

Diane
Please call
When signed
Dick
From this

Jason Kellahin
W. Thomas Kellahin
Karen Aubrey

KELLAHIN and KELLAHIN
Attorneys at Law
500 Don Gaspar Avenue
Post Office Box 1769
Santa Fe, New Mexico 87501

RECEIVED
JUL 31 1979
OIL CONSERVATION DIVISION
SANTA FE

Telephone 982-4285
Area Code 505

July 30, 1979

Mr. Richard Stamets
Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87501

Re: Jake L. Hamon
Union State Sec 30,
T20S, R36E, NMPM
Lea County, New Mexico

Dear Dick:

Subsequent to our conversation on July 24th, I have obtained from Jake L. Hamon the necessary information showing how Mr. James Cooksey of that firm made the additional gas recovery calculations which resulted in his estimate of an additional four billion cubic feet of gas being recovered:

Acreage:	320 acres
Porosity:	10.5%
Water Saturation:	30%
Res. Pressure:	4,785 psia
Thickness:	24'
Res. Temp.	636°
Z factor	1.210

shows original gas in place of 5.3 BCF with an 80% recovery equals 4.2 BCF.

I assume that we will be in compliance with FERC to spud the well after we obtain New Mexico Oil Conservation Division approval. Please advise me if it is necessary to waiting for federal approval before spudding the well in order to obtain the new gas price under Order No. R-6013.

Very truly yours,
W. Thomas Kellahin
W. Thomas Kellahin

cc: Mr. James Massey

Call Tom
Kellahan when
this signed
STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT

OIL CONSERVATION DIVISION
P. O. Box 2088
SANTA FE, NEW MEXICO
87501

Immediate

ADMINISTRATIVE ORDER
NFL 1

INFILL DRILLING FINDINGS AND WELL-SPACING WAIVER
MADE PURSUANT TO SECTION 271.305(b) OF THE
FEDERAL ENERGY REGULATORY COMMISSION REGULATIONS,
NATURAL GAS POLICY ACT OF 1978 AND OIL CONSERVATION DIVISION
ORDER NO. R-6013

I.
Operator Jack L. Hamon Well Name and No. Union State No 2
Location: Unit A Sec. 30 Twp. 20S Rng. 36 E Cty. hea

II.
THE DIVISION FINDS:

- (1) That Section 271.305(b) of the Federal Energy Regulatory Commission Interim Regulations promulgated pursuant to the Natural Gas Policy Act of 1978 provides that, in order for an infill well to qualify as a new onshore production well under Section 103 of said Act, the Division must find, prior to the commencement of drilling, that the well is necessary to effectively and efficiently drain a portion of the reservoir covered by the proration unit which cannot be so drained by any existing well within that unit, and must grant a waiver of existing well-spacing requirements.
- (2) That by Order No. R-6013, dated June 7, 1979, the Division established an administrative procedure whereby the Division Director and the Division Examiners are empowered to act for the Division and find that an infill well is necessary.
- (3) That the well for which a finding is sought is to be completed in the North Osado -
Morrow Gas Pool, and the standard spacing unit in said pool, is 640 - acres.
- (4) That a 640 -acre proration unit comprising the all
of Sec. 30, Twp. 20S, Rng. 36 E, is currently dedicated to the Union State
Well No 1 located in Unit H of said section.
- (5) That this proration unit is () standard () nonstandard; if nonstandard, said unit was previously approved by Order No. _____.
- (6) That said proration unit is not being effectively and efficiently drained by the existing well(s) on the unit.
- (7) That the drilling and completion of the well for which a finding is sought should result in the production of an additional 2 to 4 B MCF of gas from the proration unit which would not otherwise be recovered.
- (8) That all the requirements of Order No. R-6013 have been complied with, and that the well for which a finding is sought is necessary to effectively and efficiently drain a portion of the reservoir covered by said proration unit which cannot be so drained by any existing well within the unit.
- (9) That in order to permit effective and efficient drainage of said proration unit, the subject application should be approved as an exception to the standard well spacing requirements for the pool.

IT IS THEREFORE ORDERED:

- (1) That the applicant is hereby authorized to drill the well described in Section I above as an infill well on the existing proration unit described in Section II(4) above. The authorization for infill drilling granted by this order is an exception to applicable well spacing requirements and is necessary to permit the drainage of a portion of the reservoir covered by said proration unit which cannot be effectively and efficiently drained by any existing well thereon.
- (2) That jurisdiction of this cause is retained for the entry of such further orders as the Division may deem necessary.

DONE at Santa Fe, New Mexico, on this _____ day of _____, 19_____.

DIVISION DIRECTOR _____ EXAMINER _____

JAKE L. HAMON
OIL AND GAS PRODUCER
REPUBLIC NATIONAL BANK TOWER
POST OFFICE BOX 663
DALLAS, TEXAS 75221

J. BRUCE MARTINDALE, III
LAND AND LAW

June 25, 1979

RECEIVED
JUN 29 1979
Oil Conservation

State of New Mexico
Energy and Minerals Department
Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87501

Re: Application for Section 103 Price Determination
Proposed Infill Well
Union State #2
Section 30-20S-36E
Lea County, New Mexico

Also see
Case File No
6555. Indicate
approx 160 acres
prod in this
unit

Gentlemen:

In accordance with Order No. R-6013 of the Oil Conservation Division, I submit the following information in support of a Section 103 price determination for gas produced from the captioned well:

1. Two copies of Form C-101 and Form C-102 are attached. An approved copy of the Form C-101 has not yet been received from the Division.
2. Completion of the Union State #2 well will be attempted in the North Osudo-Morrow Field. Standard spacing unit size for this pool is 640 acres.
3. The proposed Infill well has not been spudded. The well will be spudded upon approval of this Section 103 price determination application.
4. In accordance with Rule 9 of Order No. R-6013, attached is a summary of all the wells drilled on the existing proration unit which are or have been completed in the same pool or reservoir as the proposed Infill well.
5. In accordance with Rule 10 of Order No. R-6013, enclosed are two copies each of the following:
 - (a) Isopach "TXO" Sand Formation structure map
 - (b) Morrow Formation structure map
 - (c) Bottom hole pressure map
 - (d) Land plat
 - (e) Cumulative production map
 - (f) Production/Pressure decline curve.

