

CASE 5045: Application of SOUTHERN  
UNION PRODUCTION FOR AN UNORTHODOX  
GAS WELL LOCATION, EDDY COUNTY.

CASE No.

5045

Application,

Transcripts,

Small Exhibits

ETC.

dearnley, meier & associates

209 SIMMS BLDG. • P.O. BOX 1092 • PHONE 243-5691 • ALBUQUERQUE, NEW MEXICO 87103  
1216 FIRST NATIONAL BANK BLDG. EAST • ALBUQUERQUE, NEW MEXICO 87108

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BEFORE THE  
NEW MEXICO OIL CONSERVATION COMMISSION  
CONFERENCE ROOM, STATE LAND OFFICE BUILDING  
SANTA FE, NEW MEXICO  
August 9, 1973

EXAMINER HEARING

IN THE MATTER OF:

Case No. 5045

Application of Southern Union  
Production Company for an  
Unorthodox gas well location,  
Eddy County, New Mexico.

BEFORE: ELVIS A. UTZ,  
Examiner.

TRANSCRIPT OF HEARING

1 MR. UTZ: Is there anyone here for Southern  
2 Union?

3 MR. MORRIS: Yes, sir.

4 MR. UTZ: How about Wil-Mc? Is there anyone here  
5 for Wil-Mc?

6 Case 5045.

7 MR. CARR: 5045. Application of Southern Union  
8 Production Company for an unorthodox gas well location,  
9 Eddy County, New Mexico. Applicant, in the above-styled  
10 cause, seeks authority to re-enter the Wilson Federal  
11 Well No. 1 at an unorthodox location 2310 feet from the  
12 North line and 990 feet from the East line of Section 13,  
13 Township 22 South, Range 24 East, Eddy County, New Mexico,  
14 and to deepen said well to the Morrow formation, the N/2  
15 of said Section 13 to be dedicated to the well.

16 MR. MORRIS: I'm Dick Morris of Montgomery,  
17 Federici, Andrews, Hannah & Morris, of Santa Fe, appearing  
18 on behalf of the applicant. We have one witness,  
19 Mr. Charles L. Stevenson, and ask that he be sworn.

20 (Whereupon, the witness was sworn by Mr. Carr.)

21 \* \* \* \*

22 CHARLES L. STEVENSON

23 a witness, having been duly sworn according to law,  
24 testified as follows:

25 BY MR. MORRIS:

1 Q Mr. Stevenson, please state your name, where you reside  
2 and by whom you are employed and in what capacity.

3 A My name is Charles L. Stevenson, employed as District  
4 Land Man for Southern Union Production Company, in  
5 Dallas, Texas.

6 Q Mr. Stevenson, would you briefly outline your training  
7 and experience in the petroleum industry with regard  
8 to your experience as a petroleum land man?

9 A I've been employed by Southern Union Production Company  
10 in the capacity of a land man for the past five years.  
11 Prior to that, for a short time, I was in the insurance  
12 business. Prior to that, I was employed by Southern  
13 Union Production Company as a geological draftsman for  
14 a period of five and a half years or so. Prior to that  
15 I was employed by Atlantic, which is Atlantic Richfield,  
16 for a period of approximately five years as a geological  
17 draftsman.

18 Q During your most recent experience, I think you said the  
19 last five years you've been land man with Southern Union  
20 Production Company, do your duties cover the geographic  
21 area that includes New Mexico?

22 A Yes, sir.

23 Q And are you familiar with the application of Southern  
24 Union Production Company in this case?

25 A Yes, sir.

1 MR. MORRIS: Are the witness' qualifications  
2 acceptable?

3 MR. UTZ: Yes, sir, they are.

4 Q (By Mr. Morris) Mr. Stevenson, what generally speaking,  
5 is sought by Southern Union Production Company in this  
6 case?

