinnacle will not be productive from the Abo where the pinnacle is marked, or in the Sinclair area and in the Hudson area?

A No, but I do think that these two areas will be separated by a non-productive zone.

MR. NUTTER: That's what I mean, will the production be continued across the two pinnacles?

A No.

MR. HUDSON SR.: The Skelley dry well was in between those two zones.

A But it is possible that it is still on the fore reef side.

MR. NUTTER: What would the location be?

MR. HUDSON SR.: 1980 from the north and west of Section 27, 17 South, 31 East, named Skelley Number 6-B Lynch.

MR. NUTTER: And that was a dry hole?

A Correct.

MR. NUTTER: Do you have any further direct testimony, Mr. Hudson?

MR. HUDSON: No.

MR. NUTTER: Does anyone have any questions of Mr. Miller?



He may be excused.

(Witness excused.)

MR. NUTTER: Do you have anything further you would care to offer?

MR. HUDSON SR.: In the event--on the survey now, would that be a requirement in the--that is, a survey of the bottom of the hole, would that be a requirement in the drilling of the well, or would that be only in the event that someone contested the location of that well, the bottom of the hole?

MR. NUTTER: I think it is pertinent that the Commission should be assured that the bottom of the hole is on the 40-acre unit which is assigned to the well by the proration schedule, Mr. Hudson, and that would probably be a requirement for the drilling of the well.

MR. HUDSON SR.: It would probably be.

MR. HUDSON: If the bottom of the hole were found to be in another 40-acre unit --

MR. NUTTER: Then the other 40-acre unit would be carried as the assigned unit.

MR. HUDSON SR.: In other words, you would require the survey, regardless, as to where the production actually is coming from. The reason I asked you is that there would be no change in ownership anywhere in that--the only change in ownership would be on the "A" Lease, which would be "A" Lease 24 Well, it's 3/4 of a mile north to a change in ownership, and it's a half a mile

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on each side, the change in ownership, and the only change in ownership at all would be on the overriding royalty. There is no overriding royalty on the "B" Lease, there is an overriding royalty on the "A" Lease.

MR. NUTTER: It would depend on the Commission whether they actually imposed that requirement on the order or not.

MR. HUDSON SR.: I see.

MR. NUTTER: However, I am aware that in certain instances where wells have been drilled extremely close to the line or where they have been drilled in an area that encountered sharp deviation from the vertical, that the Commission has required those surveys to assure that the well was on the proper 40-acre tract, even though the ownership was common throughout the area.

MR. HUDSON SR.: I am sure it is common. What I am getting at is that this dry hole is on this 40 and the well is on this 40 there, so there could be some question as to the full assignment of allowable on that 40-acre tract, you see what I mean?

MR. NUTTER: Yes, sir.

MR. HUDSON SR.: Now --

MR. PAYNE: There's no dry hole on the 40 that you propose to dedicate to it?

MR. HUDSON SR.: Not on the Abo, no; there's a producing well on the Abo, but it's from the San Andres. There's--no Abo test has been drilled in that.

MR. PAYNE: The reason for those deviation surveys is

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because Commission rules allow you to drill more than one well on a 40-acre unit if you want to, but you'll just get one 40-acre allowable, so it's imperative that we know which 40 the well was actually producing from.

MR. HUDSON SR.: Yes sir, I understand the reason for the survey, but I was just wondering in this situation where they are on a deep hole, you won't want to drill more than one Abo well on a 40-acre tract, and these holes that--we have very little straight hole trouble on that well; however, in the Carper Unit, we have had quite a bit of trouble over here. This well was way off, the south well was way off on the vertical, but I think we can keep the hole straight enough to --

MR. MILLER: Yes. We want to say that it is for our own benefit to stay away from the dry hole, and if it starts going --

MR. NUTTER: It is for your own good to stay away from the dry hole.

MR. HUDSON SR.: Oh yes, I understand that; however, there's one thing I would like to stress a little further here, though, that there is a--in other words, this field has no connection with this, the production has no connection with this area --

MR. MILLER: These are two dry holes.

MR. HUDSON SR.: Isn't there another dry hole here?

MR. MILLER: Here in 28.

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MR. HUDSON SR.: There is a dry hole between the Sinclair area and the area that we are speaking of.

MR. MILLER: Correct.

MR. HUDSON SR.: There are two dry holes between the Carper area and this area, is that correct?

MR. HUDSON: This well, the Dunnagan.

MR. NUTTER: Is the Dunnagan well of Section 26, 17, 32 a dry hole?