RECEIVED
JUN 29 1979
Oil Conservation

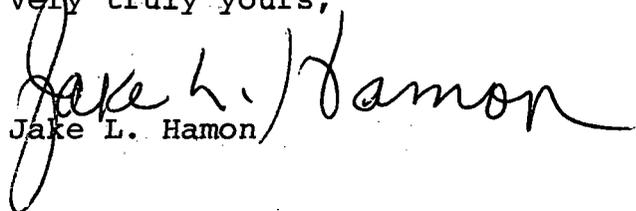
State of New Mexico
Energy and Minerals Department
June 25, 1979
Page 2

I anticipate the increased ultimate recovery to be obtained by the drilling of the Infill well to be four billion cubic feet of gas. This increase was determined by reservoir volumetric calculations. No secondary recovery or pressure maintenance operations are practical or anticipated.

6. All Operators of proration or spacing units offsetting the unit for which this Infill finding is sought have been notified of this application by certified mail.

I would appreciate your early and favorable response to this application.

Very truly yours,


Jake L. Hamon

CC:ph/17
attachments

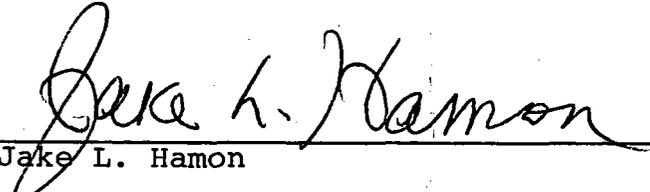
xc: Mr. James F. Massey
Mr. James Cooksey

CERTIFICATE OF SERVICE

I, Jake L. Hamon, hereby certify that a copy of this Application for Section 103 Price Determination for a Proposed Infill Well has been served upon the following operators of proration or spacing units offsetting the unit for which this infill finding is sought by mailing the same, postage prepaid, certified mail, properly addressed, to:

Texas Oil & Gas Corp.
2700 Fidelity Union Tower
Dallas, Texas 75201

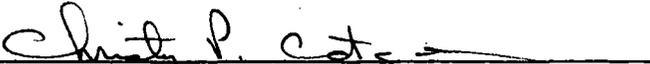
Hytech Energy Corporation
400 Wilco Bldg.
Midland, Texas 79701



Jake L. Hamon

Dated at Dallas, Texas, this
~~21st~~ day of June, 1979

Subscribed and sworn to by Jake L. Hamon before me this ~~21st~~ day of June, 1979, to certify which witness my hand and seal of office.



Notary Public in and for
Dallas County, Texas

CHRISTY P. CATANZARO, Notary Public
In and for Dallas County, Texas

RECEIVED
JUN 29 1979
Oil Conservation

Rule 9 Summary

Jake L. Hamon - Operator
Union State No. 1
North Osudo-Morrow Pool
Lea County, New Mexico

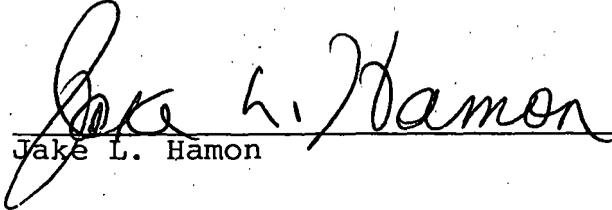
- a. Lease name and well location: Union State No. 1, Unit H,
1980' FNL, 660' FEL, Section 30,
T-20-S, R-36-E
- b. Spud date: May 26, 1966
- c. Completion date: August 1, 1966
- d. Mechanical problems experienced: production casing leak in
the Morrow. Zones in the wellbore
are depleted as recorded by bottom
hole pressure information
- e. Current rate of production: April, 1979 production 54 MCF
- f. Plugging date: Well will be plugged and abandoned upon
completion of a producing replacement
well

CERTIFICATE OF SERVICE

I, Jake L. Hamon, hereby certify that a copy of this Application for Section 103 Price Determination for a Proposed Infill Well has been served upon the following operators of proration or spacing units offsetting the unit for which this infill finding is sought by mailing the same, postage prepaid, certified mail, properly addressed, to:

Texas Oil & Gas Corp.
2700 Fidelity Union Tower
Dallas, Texas 75201

Hytech Energy Corporation
400 Wilco Bldg.
Midland, Texas 79701

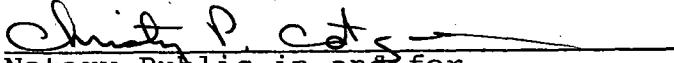


Jake L. Hamon

Dated at Dallas, Texas, this
26th day of June, 1979

Subscribed and sworn to by Jake L. Hamon before me this 26th day of June, 1979, to certify which witness my hand and seal of office.





Notary Public in and for
Dallas County, Texas

CHRISTY P. CATANZARO, Notary Public
In and for Dallas County, Texas

RECEIVED

JUN 29 1979

Oil Conservation

Rule 9 Summary

Jake L. Hamon - Operator
Union State No. 1
North Osudo-Morrow Pool
Lea County, New Mexico

- a. Lease name and well location: Union State No. 1, Unit H,
1980' FNL, 660' FEL, Section 30,
T-20-S, R-36-E
- b. Spud date: May 26, 1966
- c. Completion date: August 1, 1966
- d. Mechanical problems experienced: production casing leak in
the Morrow. Zones in the wellbore
are depleted as recorded by bottom
hole pressure information
- e. Current rate of production: April, 1979 production 54 MCF
- f. Plugging date: Well will be plugged and abandoned upon
completion of a producing replacement
well

RECEIVED

JUN 29 1979

Oil Conservation

NO. OF COPIES RECEIVED		
DISTRIBUTION		
SANTA FE		
FILE		
U.S.G.S.		
LAND OFFICE		
OPERATOR		

NEW MEXICO OIL CONSERVATION COMMISSION

Form C-101
Revised 1-1-65

5A. Indicate Type of Lease
STATE FEE

5. State Oil & Gas Lease No.
E-1782

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. Type of Work
b. Type of Well DRILL DEEPEN PLUG BACK
OIL WELL GAS WELL OTHER SINGLE ZONE MULTIPLE ZONE

