

STATE OF NEW MEXICO

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION



BRUCE KING
GOVERNOR

January 13, 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, Texas 79705

Attention: David G. Grafe

Administrative Order NSL-2722-C(SD)

Dear Mr. Grafe:

Reference is made to your application dated December 5, 1991 for an unorthodox Jalmat gas well location in an existing non-standard 480-acre gas spacing and proration unit (GPU) for said Jalmat Gas Pool comprising the W/2 and SE/4 of Section 24, 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. (17) of Exhibit "A") and had dedicated thereon the State "A" A/C-1 Well Nos. 24, 25, 32, and 53 located, respectively, in Units N, F, J and E of said Section 24 to this proration unit.

By Division Administrative Orders NSL-2722, NSL-2722-A, and NSL-2722-B four more wells, the State "A" A/C-1 Well Nos. 50, 52, 54, and 107, located at unorthodox gas well locations in Units O, K, I and L, respectively, of said Section 24 were approved for the subject GPU. Authorization was also given in said administrative orders to simultaneously dedicate Jalmat Gas production from the State "A" A/C-1 Well Nos. 24, 25, 32, 50, 52, 53, 54 and 107 to the subject GPU.

Subsequent to the issuance of said Administrative Order NSL-2722-A, an additional well was completed in the subject GPU, the State "A" A/C-1 Well No. 126 located at a standard gas well location for this particular sized proration unit in Unit C of said Section 24.

Administrative Order NSL-2722-C(SD)
Clayton W. Williams, Jr., Inc.
January 10, 1992
Page 2

It is our understanding that the subject well in this application is temporarily abandoned in the Langlie-Mattix Pool, however, said well will be plugged back to the Jalmat Gas Pool upon issuance of this order.

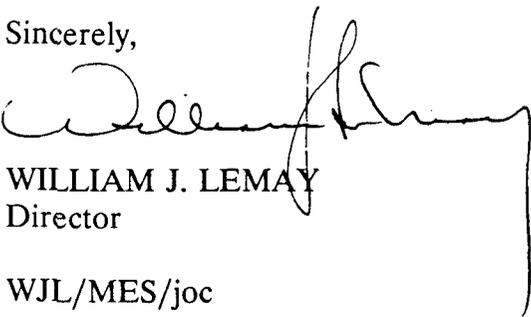
By authority granted me under the provisions of Rule 2(c) of the Special Rules and Regulations for the Jalmat Gas Pool, as promulgated by Division Order No. R-8170, as amended, the following described well located at an unorthodox gas well location in said Section 24 is hereby approved:

State "A" A/C-1 Well No. 108
660' FS & WL (Unit M)

Also, you are hereby authorized to simultaneously dedicate Jalmat Gas production from the State "A" A/C-1 Well No. 108 with the State "A" A/C-1 Well Nos. 24, 25, 32, 50, 52, 53, 54, 107 and 126; 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 Administrative Order NSL-2722, dated December 6, 1989, Order NSL-2722-A, dated January 26, 1990, Order NSL-2722-B(SD) dated July 1, 1991, and those provisions applicable to the subject GPU in Division Order No. R-9073 (Paragraph No. (17) of Exhibit "A") shall remain in full force and effect until further notice.

Sincerely,



WILLIAM J. LEMAY
Director

WJL/MES/joc

cc: Oil Conservation Division - Hobbs
NM State Land Office - Santa Fe
File: Case No. 9775
NSL-2722
NSL-2722-B

CLAYTON W. WILLIAMS, JR., INC.

OIL CONSERVATION DIVISION
RECEIVED

'91 DEC 23 AM 9 20

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

December 12, 1991

Waiver Request
Unorthodox Gas Well Location
and Simultaneous Dedication
Jalmat Tansil Yts 7-Rvrs
(Prorated Gas) Pool
660' FSL and 660' FWL
Section 24, T-23-S. R-36-E
Lea County, New Mexico

MERIDIAN OIL INC.
P. O. Box 51810
Midland, Texas 79710-1810
Attn: C. Malik

Gentlemen:

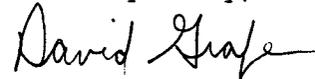
Attached is a copy of Clayton W. Williams' administrative application for NMOCD approval of an Unorthodox Gas Well Location and Simultaneous dedication in the Jalmat Tansil Yates 7-Rivers (Pro Gas) Pool.

Clayton W. Williams, Jr., Inc. is planning to re-complete it's State "A" A/C 1 Well #108 in the Jalmat Tansil Yates 7-Rivers (Pro Gas) Pool. It is our desire to also simultaneously dedicate the existing 480 acre Jalmat Gas Proration Unit assigned to our State "A" A/C #1 Well Nos. 32, 50, 52, 53, 54, 107, and 126 to all 8 wells. As a result, the location of the State "A" A/C 1, well No. 108 becomes unorthodox. The location of the well No. 108 is 660' FSL and 660' FWL of Section 24, T-23-S, R-36-E, Lea County, New Mexico.

As an offset operator, if you do not have an objection to the attached application, please sign the enclosed waivers and mail the original and two copies to the NMOCD in Santa Fe and one copy to the NMOCD in Hobbs, New Mexico. We also request that one copy be returned to CWWJ, Inc. in Midland, Texas. We have enclosed addressed, stamped envelopes for your convenience.

If you have any questions, please contact me at (915) 688-3239. Your prompt consideration will be appreciated.