7 A Presently there's an existing dry hole. It's 2310 feet  
8 from the North line, 990 feet from the East line of  
9 Section 13, Township 22 South, Range 24 East. And  
10 this well was spudded on 12/1/67 by Getty Oil, called  
11 the No. 1 Wilson Federal. It was drilled to the Cisco  
12 formation and plugged and abandoned in 1/30/1968, as  
13 a dry hole. Our Company, from an economical viewpoint,  
14 requests permission from the Commission to re-enter  
15 this well and deepen it 3000 feet to the Morrow formation.

16 Q And this application is necessary, Mr. Stevenson, in  
17 that the proposed location or the location of this well  
18 is unorthodox for a Morrow completion, if you are  
19 successful in recompleting it in the Morrow formation;  
20 is that correct?

21 A Yes, sir.

22 Q Now, more specifically, Mr. Stevenson, please refer to  
23 what's been marked as Exhibit One and state what it is  
24 and the pertinent features of that plat.

25 A Okay. There is one-way Federal lease which covers the

1 North half of this, all of Section 12, the East half  
2 of the East half of 11, and the East half of Southeast  
3 of Section 1, which is in the name of Gene L. Gillespie.  
4 Southern Union Production Company has obtained a form  
5 agreement from these people with an option, drill to  
6 earn. In accordance with this agreement we have to have  
7 a well drilling either re-enter the present dry hole or  
8 a new hole spudded by September 19, 1973. The acreage  
9 southeast of 13, all of 14 and the West three quarters  
10 of 11 is part of one base Federal lease, Franklin, Aston  
11 and Fair, and we have reached a verbal agreement with  
12 them; presently have agreements out for execution whereby  
13 we can obtain a format on this acreage from them. The  
14 acreage in the southwest quarter of 13, the map shows  
15 the name of W. C. Kemdan, is acreage, it's actually held  
16 by David Fastdon. I've talked with their attorney,  
17 Mr. Brooks, in Midland, and they will not format or make  
18 any commitment on this acreage at the present time due  
19 to other commitments.

20 Q Did they indicate any opposition to your proposed  
21 application?

22 A No, none whatsoever.

23 Q What is the exact footage location of the well that  
24 Southern Union Production Company proposes to re-enter?

25 A It's 2310 feet from the North line, 990 feet from the East



1 line, Section 13, Township 22 South, Range 24 East.

2 Q And in a little more detail, Mr. Stevenson, what is  
3 the nature of your present relationship with the  
4 Franklin, Aston, and Fair organization and the owners  
5 of the southeast quarter of Section 13 that is being,  
6 that lies immediately south of the well that you propose  
7 to re-enter?

8 A As I previously stated, we have agreements out to them  
9 for their execution which they have agreed to verbally.  
10 They have no opposition as to re-entry of this well.

11 Q Now, where is the nearest Morrow production to the well  
12 which you propose to re-enter?

13 A I believe the Rock Tank fill which is several miles  
14 south.

15 Q Actually it is off of this plat; is it not?

16 A Yes, sir. And also the Catclaw Draw unit or fill to  
17 the northeast, I believe, is Morrow production.

18 Q So they're all at least three or four miles away?

19 A Yes, sir.

20 Q In any direction. Now, are there wells in the immediate  
21 area that have been drilled to and have penetrated the  
22 Morrow formation?

23 A Yes, sir. I believe a well in Section 23 and a well in  
24 Section 24, the same township, both penetrated the  
25 Morrow formation.



dearnley, meier &amp; associates

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1 Q Generally speaking, what was encountered by those wells  
2 in the Morrow?

3 A To the best of my knowledge, one of them tested gas and  
4 water, but could not be made commercial and the other  
5 one, I believe, made water. But neither of them could  
6 be made commercial in the Morrow.

7 Q So your attempt to make Morrow completion in this area  
8 involves considerable risk and you want to keep your  
9 well costs as low as possible?

10 A Yes, sir.

11 Q Please refer to the USGS forms which together have  
12 been marked as Exhibit Two and point out the pertinent  
13 information shown on that, on those forms and on that  
14 exhibit. First of all, what do these forms pertain to?