2. Name of Operator
Jake L. Hamon

3. Address of Operator
611 Petroleum Building, Midland, Texas 79701

4. Location of Well
UNIT LETTER A LOCATED 660 FEET FROM THE North LINE
AND 560 FEET FROM THE East LINE OF SEC. 30 TWP. 20-S RGE. 36-E NMPM

7. Unit Agreement Name

8. Farm or Lease Name
Union State

9. Well No.
2

10. Field and Pool, or Wildcat
North Osudo Morrow

12. County
Lea

19. Proposed Depth
11,600'

19A. Formation
Morrow

20. Rotary or C.T.
Rotary

21. Elevations (Show whether DP, RT, etc.)
3647.7 GR

21A. Kind & Status Plug. Bond
Blanket in force

21B. Drilling Contractor
N/A

22. Approx. Date Work will start
June 1, 1979

PROPOSED CASING AND CEMENT PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	SACKS OF CEMENT	EST. TOP
15-1/2"	11-3/4"	47#	350'	350	Circ to surface
11"	8-5/8"	24# & 28#	5,500'	2,800	Circ to surface
7-7/8"	5-1/2"	17# & 20#	11,600'	500	8,600'

- Operator proposes to drill to the Morrow formation, the top of which is expected at about 11,280'.
- Procedure:
 - Drill 15-1/2" hole to 350' using gel/lime mud.
 - Set 11-3/4" 47# surface casing and cement to surface with 350 sx.
 - Install 2 - 3000# BOP's and pressure test BOP's and surface casing.
 - Drill 11" hole to 5500' using saltwater base mud.
 - Set 8-5/8" 24# & 28# 8-5/8" intermediate casing and cement to surface with 2800 sx.
 - Install 3 - 5000# BOP's and pressure test BOP's and casing.
 - Drill 7-7/8" hole to T.D. of 11,600' using salt water base mud of 9# -12#/gal and sufficient properties for samples and hole conditions for logging DST's & casing setting.
 - DST any significant shows of oil or gas and run electric logs.
 - If production is indicated, set and cement 5-1/2", 17# & 20# casing to TD w/500 sx.
 - Perforate productive zone and acidize or frac as needed

NOTE: Application for hearing on unorthodox location is being filed.

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM; IF PROPOSAL IS TO DEEPEN OR PLUG BACK, GIVE DATA ON PRESENT PRODUCTIVE ZONE AND PROPOSED NEW PRODUCTIVE ZONE. GIVE BLOWOUT PREVENTER PROGRAM, IF ANY.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

Original Signed By:

H. W. SHAW

Signed _____ Title Drilling Engineer Date April 30, 1979

(This space for State Use)

APPROVED BY _____ TITLE _____ DATE _____

CONDITIONS OF APPROVAL, IF ANY:

MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form O-102
Superseded C-128
Effective 1-1-65

All distances must be from the outer boundaries of the Section

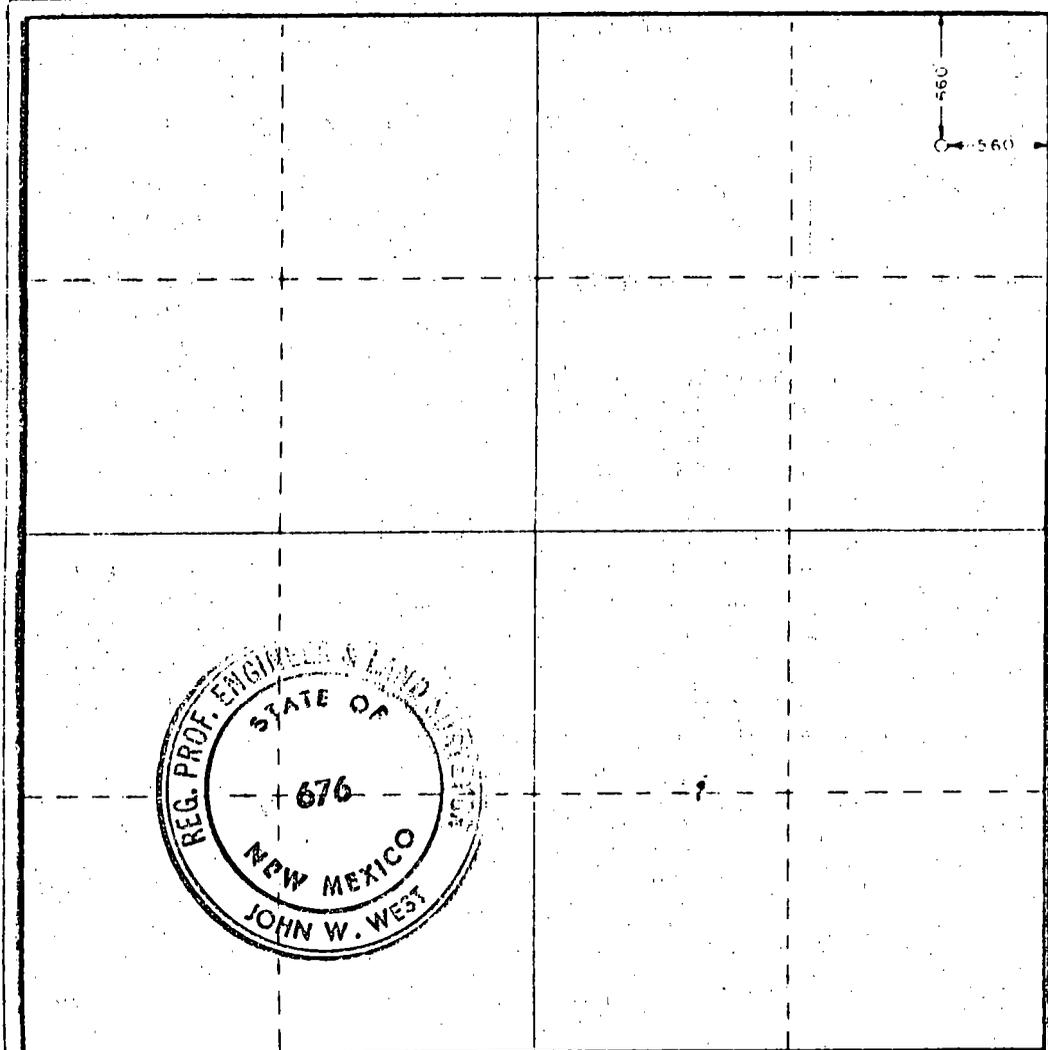
Operator Jake L. Hamon			Lease Union State		Well No. 2
Unit Letter A	Section 30	Township 20 South	Range 36 East	County Lea	
Actual Footage Location of Well:					
660	feet from the	North	line and	560	feet from the
				East	
Ground Level Elev. 3647.7	Producing Formation MORROW		Pool North Osudo - Morrow	Dedicated Acreage 638.88	
				Acres	

- Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
- If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
- If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

Yes No If answer is "yes," type of consolidation _____

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) _____

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.



CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

H. W. Shaw

Name **Original Signed By:**
H. W. SHAW

Position:

Drilling Engineer

Company:

Jake L. Hamon

Date:

April 26, 1979

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

Date Surveyed:

April 18, 1979

Registered Professional Engineer and/or Land Surveyor

John W. West

Certificate No. **John W. West 676**

Ronald J. Eidson 3239

UNION STATE #1

SEC 30 T-20-S R-36-E

LEA COUNTY, NEW MEXICO

DATE	¹ MONTHLY GAS SALES (14.65)	² ACC GAS SALES	³ MONTHLY COND PROD	⁴ ACC COND PROD	⁵ YIELD B/MUCT
1976					
Apr	6297	5924913	5	29689	.60
May	8563	5933476	-	29689	
Jun	6321	5941797	-	29689	
Jul	8646	5950443	-	29689	
Aug	5162	5955611	-	29689	
Sep	2842	5958493	-	29689	
Oct	533	5959026	-	29689	
Nov	5263	5964289	-	29689	
Dec	5681	5969970	-	29689	
	78328				
1977					
Jan	5704	5975674	6	29695	1.05
Feb	5387	5981061	8	29703	1.49
Mar	6054	5987115	-	29703	
Apr	5833	5992948	-	29703	
May	5321	5998269	-	29703	
June	5351	6003620	-	29703	
July	5181	6008801	-	29703	
Aug	5199	6014000	-	29703	
Sept	4328	6018328	-	29703	
Oct	4158	6022486	0	29703	
Nov	3914	6026400	0	29703	
Dec	3924	6030324	0	29703	
	60354	6030324			
1978					
Jan	4582	6034906	0	29703	
Feb	3976	6038882	0	29703	
Mar	5050	6043932	0	29703	
Apr	4557	6048489	0	29703	
May	4078	6052567	20	29725	4.9
June	3686	6056253	0	29723	
July	4376	6060629	0	29723	
Aug	4328	6064957	0	29723	
Sept	4056	6069013	0	29723	
Oct	4020	6073033	2	29725	.5
Nov	3637	6076670	0	29725	
Dec	9	6076679	0	29725	
	46355	6076679			
1979					
Jan	12	6076691	0	29725	
Feb	7	6076698	0	29725	
Mar	9	6076707	0	29725	
Apr	54	6076761	0	29725	