MR. HUDSON SR.: That's correct, and that's dry and the Abo --

MR. NUTTER: This is an Abo well and --

MR. HUDSON SR.: And that is --

MR. NUTTER: The well is on the northwest northwest of 28, 17, 32, and is an Abo well?

MR. HUDSON SR.: An Abo well, and it's dry.

MR. NUTTER: As well as the Continental well on Section 20?

MR. HUDSON SR.: It's producing from the Abo, but --

MR. HUDSON: That's on 21.

MR. MILLER: This is the one that's a dry hole.

MR. NUTTER: As well as the B-41 well in Section 19?

MR. HUDSON SR.: That is a dry hole.

MR. NUTTER: Do you gentlemen have anything further you wish to offer?

MR. HUDSON SR.: I think that's all.

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MR. NUTTER: Mr. Hudson, did you wish to offer these as exhibits in this case?

MR. HUDSON: Please, and ask that they be made a part of the record.

MR. NUTTER: Hudson and Hudson Exhibit Numbers A, B, C, D and E will be made a part of the record in this case. Do you have anything further?

MR. HUDSON: No.

MR. HUDSON SR.: I would like to add this for the benefit of Mr. Porter here, that this is almost an emergency with us in that if we do get a well here, we would like to drill one more well this year. It takes at least forty-five days to drill the hole, and we would like to get permission to start, if the Commission sees fit to grant the location, as soon as possible, and there's only about ninety-one days left in the year.

MR. PAYNE: Would you like for us to send you a telegram as soon as the order is signed?

MR. HUDSON SR.: Yes, I would; I was just wondering, would it be possible to pass on this today?

MR. NUTTER: We'll make every effort to expedite the order as much as possible, Mr. Hudson.

MR. PORTER: It would depend on the recommendation at lot, it would depend on the recommendation from the Examiner and whether we catch another Commissioner in. The Governor is out of town, I think the Land Commissioner will be here. I think

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there's a possibility that we might have a decision on it today.

MR. HUDSON SR.: I'd certainly appreciate it, it would be a great help to us, we've got a rig ready to go.

MR. PORTER: Yes, sir.

MR. HUDSON SR.: And all they are waiting on is a phone call from me.

MR. PORTER: Are you going on to Artesia or are you --

MR. HUDSON SR.: We are going into Fort Worth; however, if there's any possibility of getting this done this morning, I could wait here 'til noon.

MR. PORTER: Yes.

MR. HUDSON SR.: If there's any possibility of that, there's not that much of a hurry or rush to get back.

MR. PORTER: Well, I don't know, it would depend on how much time the Examiner would like to have to think about the matter, and I don't know whether he would--do you think you will have a recommendation before noon, Mr. Nutter?

MR. NUTTER: I think it's very likely that we'll be able to work out a recommendation to the Commission today, Mr. Porter.

MR. PORTER: Well, he was thinking about waiting here and find out what the decision was, waiting 'til noontime, but I don't know whether Murray is here this morning or not, he told me he would be, but that was day before yesterday, but anyway, I'll get in touch with you.



MR. HUDSON SR.: Fine.

MR. PORTER: One way or the other.

MR. MUTTER: If there's nothing further in this case,  
we'll take the case under advisement, and the hearing is adjourned.

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ALBUQUERQUE, NEW MEXICO

PHONE CH 3-6691



STATE OF NEW MEXICO )  
                          : SS  
COUNTY OF BERNALILLO )

I, JERRY MARTINEZ, Notary Public in and for the county of Santa Fe, State of New Mexico, do hereby certify that the foregoing and attached Transcript of Proceedings was reported by me in Stenotype and reduced to typewritten transcript by me, and that the same is a true and correct record of the proceedings, to the best of my knowledge, skill and ability.

Dated at Albuquerque, New Mexico, this 30th day of September, 1960.

Notary Public

My Commission Expires:

January 24, 1962

I do hereby certify that the foregoing is a complete record of the proceedings in the Examiner hearing of Case No. 201, heard by me on 9/30, 1960.

*[Signature]*, Examiner  
New Mexico Oil Conservation Commission

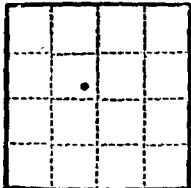
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ALBUQUERQUE, NEW MEXICO



Form 9-281a  
(Feb. 1961)



(SUBMIT IN TRIPLICATE)

CLARK OFFICE OCT  
1960 SEP 13 PM 1:16  
UNITED STATES  
DEPARTMENT OF THE INTERIOR  
GEOLOGICAL SURVEY

Budget Bureau No. 43-R288.4  
Approval expires 12-31-60.