15 A The Getty Oil Company No. 1 Wilson Federal which was  
16 spudded 12/1/1967, and it says here, TD was reached  
17 1/26/68, according to my completion record. The well  
18 was plugged 1/30/68 as being dry. It was drilled to  
19 the Cisco formation, approximately TD, 3020 feet.

20 Q And does the second page of these forms indicate the  
21 manner in which this well was plugged by Getty Oil  
22 Company?

23 A Yes, sir

24 Q Does Southern Union Production Company anticipate any  
25 problems in the re-entry and deepening of this well?

Learnley, meier & associates

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- 1 A None whatsoever. We feel that we, that the Commission  
2 will grant us permission to enter this well, we feel  
3 that we can deepen this 3000 feet to the Morrow formation  
4 without any or minimal difficulty.
- 5 Q You have said approximately 3000 feet deepening. This  
6 exhibit shows total depth at present time of 8020. What  
7 is the actual footage proposal or anticipated for  
8 encountering the Morrow formation?
- 9 A We feel 11,060 feet.
- 10 Q Does Southern Union Production Company believe that  
11 there are obvious savings involved in re-entering this  
12 well rather than drilling a new well at an orthodox  
13 location?
- 14 A We feel it would be a substantial savings. We recommend  
15 this one over starting a new hole.
- 16 Q I believe you said earlier, Mr. Stevenson, but I want  
17 to emphasize it here, that under the terms of your  
18 farm in agreement on the north half of Section 13, and  
19 the other acreage involved here, that you must commence  
20 a well or commence your re-entry of this Wilson Federal  
21 well by September 19 in order to comply with the terms  
22 of that agreement.
- 23 A Yes, sir, that's correct.
- 24 Q So there's some urgency involved in this as far as the  
25 Company is concerned?

1 A Yes, sir.

2 MR. MORRIS: Okay. Mr. Examiner, at this time  
3 we would offer Southern Union Production Company  
4 Exhibits One and Two into evidence.

5 MR. UTZ: Without objection, Exhibits One and Two  
6 will be entered into the record of this case.

7 MR. MORRIS: That's all I have on direct examination.  
8

9 CROSS-EXAMINATION

10 BY MR. UTZ:

11 Q That would put the location of this well thirty feet  
12 from the half section 11; is that correct?

13 A Pardon?

14 Q No, no, that would be 330; is that correct?

15 A Yes, sir

16 Q And the standard location would be 990, 660?

17 MR. MORRIS: Mr. Examiner, I believe the standard  
18 location would have to be 980 from the short end, whereas  
19 it is 990, and it would have to be 660 from the long side,  
20 whereas it's 330.

21 MR. UTZ: Are there other questions of the witness?

22 (No response.)

23 MR. UTZ: The witness may be excused. Statements  
24 in the case?

25 (No response.)

1 MR. UTZ: We will take the case under advisement.

2  
3  
4  
5 REPORTER'S CERTIFICATE

6 I, CLAUDIA FAHRENTHOLD, a Court Reporter, in and for the  
7 County of Bernalillo, State of New Mexico, do hereby certify  
8 that the foregoing and attached Transcript of Hearing before  
9 the New Mexico Oil Conservation Commission was reported by  
10 me; and that the same is a true and correct record of the  
11 said proceedings to the best of my knowledge, skill and  
12 ability.

13  
14 Claudia J. Fahrenthold  
15 COURT REPORTER

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22 I do hereby certify that the foregoing is  
23 a complete record of the proceedings in  
24 the Examiner hearing of Case No. 5045,  
25 heard by me on Aug 7, 1973.