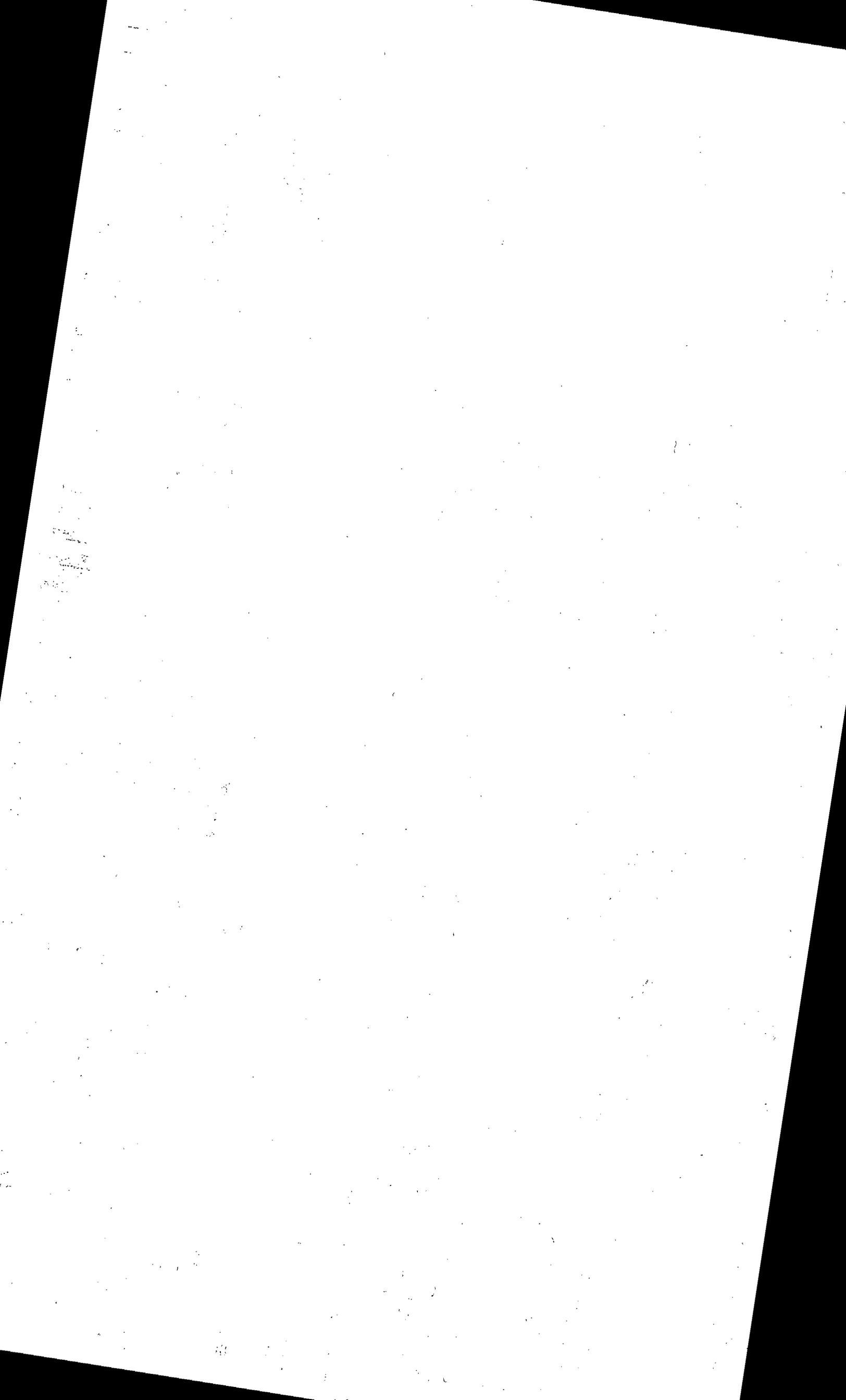
UNION STATE #1

SEC 30 T-20-S R-36-E

LEA COUNTY, NEW MEXICO

	DATE	¹ MONTHLY GAS SALES 14.65#	² ACC. GAS SALES	³ MONTHLY COND. PROD.	⁴ ACC. COND. PROD.	⁵ YIELD B/MMcf
1	1/70	55921	4503419	101	28338	1.8
2	2/70	48321	4551740	74	28412	1.5
3	3/70	51692	4603432	108	28520	2.1
4	4/70	48530	4651962	87	28607	1.8
5	5/70	48282	4700244	78	28685	1.6
6	6/70	44578	4744822	67	28752	1.5
7	7/70	44171	4788993	55	28807	1.2
8	8/70	42423	4831416	59	28866	1.4
9	9/70	37702	4869118	45	28911	1.2
10	10/70	37777	4906895	56	28967	1.5
11	11/70	34589	4941484	56	28949 ^e 29023	1.6
12	12/70	34369	4975853	56	28938 ^e	1.6
13	1971					
14	JAN	33112	5008965	43	28981	1.3
15	FEB	29064	5038029	34	29015	1.2
16	MAR	30150	5068179	17	29032	0.6
17	APR	29145	5097324	22	29054	0.8
18	MAY	29358	5126682	25	29071 ^e 29079	0.9
19	JUNE	27353	5154035	19	29076 ^e 29090	0.7
20	JULY	29295	5183330	14	29090	0.5
21	AUG.	27994	5211324	22	29112	0.8
22	SEPT.	24512	5235836	14	29126	0.6
23	OCT.	20809	5256645	14	29140	0.7
24	NOV.	24323	5280968	12	29152	0.5
25	DEC.	23532	5304500	19	29171	0.8
26	1972					
27	JAN	23300	5327800	25	29196	1.1
28	FEB	21215	5349015	20	29216	0.9
29	MAR	21052	5370067	14	29230	0.7
30	APR	19487	5389554	13	29243	0.7
31	MAY	21109	5410663	8	29251	0.4
32	JUNE	20331	5430994	23	29274	1.1
33	JULY	20816	5451810	3	29277	0.1
34	AUG.	20394	5472204	2	29279	0.1
35	SEPT	19652	5491856	0	29279	0.0
36	OCT	20532	5512388	3	29282	0.1
37	NOV	22946	5535334	65	29347	2.8
38	DEC	23130	5558464	45	29392	2.0
39						
40						
41						
42						
43						

@ DEDUCTED BS&W



UNION STATE #1
 SEC. 30 T-20-S R-36-E LEA COUNTY, NEW MEXICO

1973	DATE	MONTHLY GAS SALES (14.65 [#])	ACC. GAS SALES	MONTHLY COND. PROD.	ACC. COND. PROD.	YIELD B/MMCF
JAN	21972	5580436	22	29414	1.0	
FEB	1767	5582203	5	29419	2.8	
MAR	5555	5587758	3	29422	0.5	
APR	9770	5597528	9	29431	0.9	
MAY	10336	5607864	5	29436	0.5	
JUNE	9821	5617685	6	29442	0.6	
JULY	10186	5627871	8	29450	0.8	
AUG.	10222	5638093	11	29461	1.1	
SEPT.	9137	5647230	6	29467	0.7	
OCT.	10198	5657428	3	29470	0.3	
NOV.	9632	5667060	0	29470	0.0	
DEC.	9663	5676723	2	29472	0.2	
1974	JAN.	9626	5686349	14	29475	1.5
FEB.	8678	5695027	0	29486	—	
MAR.	9129	5704156	25	29511	2.5	
APR.	9456	5714312	9	29520	1.0	
MAY	9833	5724145	5	29525	0.5	
JUNE	9611	5733756	12	29537	1.3	
JULY	9637	5743393	5	29542	0.5	
AUG.	9245	5753238	6	29543	0.6	
SEPT.	8212	5761450	3	29551	0.4	
OCT.	8823	5770273	8	29559	0.9	
NOV.	8878	5779171	16	29575	1.8	
DEC.	8983	5788154	8	29583	0.9	
1975	JAN	9011	5797165	6	29589	1.7
FEB	7992	5804797	14	29603	1.8	
MAR.	8352	5813299	11	29614	1.32	
APR.	8993	5822252	14	29628	1.56	
MAY	7709	5829991	0	29628	—	
JUN	9717	5839305	0	29628	—	
JUL	9065	5848370	0	29628	—	
AUG	9194	5857564	5	29633	1.50	
SEP	8149	5865713	6	29639	1.74	
OCT	8593	5874306	0	29639	—	
NOV	8745	5883051	11	29650	1.26	
DEC	8591	5891612	0	29650	—	
1976	JAN	8439	5900091	14	29664	1.67
FEB	7895	5907996	11	29675	1.39	
MAR	8640	5916616	9	29684	1.04	