Yours very truly,



David G. Grafe
Petroleum Engineer

Attachments
Enclosures

DGG/rsm

CLAYTON W. WILLIAMS, JR., INC.
State "A" A/C 1
Well #108

Application For An Unorthodox
Gas Well Location
and
Simultaneous Dedication of Acreage
Jalmat Tansil Yates 7-Rivers (Prorated Gas)
660' FWL and 660' FSL
Section 24, 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 660' FWL and 660' FSL, Section 24, Township 23 South, Range 36 East, NMPM, Lea County, New Mexico. We further understand that this well will be simultaneously dedicated to an existing 480 acre gas proration unit along with Clayton W. Williams, Jr., Inc.'s State "A" A/C 1 Nos. 32, 50, 52, 53, 54, 107, and 126. This proration unit comprises the whole of Section 24, excluding the North East Quarter, T-23-S, R-36-E, Lea County, New Mexico.

Company: MERIDIAN Oil Inc.
Representative: Cornie L. Malik
Signature: Cornie Malik
Title: Regulatory Compliance Rep.
Date: 12-12-91

CLAYTON W. WILLIAMS, JR., INC.

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

December 5, 1991

ADMINISTRATIVE APPLICATION FOR
UNORTHODOX GAS WELL LOCATION
AND SIMULTANEOUS DEDICATION
JALMAT TANSIL YTS 7-RVRS (PRO GAS)
660' FSL AND 660' FWL
SECTION 24, 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 Location and Simultaneous Dedication.

Clayton W. Williams, Jr., Inc. is planning to re-complete it's State "A" A/C 1 Well No. 108 in the Jalmat Tansil Yates 7-Rivers (Pro Gas) Pool. It is our desire to also simultaneously dedicate the existing 480-acre Jalmat Gas Proration Unit assigned to our State "A" A/C 1 Well Nos. 32, 50, 52, 53, 54, 107, and 126 to all eight wells. As a result, the location of the State "A" A/C 1 Well No. 108 becomes unorthodox in that it is less than 990 feet from the outer boundary of the proration unit. The location of Well No. 108 is 660 feet FWL and 660' FSL of Section 24, T-23-S, R-36-E, NMPM, Lea County, New Mexico.

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

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

Yours very truly,



David G. Grafe
Petroleum Engineer

Attachments
Enclosures
DGG/rsm

cc: NMOCD - Hobbs, NM

CLAYTON W. WILLIAMS, JR., INC.
State "A" Account 1
Well No. 108

Application For An Unorthodox
Gas Well Location
and
Simultaneous Dedication of Acreage
Jalmat Tansil Yates 7-Rivers (Pro Gas)
660' FWL and 660' FSL
Section 24, T-23-S, R-36-E
Lea County, New Mexico

OFFSET OPERATORS

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

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

SIRGO OPERATING, INC.
P. O. Box 3531
Midland, Texas 79702

ARCO OIL AND GAS CO.
P. O. Box 1610
Midland, Texas 79702
Attn: J. T. Lowder

MERIDIAN OIL INC.
P. O. Box 51810
Midland, Texas 79710-1810
Attn: R. E. Foppiano

TEXACO, INC.
205 E. Benber
Hobbs, New Mexico 88240
Attn: Russell Poole

Submit to Appropriate District Office
 State Lease - 4 copies
 Fee Lease - 3 copies

State of New Mexico
 Energy, Minerals and Natural Resources Department

Form C-102
 Revised 1-1-89

OIL CONSERVATION DIVISION

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

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

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

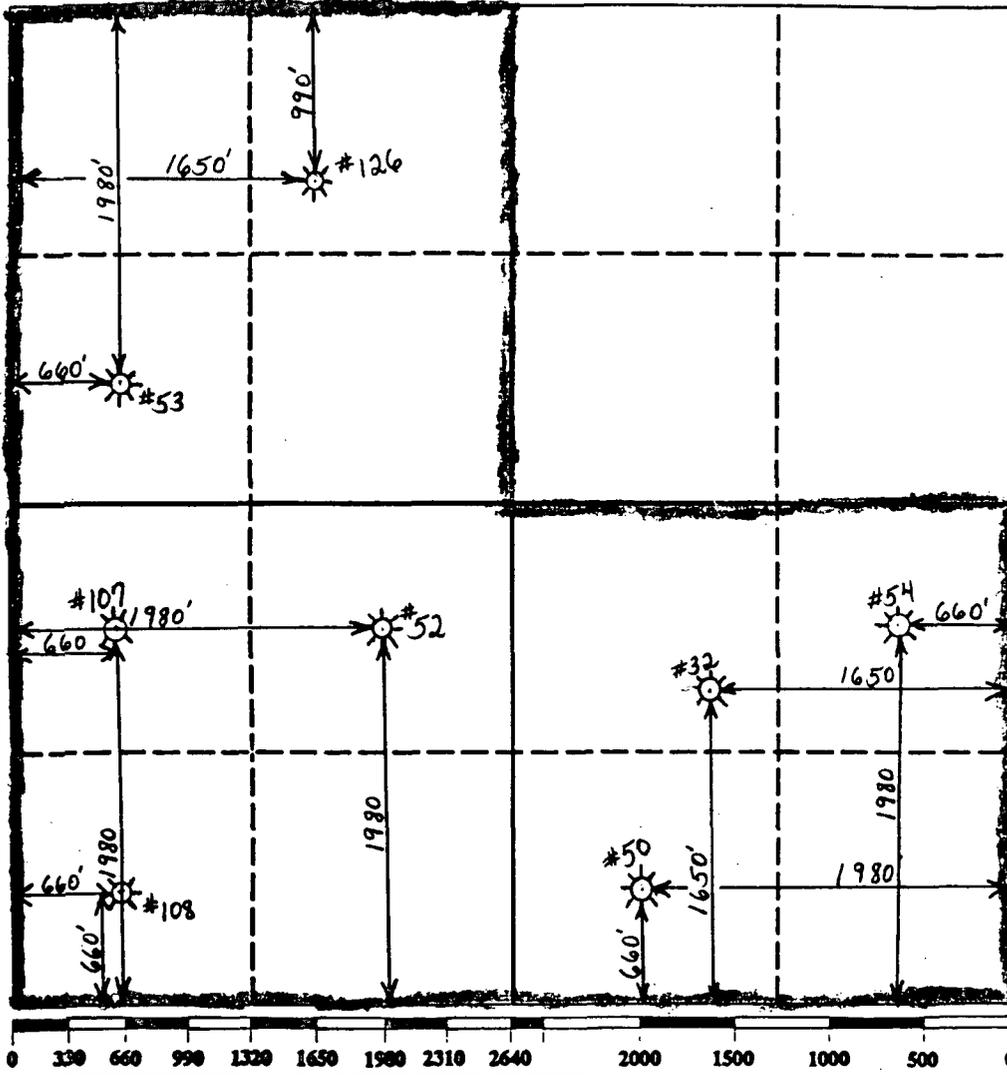
DISTRICT III
 1000 Rio Brazos Rd., Aztec, NM 87410