Thurston J. [Signature] Examiner  
New Mexico Oil Conservation Commission

I N D E XWITNESS,CHARLES L. STEVENSON

	<u>Page</u>
Direct Examination by Mr. Morris	3
Cross-Examination by Mr. Utz	10

E X H I B I T SAPPLICANT'SOFFEREDADMITTED

Exhibits One and Two

10

10



# OIL CONSERVATION COMMISSION

**STATE OF NEW MEXICO**  
**P. O. BOX 2088 - SANTA FE**  
**87501**

**I. R. TRUJILLO**  
**CHAIRMAN**

**LAND COMMISSIONER  
ALEX J. ARMIJO  
MEMBER**

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

August 23, 1973

Mr. Richard S. Morris  
Montgomery, Federici, Andrews,  
Hannahe & Morris  
Attorneys at Law  
Post Office Box 2307  
Santa Fe, New Mexico

Re: CASE NO. 5045  
ORDER NO. R-4618  
Applicant:  
Southern Union Production Co.

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.

A. L. PORTER, Jr.  
Secretary-Director

ALP/ir

Copy of order also sent to:

Hobbs OCC	<u>x</u>
Artesia OCC	<u>x</u>
Aztec OCC	

Other \_\_\_\_\_

BEFORE THE OIL CONSERVATION COMMISSION  
OF THE STATE OF NEW MEXICO

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

CASE NO. 5045  
Order No. R-4618

APPLICATION OF SOUTHERN UNION  
PRODUCTION COMPANY FOR AN UNORTHODOX  
GAS WELL LOCATION, EDDY COUNTY,  
NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on August 9, 1973, at Santa Fe, New Mexico, before Examiner Elvis A. Utz.

NOW, on this 23rd day of August, 1973, the Commission, a quorum being present, having considered the testimony, the record, and the recommendations of the Examiner, 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, Southern Union Production Company, seeks approval to re-enter the Wilson Federal Well No. 1 at an unorthodox location 2310 feet from the North line and 990 feet from the East line of Section 13, Township 22 South, Range 24 East, NMPM, Eddy County, New Mexico, and to deepen said well from 8020 feet to 11,060 feet into the Morrow formation.

(3) That currently there is no production from the Morrow formation within three miles of the proposed non-standard location and drilling a new well at a standard location would therefore involve a high degree of risk.

(4) That the most feasible way to determine if the Morrow formation is productive in this area is to deepen the Wilson Federal Well No. 1 but in so doing the aforementioned non-standard location will result.

(5) That the N/2 of said Section 13 is to be dedicated to the well.

-2-

Case No. 5045  
Order No. R-4618

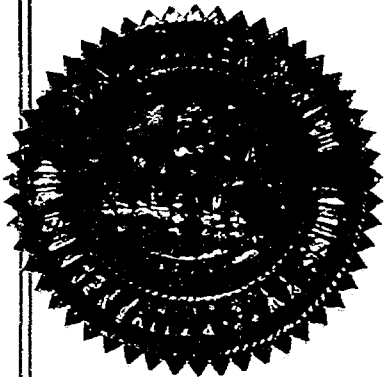
(6) That approval of the subject application will afford the applicant the opportunity to produce its just and equitable share of the gas from the Morrow formation, will prevent the economic loss caused by the drilling of unnecessary wells, avoid the augmentation of risk arising from the drilling of an excessive number of wells, and will otherwise prevent waste and protect correlative rights.

IT IS THEREFORE ORDERED:

(1) That the applicant, Southern Union Production Company, is hereby given approval to re-enter the Wilson Federal Well No. 1 at an unorthodox location 2310 feet from the North line and 990 feet from the East line of Section 13, Township 22 South, Range 24 East, NMPM, Eddy County, New Mexico, and to deepen said well to the Morrow formation.

(2) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

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



STATE OF NEW MEXICO  
OIL CONSERVATION COMMISSION

*E. R. Trujillo*  
E. R. TRUJILLO, Chairman

*A. J. Armiijo*  
ALEX J. ARMIJO, Member

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

S E A L

dr/



Case 5045  
Hend. 8-9-73  
Rec. ✓

Grant So In. Prop. Co.  
on NST to re-enter an  
old well to deepen  
from 8020 ft. to  
approx 11,068 ft. Shewell  
it. Getty & Wilson Sed #1  
2310/N, 1990/E. T3-22-24.