Land Office Las Cruces  
Lease No. 029415(b)  
Unit F

### SUNDRY NOTICES AND REPORTS ON WELLS

NOTICE OF INTENTION TO DRILL	<input checked="" type="checkbox"/>	SUBSEQUENT REPORT OF WATER SHUT-OFF	
NOTICE OF INTENTION TO CHANGE PLANS		SUBSEQUENT REPORT OF SHOOTING OR ACIDIZING	
NOTICE OF INTENTION TO TEST WATER SHUT-OFF		SUBSEQUENT REPORT OF ALTERING CASING	
NOTICE OF INTENTION TO RE-DRILL OR REPAIR WELL		SUBSEQUENT REPORT OF RE-DRILLING OR REPAIR	
NOTICE OF INTENTION TO SHOOT OR ACIDIZE		SUBSEQUENT REPORT OF ABANDONMENT	
NOTICE OF INTENTION TO PULL OR ALTER CASING		SUPPLEMENTARY WELL HISTORY	
NOTICE OF INTENTION TO ABANDON WELL			

(INDICATE ABOVE BY CHECK MARK NATURE OF REPORT, NOTICE, OR OTHER DATA)

Puckett "B" \_\_\_\_\_ September 12, 19 60

Well No. 19 is located 2615 ft. from N line and 2615 ft. from W line of sec. 25

SE/NW Sec. 25 17S 31E NMPM  
(of Sec. and Sec. No.) (Twp.) (Range) (Meridian)

Wildcat Eddy New Mexico  
(Field) (County or Subdivision) (State or Territory)

The elevation of the derrick floor above sea level is \_\_\_\_\_ ft.

#### DETAILS OF WORK

(State names of and expected depths to objective sands; show sizes, weights, and lengths of proposed casings; indicate mudding jobs, cementing points, and all other important proposed work)

We propose to drill a test to the Abo formation at a depth of approximately 8000 feet. Surface casing will be 13 3/8" set at about 300 feet and cement will be circulated to the surface. Approximately 4100 feet of 8 5/8" casing will be set and cemented to at least the top of the salt. A 5 1/2" liner will be used for production string and cemented into the 8 5/8", or a complete string of 5 1/2" will be used and cemented to 1000 feet above the shoe. Pipe will be set through the Abo pay.

I understand that this plan of work must receive approval in writing by the Geological Survey before operations may be commenced.

Company William A. & Edward R. Hudson

Address 1810 Electric Building

Fort Worth, Texas

By Edward R. Hudson

Title Joint Operator



**Mobil Oil Company**

A Division of Socony Mobil Oil Company, Inc.

P. O. BOX 662, ROSWELL, NEW MEXICO

September 23, 1960

BEFORE EXAMINER NUTTER
OIL CONSERVATION COMMISSION
CASE NO. _____

Messrs. William A. Hudson and Edward R. Hudson  
1810 Electric Building  
Fort Worth, Texas

Gentlemen:

The docket for examiner hearing by the Oil Conservation Commission for Friday, September 30, 1960, indicates that Case No. 2090 will be an application by you for an unorthodox oil well location. The application seeks approval of the following location for your Puckett well #19-B, located in an undesignated Abo pool: 2615' from the south and west lines of Section 25-17S-31E, Eddy County, New Mexico.

Socony Mobil Oil Company, Inc. held under lease acreage in Section 36-17S-31E to the south of the proposed location. Socony Mobil Oil Company, Inc. hereby waives its right to object to the proposed location.

Yours truly,

F. P. Troseth  
District Exploration Supt.

FPT/le

BEFORE EXAMINER NUTTER
OIL CONSERVATION COMMISSION
EXHIBIT NO. <u>H</u>
CASE NO. <u>2090</u>





## SKELLY OIL COMPANY

PRODUCTION DEPARTMENT  
C. L. BLACKSHER, VICE PRESIDENT  
W. P. WHITMORE, GENERAL MANAGER

TULSA 2, OKLAHOMA

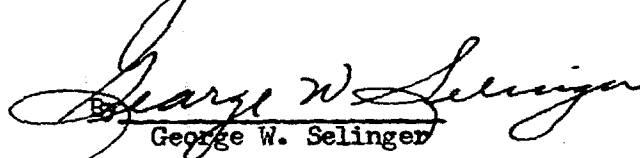
Messrs. William & Edward R. Hudson (2)  
1810 Electric Building  
Ft. Worth, Texas

Gentlemen:

This is to advise that Skelly Oil Company waives notice and objection to the drilling of your Puckett Well No. 19B as an unorthodox location, 2615' from the South line and 2615' from the West line of Section 25, Township 17 South, Range 31 East, Eddy County, New Mexico, for an Abo test, which well is to be the only Abo well on the 40 acres described as the NE SW of Section 25, Township 17 South, Range 31 East.