WELL LOCATION AND ACREAGE DEDICATION PLAT

All Distances must be from the outer boundaries of the section

Operator Clayton W. Williams, Jr., Inc.		Lease State "A" A/C 1		Well No. 108
Unit Letter M	Section 24	Township 23S	Range 36E	County NMPM Lea
Actual Footage Location of Well:				
660 feet from the South		line and	660 feet from the West line	
Ground level Elev. 3352'	Producing Formation Tansill-Yates	Pool Jalmat-TNSL-YTS-7R	Dedicated Acreage: 480 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 interest 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 interest, has been approved by the Division.



OPERATOR CERTIFICATION

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

Signature
David G. Grafe
 Printed Name
David G. Grafe
 Position
Production Engineer
 Company
Clayton W. Williams, Jr., Inc.
 Date
11-20-91

SURVEYOR CERTIFICATION

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
 Signature & Seal of Professional Surveyor
 Certificate No.

CLAYTON W. WILLIAMS, JR., INC.
State "A" A/C 1
Well #108

Application For An Unorthodox
Gas Well Location
and
Simultaneous Dedication of Acreage
Jalmat Tansil Yates 7-Rivers (Prorated Gas)
660' FWL and 660' FSL
Section 24, 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 NMOC approval of an Unorthodox Gas Well Location in the Jalmat Tansil Yates 7-Rivers (Pro Gas) Pool. This location is to be 660' FWL and 660' FSL, Section 24, Township 23 South, Range 36 East, NMPM, Lea County, New Mexico. We further understand that this well will be simultaneously dedicated to an existing 480 acre gas proration unit along with Clayton W. Williams, Jr., Inc.'s State "A" A/C 1 Nos. 32, 50, 52, 53, 54, 107, and 126. This proration unit comprises the whole of Section 24, excluding the North East Quarter, T-23-S, R-36-E, Lea County, New Mexico.

Company: MERIDIAN Oil Inc.
Representative: Cornie L. Malik
Signature: Cornie Malik
Title: Regulatory Compliance Rep.
Date: 12-12-91

OIL CONSERVATION DIVISION
RECEIVED

CLAYTON W. WILLIAMS, JR., INC.

To: Mike Stogner
From: Evelyn

'91 DEC 23 AM 10 05

I received 2 of these
from *Malik*
3020 CLAYTON NATIONAL BANK BUILDING
SIX DESTA DRIVE
MIDLAND, TEXAS 79705
915/682-6324

December 12, 1991

Waiver Request
Unorthodox Gas Well Location
and Simultaneous Dedication
Jalmat Tansil Yts 7-Rvrs
(Prorated Gas) Pool
660' FSL and 660' FWL
Section 24, T-23-S. R-36-E
Lea County, New Mexico

MERIDIAN OIL INC.
P. O. Box 51810
Midland, Texas 79710-1810
Attn: C. Malik

Gentlemen:

Attached is a copy of Clayton W. Williams' administrative application for NMOCD approval of an Unorthodox Gas Well Location and Simultaneous dedication in the Jalmat Tansil Yates 7-Rivers (Pro Gas) Pool.

Clayton W. Williams, Jr., Inc. is planning to re-complete it's State "A" A/C 1 Well #108 in the Jalmat Tansil Yates 7-Rivers (Pro Gas) Pool. It is our desire to also simultaneously dedicate the existing 480 acre Jalmat Gas Proration Unit assigned to our State "A" A/C #1 Well Nos. 32, 50, 52, 53, 54, 107, and 126 to all 8 wells. As a result, the location of the State "A" A/C 1, well No. 108 becomes unorthodox. The location of the well No. 108 is 660' FSL and 660' FWL of Section 24, T-23-S, R-36-E, Lea County, New Mexico.

As an offset operator, if you do not have an objection to the attached application, please sign the enclosed waivers and mail the original and two copies to the NMOCD in Santa Fe and one copy to the NMOCD in Hobbs, New Mexico. We also request that one copy be returned to CWWJ, Inc. in Midland, Texas. We have enclosed addressed, stamped envelopes for your convenience.

If you have any questions, please contact me at (915) 688-3239. Your prompt consideration will be appreciated.

Yours very truly,

David G. Grafe

David G. Grafe
Petroleum Engineer

Attachments
Enclosures

DGG/rsm

CLAYTON W. WILLIAMS, JR., INC.

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

December 5, 1991

ADMINISTRATIVE APPLICATION FOR
UNORTHODOX GAS WELL LOCATION
AND SIMULTANEOUS DEDICATION
JALMAT TANSIL YTS 7-RVRS (PRO GAS)
660' FSL AND 660' FWL
SECTION 24, 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 Location and Simultaneous Dedication.