FIA 56 REGAAN - OSUBO STATE #1

2-3-73 WELL DEAD, HOLE IN T80 & C6

UNION STATE # 1

SEC. 30 T-20-S R-36-E

LEA COUNTY, NEW MEXICO

DATE	1 MONTHLY	2 ACC.	3 MONTHLY	4 ACC.	5
	GAS (SALES) PROD. 14.65*	GAS. PROD.	COND. PROD.	COND. PROD.	YIELD B/MMCF
10/66	311,782	311,782	4353	4353	14.0
11/66	287,930	599,712	3203	7556	11.1
12/66	263,255	862,967	2530	10086	9.6
1/67	195,649	1,058,616	1583	11,669	8.0
2/67	187,313	1,245,929	1956	13,625	10.4
3/67	214,570	1,460,499	1237	14,862	5.8
4/67	205,154	1,665,653	1401	16,263	6.8
5/67	193,330	1,858,983	1283	17,546	6.6
6/67	198,865	2,057,848	1063	18,609	5.3
7/67	170,831	2,228,679	941	19,550	5.5
8/67	168,264	2,396,943	885	20,435	5.3
9/67	145,088	2,542,031	656	21,091	4.5
10/67	127,954	2,669,985	642	21,733	5.0
11/67	125,220	2,795,205	587	22,320	4.7
12/67	107,209	2,902,414	431	22,751	4.0
1/68	96,863	2,999,277	495	23,246	5.1
2/68	97,708	3,096,985	449	23,695	4.6
3/68	96,845	3,193,830	452	24,147	4.7
4/68	83,997	3,277,827	383	24,530	4.6
5/68	79,598	3,357,425	347	24,877	4.4
6/68	83,262	3,440,687	335	25,212	4.0
7/68	78,653	3,519,340	315	25,527	4.0
8/68	78,649	3,597,989	311	25,838	4.0
9/68	69,751	3,667,740	271	26,109	3.9
10/68	65,679	3,733,419	233	26,342	3.5
11/68	64,233	3,797,652	240	26,582	3.7
12/68	58,550	3,856,202	264*	26,846	4.5
1/69	41,568	3,897,770	114	26,960	2.7
2/69	18,199*	3,915,969	13	26,973	0.7
3/69**	20,932	3,936,907	124	27,097	5.9
4/69	45,185	3,982,086	166	27,263	3.7
5/69	58,831	4,040,917	200	27,463	3.4
6/69	54,400	4,095,317	115	27,578	2.1
7/69	66,014	4,161,331	154	27,732	2.3
8/69	63,565	4,224,896	81	27,813	1.3
9/69	56,369	4,281,265	117	27,930	2.1
10/69	56,679	4,338,746	125	28,055	2.2
11/69	53,707	4,392,453	51	28,106	0.9
12/69	55,045	4,447,498	131	28,237	2.4

* BLED 42 B. H₂O TO PIT

** TIED INTO LO-PRESS LINE 3:00 PM 3-21-69 (50*)

SQUIER. AUDIT CORRECTION

NO. OF COPIES RECEIVED	
DISTRIBUTION	
SANTA FE	
FILE	
U.S.G.S.	
LAND OFFICE	
OPERATOR	

NEW MEXICO OIL CONSERVATION COMMISSION

Form C-101
Revised 1-1-65

5A. Indicate Type of Lease
STATE FEE

5. State Oil & Gas Lease No.
E-1782

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. Type of Work DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG BACK <input type="checkbox"/>		7. Unit Agreement Name	
b. Type of Well OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER <input type="checkbox"/>		8. Farm or Lease Name Union State	
2. Name of Operator Jake L. Hamon		9. Well No. 2	
3. Address of Operator 611 Petroleum Building, Midland, Texas 79701		10. Field and Pool, or Wildcat North Osudo Morrow	
4. Location of Well UNIT LETTER <u>A</u> LOCATED <u>660</u> FEET FROM THE <u>North</u> LINE AND <u>560</u> FEET FROM THE <u>East</u> LINE OF SEC. <u>30</u> TWP. <u>20-S</u> RGE. <u>36-E</u> NMPM		12. County Lea	
19. Proposed Depth 11,600'		19A. Formation Morrow	20. Rotary or C.T. Rotary
21. Elevations (Show whether DJ, RT, etc.) 3647.7 GR	21A. Kind & Status Plug. Bond Blanket in force	21B. Drilling Contractor N/A	22. Approx. Date Work will start June 1, 1979

PROPOSED CASING AND CEMENT PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	SACKS OF CEMENT	EST. TOP
15-1/2"	11-3/4"	47#	350'	350	Circ to surface
11"	8-5/8"	24# & 28#	5,500'	2,800	Circ to surface
7-7/8"	5-1/2"	17# & 20#	11,600'	500	8,600'

- Operator proposes to drill to the Morrow formation, the top of which is expected at about 11,280'.
- Procedure:
 - Drill 15-1/2" hole to 350' using gel/lime mud.
 - Set 11-3/4" 47# surface casing and cement to surface with 350 sx.
 - Install 2 - 3000# BOP's and pressure test BOP's and surface casing.
 - Drill 11" hole to 5500' using saltwater base mud.
 - Set 8-5/8" 24# & 28# 8-5/8" intermediate casing and cement to surface with 2800 sx.
 - Install 3 - 5000# BOP's and pressure test BOP's and casing.
 - Drill 7-7/8" hole to T.D. of 11,600' using salt water base mud of 9# -12#/gal and sufficient properties for samples and hole conditions for logging DST's & casing sett
 - DST any significant shows of oil or gas and run electric logs.
 - If production is indicated, set and cement 5-1/2", 17# & 20# casing to TD w/500 sx.
 - Perforate productive zone and acidize or frac as needed

NOTE: Application for hearing on unorthodox location is being filed.