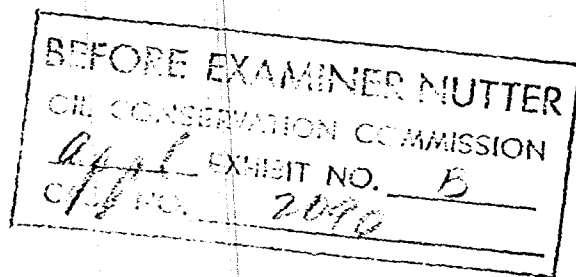
Very truly yours,

SKELLY OIL COMPANY

  
George W. Selinger

GWS/gl

cc: Mr. J. N. Dunlavey





# CONTINENTAL OIL COMPANY

FAIR BUILDING  
FT. WORTH 2, TEXAS

H. L. JOHNSTON  
REGIONAL MANAGER OF PRODUCTION  
SOUTHWESTERN REGION

September 16, 1960

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

Gentlemen:

Continental Oil Company has been notified of William A. and Ed R. Hudson's application for an exception to Rule 104 for their Puckett 19-B well. It is understood that the said well is to be located 2615 feet from the south and west lines of Section 25, T-17-S, R-31-E, Eddy County, New Mexico.

You are respectfully advised that Continental Oil Company hereby waives notice and hearing on the above application.

Yours very truly,

HLJ-SL

BEFORE EXAMINER NUTTER
OIL CONSERVATION COMMISSION
EXHIBIT NO. <u>C</u>
<u>2070</u>

# CARPER

# DRILLING COMPANY, INC.

VICE UCC

O I L P R O D U C T I O N A N D D R I L L I N G

EMERY CARPER, PRESIDENT  
STANLEY CARPER, EXEC. VICE-PRES. & TREAS.  
MARSHALL ROWLEY, VICE-PRES.  
FRANCES BOOKER, SECRETARY  
NELLE MILLER, ASST. TREAS.

ARTESIA, NEW MEXICO  
CARPER BUILDING  
SHERWOOD 6-2784  
SHERWOOD 6-2785

1960 SEP 14  
Case file  
2090

September 13, 1960

Mr. A. L. Porter  
New Mexico Oil Conservation Commission  
P. O. Box 791  
Santa Fe, New Mexico

Dear Sir:

William A. and Edward R. Hudson propose drilling an 8000' Abo test well to be known as their Puckett B #19 well and will be located in Section 25, Township 17 South, Range 31 East, Eddy County, New Mexico. The well will be 2615' from the North and 2615' from the West lines of Section 25 and will therefore be an unorthodox location.

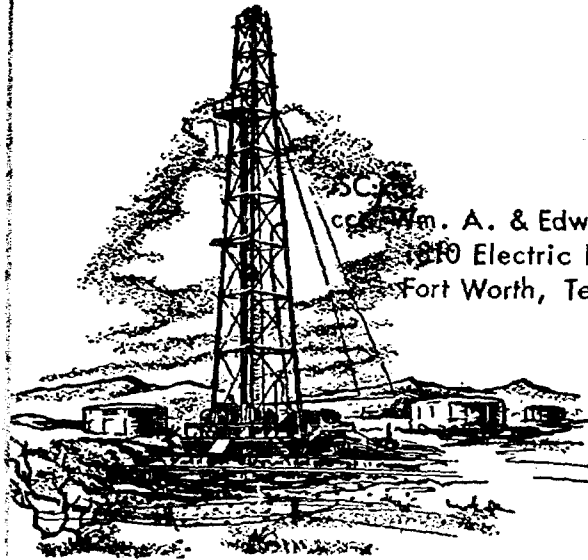
Carper Drilling Company, Inc. owns the lease in Section 30 and 31, Township 17 South, Range 32 East, Lea County, New Mexico, which is direct offset acreage to the East and diagonal acreage to the Southeast of Section 25 where the location is proposed.

This letter is for the purpose of notifying the Commission that Carper Drilling Company, Inc. offers no objection to the above unorthodox location. We will sign any instrument or Waiver to this effect in the event it is required.

Yours very truly,

CARPER DRILLING COMPANY, INC.

*Stanley Carper*  
Stanley Carper



cc: Wm. A. & Edward R. Hudson  
810 Electric Building  
Fort Worth, Texas

EXAMINER NOTED  
EXHIBIT NO. 2090  
9-16-60