Clayton W. Williams, Jr., Inc. is planning to re-complete it's State "A" A/C 1 Well No. 108 in the Jalmat Tansil Yates 7-Rivers (Pro Gas) Pool. It is our desire to also simultaneously dedicate the existing 480-acre Jalmat Gas Proration Unit assigned to our State "A" A/C 1 Well Nos. 32, 50, 52, 53, 54, 107, and 126 to all eight wells. As a result, the location of the State "A" A/C 1 Well No. 108 becomes unorthodox in that it is less than 990 feet from the outer boundary of the proration unit. The location of Well No. 108 is 660 feet FWL and 660' FSL of Section 24, T-23-S, R-36-E, NMPM, Lea County, New Mexico.

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

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

Yours very truly,



David G. Grafe
Petroleum Engineer

Attachments
Enclosures
DGG/rsm

cc: NMOCD - Hobbs, NM

CLAYTON W. WILLIAMS, JR., INC.
State "A" Account 1
Well No. 108

Application For An Unorthodox
Gas Well Location
and
Simultaneous Dedication of Acreage
Jalmat Tansil Yates 7-Rivers (Pro Gas)
660' FWL and 660' FSL
Section 24, T-23-S, R-36-E
Lea County, New Mexico

OFFSET OPERATORS

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

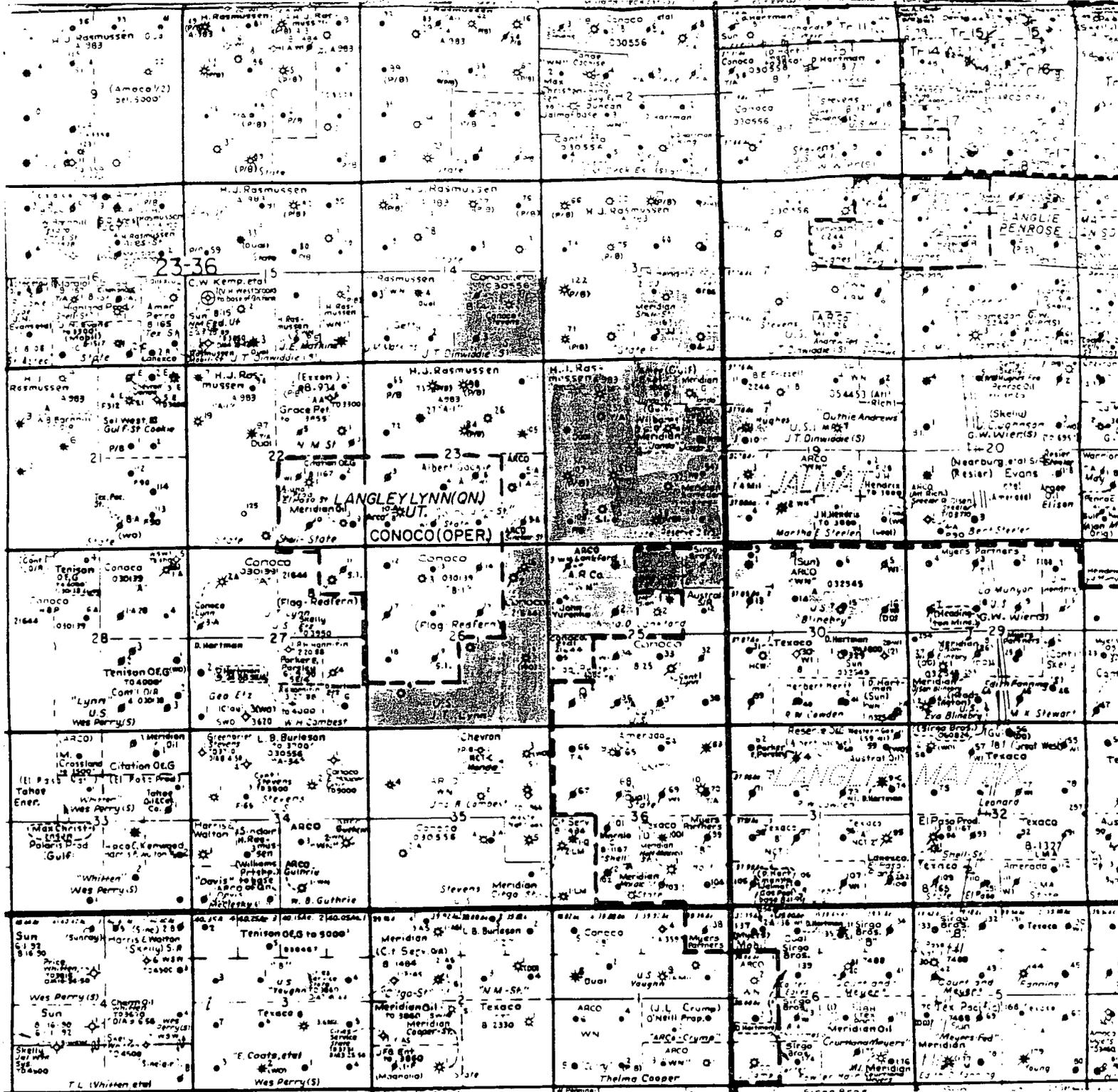
CONOCO INC.
P. O. Box 1959
Midland, Texas 79702
Attn: J. W. Hoover

SIRGO OPERATING, INC.
P. O. Box 3531
Midland, Texas 79702

ARCO OIL AND GAS CO.
P. O. Box 1610
Midland, Texas 79702
Attn: J. T. Lowder

MERIDIAN OIL INC.
P. O. Box 51810
Midland, Texas 79710-1810
Attn: R. E. Foppiano

TEXACO, INC.
205 E. Benber
Hobbs, New Mexico 88240
Attn: Russell Poole



American Expl. ~~XXXXXXXXXX~~

Texaco ~~XXXXXXXXXX~~

Arco ~~XXXXXXXXXX~~

Williams Partnership

Conoco ~~XXXXXXXXXX~~

Meridian ~~XXXXXXXXXX~~

Sirgo Brothers ~~XXXXXXXXXX~~

Submit to Appropriate
District Office
State Lease - 4 copies
Fee Lease - 3 copies