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM; IF PROPOSAL IS TO DEEPEN OR PLUG BACK, GIVE DATA ON PRESENT PRODUCTIVE ZONE AND PROPOSED NEW PRODUCTIVE ZONE. GIVE BLOWOUT PREVENTER PROGRAM, IF ANY.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

Original Signed By:
H. W. SHAW

Signed _____ Title Drilling Engineer Date April 30, 1979

(This space for State Use)

APPROVED BY _____ TITLE _____ DATE _____

CONDITIONS OF APPROVAL, IF ANY:

MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form O-12
Supersedes C-12
Effective 1-1-65

All distances must be from the outer boundaries of the Section

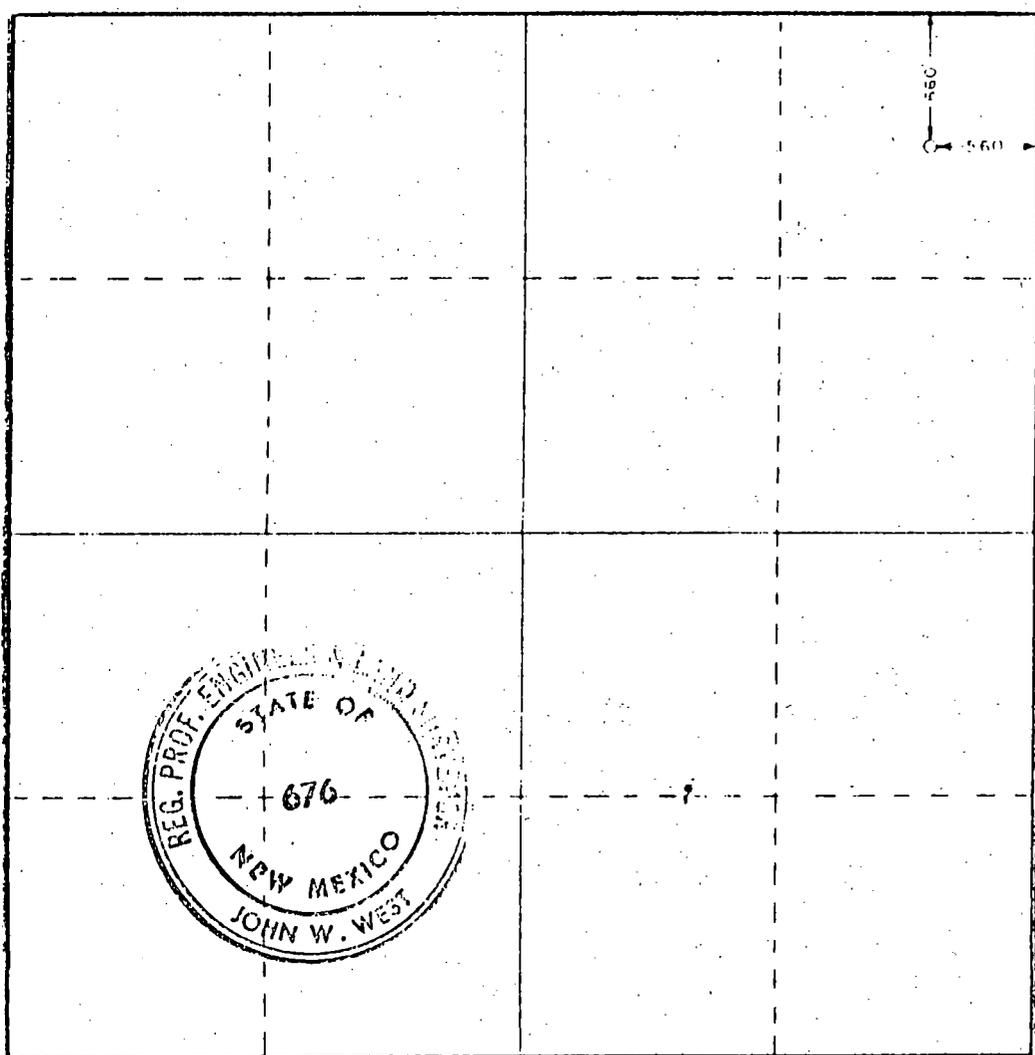
Operator Jake L. Hamon		Lease Union State			Well No. 2
Tract Letter A	Section 30	Township 20 South	Range 36 East	County Lea	
Actual Location of Well:					
660	feet from the	North	line and	560	feet from the
				East	
Ground Level Elev. 3647.7	Producing Formation Morrow		Pool North Osudo - Morrow		Drilled Acreage 638.88
Acres					

1. Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

Yes No If answer is "yes," type of consolidation _____

If answer is "no," list the owners and tract descriptions which have actually been consolidated (Use reverse side of this form if necessary.) _____

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.



CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

H. W. Shaw
Original Signed By:
H. W. SHAW

Position
Drilling Engineer

Operator
Jake L. Hamon

Date
April 26, 1979

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

Date Surveyed
April 18, 1979

Registered Professional Engineer
and Land Surveyor

John W. West

Certificate No. **John W. West 676**
Ronald J. Eidson 3239

UNION STATE #1

SEC 30 T-20-S R-36-E

LEA COUNTY, NEW MEXICO

DATE	¹ MONTHLY GAS SALES (14.65)	² ACC GAS SALES	³ MONTHLY COWD PROD	⁴ ACC COWD PROD	⁵ YIELD B/AMCT
1976					
Apr	6297	5924913	5	29689	.60
May	8563	5933476	-	29689	
Jun	6721	5941797	-	29689	
Jul	8646	5950443	-	29689	
Aug	5162	5955611	-	29689	
Sep	2842	5958493	-	29689	
Oct	533	5959026	-	29689	
Nov	5263	5964289	-	29689	
Dec	5681	5969970	-	29689	
	78328				
1977					
Jan	5704	5975674	6	29695	1.05
Feb	5387	5981061	8	29703	1.49
Mar	6054	5987115	-	29703	
Apr	5833	5992948	-	29703	
May	5321	5998269	-	29703	
June	5351	6003620	-	29703	
July	5181	6008801	-	29703	
Aug	5199	6014000	-	29703	
Sept	4328	6018328	-	29703	
Oct	4158	6022486	0	29703	
Nov	3914	6026400	0	29703	
Dec	3924	6030324	0	29703	
	60354	4030324			
1978					
Jan	4582	6034906	0	29703	
Feb	3976	6038882	0	29703	
Mar	5050	6043932	0	29703	
Apr	4557	6048489	0	29703	
May	4078	6052567	20	29723	4.9
June	3686	6056253	0	29723	
July	4376	6060629	0	29723	
Aug	4328	6064957	0	29723	
Sept	4056	6069013	0	29723	
Oct	4020	6073033	2	29725	.5
Nov	3631	6076670	0	29725	
Dec	9	6076679	0	29725	
	46355	6076679			
1979					
Jan	12	6076691	0	29725	
Feb	7	6076698	0	29725	
Mar	9	6076707	0	29725	
Apr	54	6076761	0	29725	

UNION STATE #1
 SEC. 30 T-20-S R-36-E LEA COUNTY, NEW MEXICO

	DATE	¹ MONTHLY GAS SALES (14.65")	² ACC. GAS SALES	³ MONTHLY COND. PROD.	⁴ ACC. COND. PROD.	⁵ YIELD B/MMCF
1973	JAN	21972	5580436	22	29414	1.0
	FEB	1767	5582203	5	29419	2.8
	MAR	5555	5587758	3	29422	0.5
	APR	9770	5597528	9	29431	0.9
	MAY	10336	5607864	5	29436	0.5
	JUNE	9821	5617685	6	29442	0.6
	JULY	10186	5627871	8	29450	0.8
	AUG	10222	5638093	11	29461	1.1
	SEPT.	9137	5647230	6	29467	0.7
	OCT.	10198	5657428	3	29470	0.3
	NOV	9632	5667060	0	29470	0.0
	DEC.	9663	5676723	2	29472	0.2
1974	JAN.	2626	5686349	14	29476	1.5
	FEB.	8678	5695027	0	29486	—
	MAR.	9829	5704856	25	29511	2.5
	APR.	9456	5714312	9	29520	1.0
	MAY	2833	5724145	5	29525	0.5
	JUNE	9611	5733756	12	29537	1.3
	JULY	7637	5743393	5	29542	0.5
	AUG.	7245	5753238	6	29548	0.6
	SEPT.	8212	5761450	3	29551	0.4
	OCT.	8823	5770273	8	29559	0.9
	NOV.	8898	5779171	16	29575	1.8
	DEC.	8983	5788154	8	29583	0.9
1975	JAN	9011	5797165	6	29589	0.7
	FEB	7782	5804717	14	29603	1.8
	MAR	8352	5813299	11	29614	1.32
	APR	8983	5822282	14	29628	1.56
	MAY	7709	5829991	—	29628	—
	JUN	9314	5839305	0	29628	—
	JUL	9065	5848370	0	29628	—
	AUG	9194	5857564	5	29633	0.50
	SEP	8149	5865713	6	29639	0.74
	OCT	8593	5874306	0	29639	—
	NOV	8745	5883051	11	29650	1.26
	DEC	8591	5891642	0	29650	—
1976	JAN	8439	5900081	14	29664	1.67
	FEB	9895	5907976	11	29675	1.39
	MAR	8640	5916616	9	29684	1.04

UNION STATE # 1

SEC. 30 T-20-S R-36-E

LEA COUNTY, NEW MEXICO

	DATE	¹ MONTHLY GAS (SALES) PROD 14.65 ⁺	² ACC. GAS PROD	³ MONTHLY COND. PROD	⁴ ACC. COND. PROD	⁵ YIELD B/MMCF	
1	10/66	311,782	311,782	4353	4353	14.0	1
2	11/66	287,930	599,712	3203	7556	11.1	2
3	12/66	263,255	862,967	2530	10086	9.6	3
4	1/67	195,649	1,058,616	1583	11669	8.0	4
5	2/67	187,313	1,245,929	1956	13625	10.7	5
6	3/67	214,570	1,460,499	1237	14862	5.8	6
7	4/67	205,154	1,665,653	1401	16263	6.8	7
8	5/67	193,330	1,858,983	1283	17546	6.6	8
9	6/67	198,865	2,057,848	1063	18609	5.3	9
10	7/67	170,831	2,228,679	941	19550	5.5	10
11	8/67	168,264	2,396,943	885	20435	5.3	11
12	9/67	145,088	2,542,031	656	21091	4.5	12
13	10/67	127,954	2,669,985	642	21733	5.0	13
14	11/67	125,220	2,795,205	587	22320	4.7	14
15	12/67	107,209	2,902,414	431	22751	4.0	15
16	1/68	96,863	2,999,277	495	23246	5.1	16
17	2/68	97,708	3,096,985	449	23695	4.6	17
18	3/68	96,845	3,193,830	452	24147	4.7	18
19	4/68	83,997	3,277,827	383	24530	4.6	19
20	5/68	79,598	3,357,425	347	24877	4.4	20
21	6/68	83,262	3,440,687	335	25212	4.0	21
22	7/68	78,653	3,519,340	315	25527	4.0	22
23	8/68	78,649	3,597,989	311	25838	4.0	23
24	9/68	69,751	3,667,740	271	26109	3.9	24
25	10/68	65,679	3,733,419	233	26342	3.5	25
26	11/68	64,233	3,797,652	240	26582	3.7	26
27	12/68	58,550	3,856,202	264	26846	4.5	27
28	1/69	41,568	3,897,770	114	26960	2.7	28
29	2/69	18,199	3,915,969	13	26973	0.7	29
30	3/69 **	20,932	3,936,901	124	27097	5.9	30
31	4/69	45,185	3,982,086	166	27263	3.7	31
32	5/69	58,831	4,040,917	200	27463	3.4	32
33	6/69	54,400	4,095,317	115	27578	2.1	33
34	7/69	66,014	4,161,331	154	27732	2.3	34
35	8/69	63,565	4,224,896	81	27813	1.3	35
36	9/69	56,369	4,281,265	117	27930	2.1	36
37	10/69	56,679	4,337,944	125	28055	2.2	37
38	11/69	53,707	4,391,651	51	28106	0.9	38
39	12/69	55,045	4,446,696	131	28237	2.4	39
40							40
41							41
42							42
43							43
44							44
45							45

* BLEED 42 B. H.O. TO PIT

** TIED INTO LD-PRESS LINE 3:00 PM 3-21-69 (50*)

SQUIER. AUDIT CORRECTION