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 57504-2088

DISTRICT I

P.O. Box 1980, Hobbs, NM 88240

DISTRICT II

P.O. Drawer DD, Artesia, NM 88210

DISTRICT III

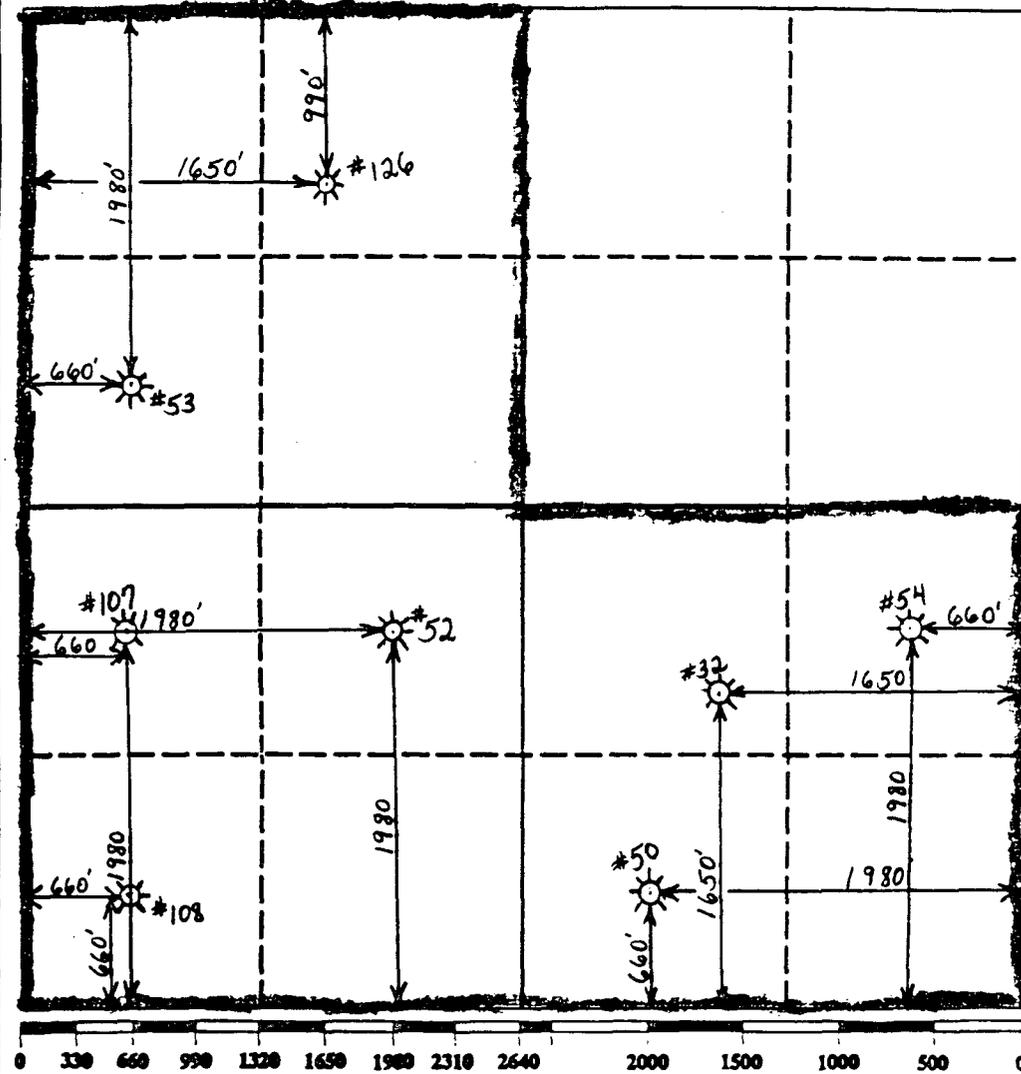
1000 Rio Brazos Rd., Aztec, NM 87410

WELL LOCATION AND ACREAGE DEDICATION PLAT

All Distances must be from the outer boundaries of the section

Operator Clayton W. Williams, Jr., Inc.		Lease State "A" A/C 1		Well No 108	
Unit Letter M	Section 24	Township 23S	Range 36E	County NMPM Lea	
Actual Footage Location of Well: 660 feet from the South line and 660 feet from the West line					
Ground level Elev. 3352'	Producing Formation Tansill-Yates		Pool Jalmat-TNSL-YTS-7R	Dedicated Acreage: 480 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 interest of all owners been consolidated by communization, 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 communization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interest, has been approved by the Division.



OPERATOR CERTIFICATION

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

Signature
David G. Grafe

Printed Name
David G. Grafe

Position
Production Engineer

Company
Clayton W. Williams, Jr., Inc.

Date
11-20-91

SURVEYOR CERTIFICATION

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

Signature & Seal of Professional Surveyor

Certificate No.

CLAYTON W. WILLIAMS, JR., INC.
State "A" A/C 1
Well #108

Application For An Unorthodox
Gas Well Location
and
Simultaneous Dedication of Acreage
Jalmat Tansil Yates 7-Rivers (Prorated Gas)
660' FWL and 660' FSL
Section 24, 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 NMOCDD approval of an Unorthodox Gas Well Location in the Jalmat Tansil Yates 7-Rivers (Pro Gas) Pool. This location is to be 660' FWL and 660' FSL, Section 24, Township 23 South, Range 36 East, NMPM, Lea County, New Mexico. We further understand that this well will be simultaneously dedicated to an existing 480 acre gas proration unit along with Clayton W. Williams, Jr., Inc.'s State "A" A/C 1 Nos. 32, 50, 52, 53, 54, 107, and 126. This proration unit comprises the whole of Section 24, excluding the North East Quarter, T-23-S, R-36-E, Lea County, New Mexico.

Company: ARCO OIL & GAS COMPANY
Representative: KEVIN D. RENDRO
Signature: *Kevin D. Rendro*
Title: O/A Engineer
Date: 12-12-91

CLAYTON W. WILLIAMS, JR., INC.
State "A" A/C 1
Well #108

Application For An Unorthodox
Gas Well Location
and
Simultaneous Dedication of Acreage
Jalmat Tansil Yates 7-Rivers (Prorated Gas)
660' FWL and 660' FSL
Section 24, 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 660' FWL and 660' FSL, Section 24, Township 23 South, Range 36 East, NMPM, Lea County, New Mexico. We further understand that this well will be simultaneously dedicated to an existing 480 acre gas proration unit along with Clayton W. Williams, Jr., Inc.'s State "A" A/C 1 Nos. 32, 50, 52, 53, 54, 107, and 126. This proration unit comprises the whole of Section 24, excluding the North East Quarter, T-23-S, R-36-E, Lea County, New Mexico.

Company: ARCO Oil & Gas Company
Representative: KEVIN D. RENERO
Signature: *Kevin D. Renero*
Title: O/A Engineer
Date: 12 - 12 - 91

CLAYTON W. WILLIAMS, JR., INC.
State "A" A/C 1
Well #108

Application For An Unorthodox
Gas Well Location
and
Simultaneous Dedication of Acreage
Jalmat Tansil Yates 7-Rivers (Prorated Gas)
660' FWL and 660' FSL
Section 24, 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 660' FWL and 660' FSL, Section 24, Township 23 South, Range 36 East, NMPM, Lea County, New Mexico. We further understand that this well will be simultaneously dedicated to an existing 480 acre gas proration unit along with Clayton W. Williams, Jr., Inc.'s State "A" A/C 1 Nos. 32, 50, 52, 53, 54, 107, and 126. This proration unit comprises the whole of Section 24, excluding the North East Quarter, T-23-S, R-36-E, Lea County, New Mexico.

Company: ARCO Oil & Gas Company
Representative: KEVIN D. RENO
Signature: Kevin D. Reno
Title: O/A Engineer
Date: 12-12-91

CLAYTON W. WILLIAMS, JR., INC.

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

December 5, 1991

RECEIVED

DEC 09 1991

OIL CONSERVATION DIVISION

ADMINISTRATIVE APPLICATION FOR
UNORTHODOX GAS WELL LOCATION
AND SIMULTANEOUS DEDICATION
JALMAT TANSIL YTS 7-RVRS (PRO GAS)
660' FSL AND 660' FWL
SECTION 24, 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 Location and Simultaneous Dedication.

Clayton W. Williams, Jr., Inc. is planning to re-complete it's State "A" A/C 1 Well No. 108 in the Jalmat Tansil Yates 7-Rivers (Pro Gas) Pool. It is our desire to also simultaneously dedicate the existing 480-acre Jalmat Gas Proration Unit assigned to our State "A" A/C 1 Well Nos. 32, 50, 52, 53, 54, 107, and 126 to all eight wells. As a result, the location of the State "A" A/C 1 Well No. 108 becomes unorthodox in that it is less than 990 feet from the outer boundary of the proration unit. The location of Well No. 108 is 660 feet FWL and 660' FSL of Section 24, T-23-S, R-36-E, NMPM, Lea County, New Mexico.

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

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

Yours very truly,


David G. Grafe
Petroleum Engineer

Attachments
Enclosures
DGG/rsm

cc: NMOCD - Hobbs, NM

CLAYTON W. WILLIAMS, JR., INC.
State "A" Account 1
Well No. 108

Application For An Unorthodox
Gas Well Location
and
Simultaneous Dedication of Acreage
Jalmat Tansil Yates 7-Rivers (Pro Gas)
660' FWL and 660' FSL
Section 24, T-23-S, R-36-E
Lea County, New Mexico

OFFSET OPERATORS

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

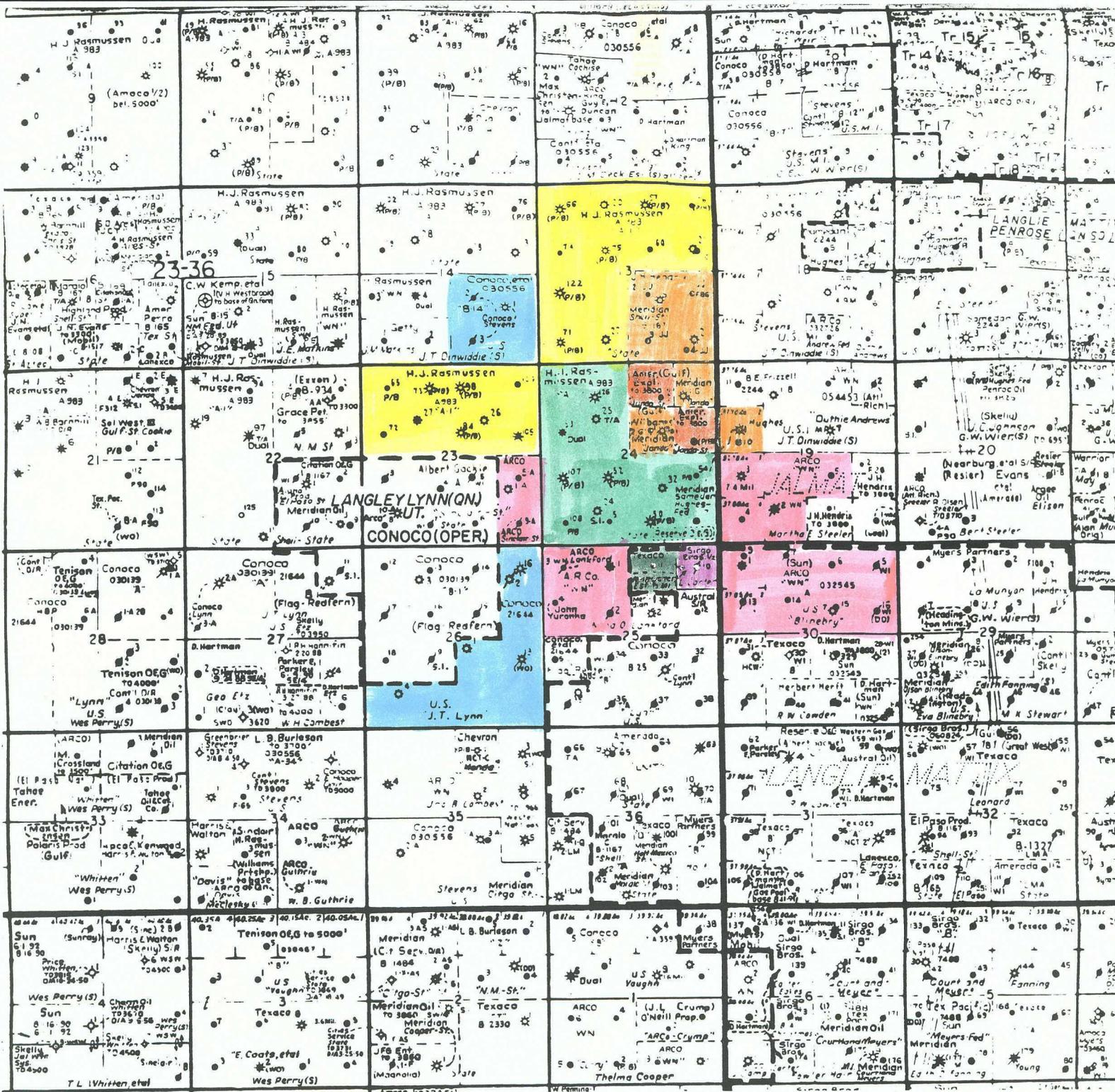
CONOCO INC.
P. O. Box 1959
Midland, Texas 79702
Attn: J. W. Hoover

SIRGO OPERATING, INC.
P. O. Box 3531
Midland, Texas 79702

ARCO OIL AND GAS CO.
P. O. Box 1610
Midland, Texas 79702
Attn: J. T. Lowder

MERIDIAN OIL INC.
P. O. Box 51810
Midland, Texas 79710-1810
Attn: R. E. Foppiano

TEXACO, INC.
205 E. Benber
Hobbs, New Mexico 88240
Attn: Russell Poole



American Expl.

Texaco

Arco

Williams Partnership

Conoco

Meridian

Sirgo Brothers

Submit to Appropriate District Office
 State Lease - 4 copies
 Fee Lease - 3 copies

OIL CONSERVATION DIVISION

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

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

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

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

WELL LOCATION AND ACREAGE DEDICATION PLAT

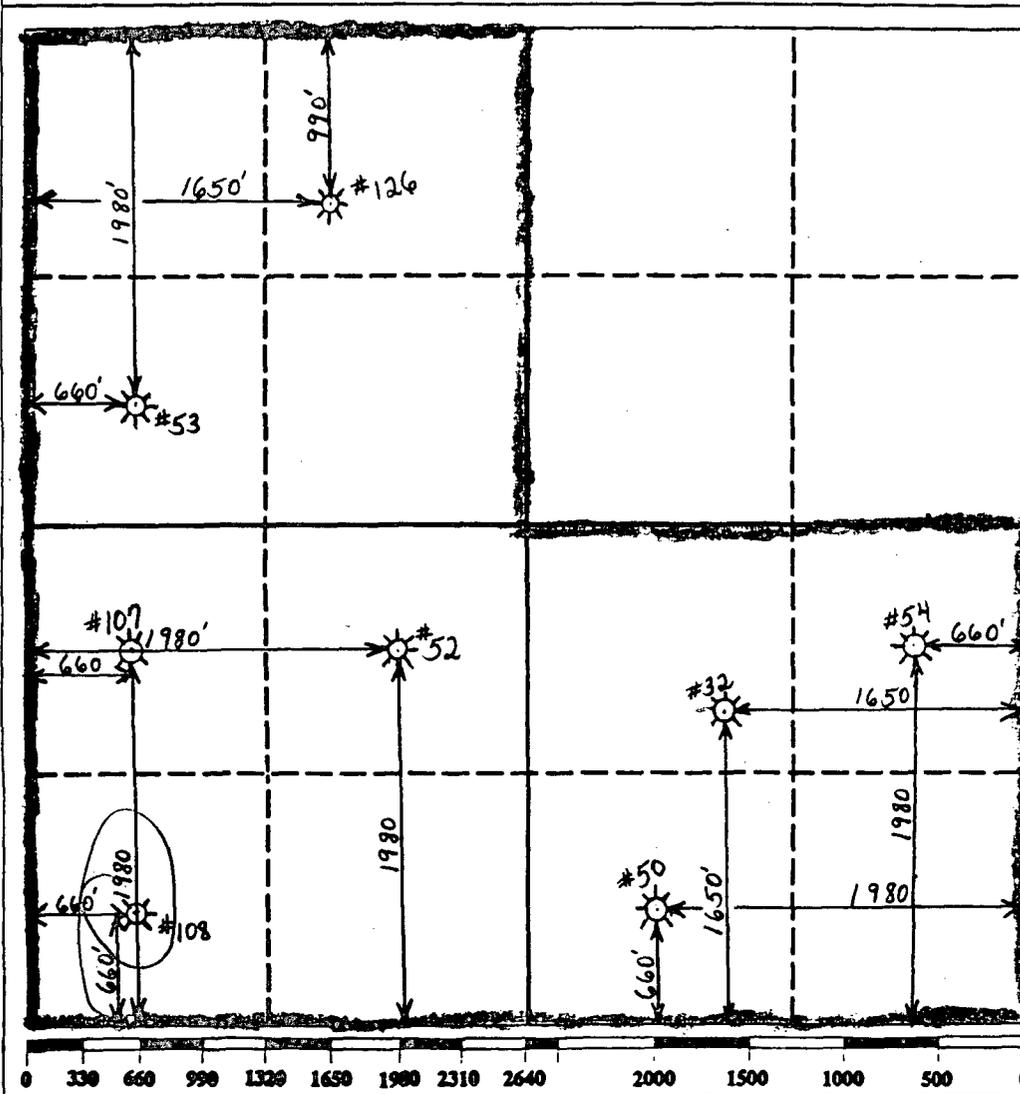
All Distances must be from the outer boundaries of the section

Operator Clayton W. Williams, Jr., Inc.			Lease State "A" A/C 1		Well No. 108
Unit Letter M	Section 24	Township 23S	Range 36E	County NMPM Lea	
Actual Footage Location of Well: 660 feet from the South line and 660 feet from the West line					
Ground level Elev. 3352'	Producing Formation Tansill-Yates		Pool Jalmat-TNSL-YTS-7R	Dedicated Acreage: 480 Acres	

- Outline the acreage dedicated to the subject well by colored pencil or hatchure 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 interest 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 interest, has been approved by the Division.



OPERATOR CERTIFICATION

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

Signature
David G. Grafe

Printed Name
David G. Grafe

Position
Production Engineer

Company
Clayton W. Williams, Jr., Inc.

Date
11-20-91

SURVEYOR CERTIFICATION

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 _____

Signature & Seal of Professional Surveyor _____

Certificate No. _____

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION



BRUCE KING
GOVERNOR

July 1, 1991

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

Hal J. Rasmussen Operating, Inc.
Six Desta Drive
Suite 2700
Midland, Texas 79705

Attention: Jay Cherski

Administrative Order NSL-2722-B(SD)

Dear Mr. Cherski:

Reference is made to your application dated October 3, 1990 for an unorthodox Jalmat gas well location in an existing non-standard 480-acre gas spacing and proration unit (GPU) for said Jalmat Gas Pool comprising the W/2 and SE/4 of Section 24, 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. (17) of Exhibit "A") and had dedicated thereon the State "A" A/C-1 Well Nos. 24, 25, 32, and 53 located, respectively, in Units N, F, J and E of said Section 24 to this proration unit.

By Division Administrative Orders NSL-2722 and NSL-2722-A, dated December 6, 1989 and January 26, 1990, respectively, three more wells, the State "A" A/C-1 Well Nos. 50, 52, and 107, located at unorthodox gas well locations in Units O, K, and L, respectively, of said Section 24 were approved for the subject GPU. Authorization was also given in said administrative orders to simultaneously dedicate Jalmat Gas production from the State "A" A/C-1 Well Nos. 24, 25, 32, 50, 52, 53, and 107 to the subject GPU.

Subsequent to the issuance of said Administrative Order NSL-2722-A, an additional well was completed in the subject GPU, the State "A" A/C-1 Well No. 126 located at a standard gas well location for this particular sized proration unit in Unit C of said Section 24.

Administrative Order NSL-2722-B(SD)
Hal J. Rasmussen Operating, Inc.
July 1, 1991
Page 2

It is our understanding that the subject well in this application is temporarily abandoned in the Langlie-Mattix Pool, however, said well will be plugged back to the Jalmat Gas Pool upon issuance of this order.

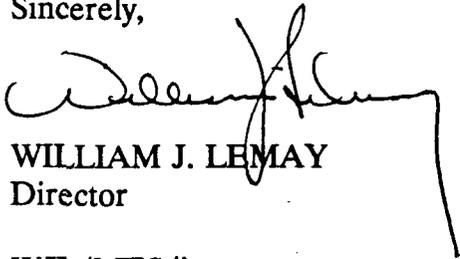
By authority granted me under the provisions of Rule 2(c) of the Special Rules and Regulations for the Jalmat Gas Pool, as promulgated by Division Order No. R-8170, as amended, the following described well located at an unorthodox gas well location in said Section 24 is hereby approved:

State "A" A/C-1 Well No. 54
1980' FSL & 660' FEL (Unit I)

Also, you are hereby authorized to simultaneously dedicate Jalmat Gas production from the State "A" A/C-1 Well No. 54 and 126 with the State "A" A/C-1 Well Nos. 24, 25, 32, 50, 52, 53, and 107; 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 Administrative Order NSL-2722, dated December 6, 1989, Order NSL-2722-A, dated January 26, 1990, and those provisions applicable to the subject GPU in Division Order No. R-9073 (Paragraph No. (17) of Exhibit "A") shall remain in full force and effect until further notice.

Sincerely,



WILLIAM J. LEMAY
Director

WJL/MES/joc

cc: Oil Conservation Division - Hobbs
NM State Land Office - Santa Fe
File: Case No. 9775
NSL-2722



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
HOBBS DISTRICT OFFICE '91 DEC 12 AM 8 55

12-9-91

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 X + SD _____
NSP _____
SWD _____
WFX _____
PMX _____

Gentlemen:

I have examined the application for the:

Clayton W. Williams Jr. Inc. State A Mc-1 #108-M 24-23-36
Operator Lease & Well No. Unit S-T-R

and my recommendations are as follows:

OK

Yours very truly,

Jerry Sexton
Supervisor, District 1

/ed