The Getty

CASE 4745: (Reopened)

In the matter of Case No. 4745 being reopened pursuant to the provisions of Order No. R-4365, which order established special rules and regulations for the Penasco Draw San Andres-Yeso Pool, Eddy County, New Mexico, including a provision for classification of oil wells and gas wells, the spacing thereof, and a limiting gas-oil ratio of 3000 to 1. All interested parties may appear and show cause why said pool rules should remain in effect.

CASE 5042: In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit Everett D. Burgett and Fireman's Fund American Insurance Companies and all other interested parties to appear and show cause why the Pure State Wells Nos. 1, 2, 3, and 7 located in Units J, J, O, and O, respectively, of Section 15, Township 21 South, Range 27 East, Eddy County, New Mexico, should not be plugged and abandoned in accordance with a Commission-approved plugging program.

CASE 5043: In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit Kent Shannon and American Employers' Insurance Company and all other interested parties to appear and show cause why the Chaparral Tejano Well No. 1 located in Unit D of Section 10, Township 7 South, Range 26 East, Chaves County, New Mexico, should not be plugged and abandoned in accordance with a Commission-approved plugging program.

CASE 5044: In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit Sycor Newton, Peru Milling Company, R. E. Deming and Aetna Life and Casualty Company and all other interested parties to appear and show cause why the State L 6350 Well No. 1 located in Unit M of Section 10, Township 23 South, Range 11 West, Luna County, New Mexico, should not be plugged and abandoned in accordance with a Commission-approved plugging program.

CASE 5045: Application of Southern Union Production Company for an unorthodox gas well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority to re-enter the Wilson Federal Well No. 1 at an unorthodox location 2310 feet from the North line and 990 feet from the East line of Section 13, Township 22 South, Range 24 East, Eddy County, New Mexico, and to deepen said well to the Morrow formation, the N/2 of said Section 13 to be dedicated to the well.

CASE 5036: (Continued from the July 25, 1973, Examiner Hearing)

Application of The Wil-Mc Oil Corporation for salt water disposal, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water in the San Andres formation in the perforated interval from 4208 feet to 4282 feet in its Champlin State Well No. 1 located in Unit M of Section 3, Township 8 South, Range 33 East, Chaveroo-San Andres Pool, Chaves County, New Mexico.

DOCKET: EXAMINER HEARING - THURSDAY - AUGUST 9, 1973

9 A.M. - OIL CONSERVATION COMMISSION CONFERENCE ROOM,  
STATE LAND OFFICE BUILDING - SANTA FE, NEW MEXICO

The following cases will be heard before Elvis A. Utz, Examiner, or Daniel S. Nutter, Alternate Examiner:

- ALLOWABLE: (1) Consideration of the allowable production of gas for September, 1973, from seventeen prorated pools in Lea, Eddy, Roosevelt and Chaves Counties, New Mexico;
- (2) Consideration of the allowable production of gas from nine prorated pools in San Juan, Rio Arriba, and Sandoval Counties, New Mexico, for September, 1973.

CASE 4933: (Readvertised)

Application of Texaco Inc. for salt water disposal, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the Delaware formation through the perforated interval from 4280 feet to 4288 feet in its R. T. Wilson Federal Well No. 5 located in Unit J of Section 24, Township 26 South, Range 31 East, North Mason-Delaware Pool, Eddy County, New Mexico.

CASE 5040: Application of Wallen Production Company for a pressure maintenance project, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a pressure maintenance project by the injection of water into the Yates Seven-Rivers formation in its Federal Well No. 2 located in Unit C of Section 20, Township 20 South, Range 34 East, North Lynch Yates-Seven Rivers Pool, Lea County, New Mexico.

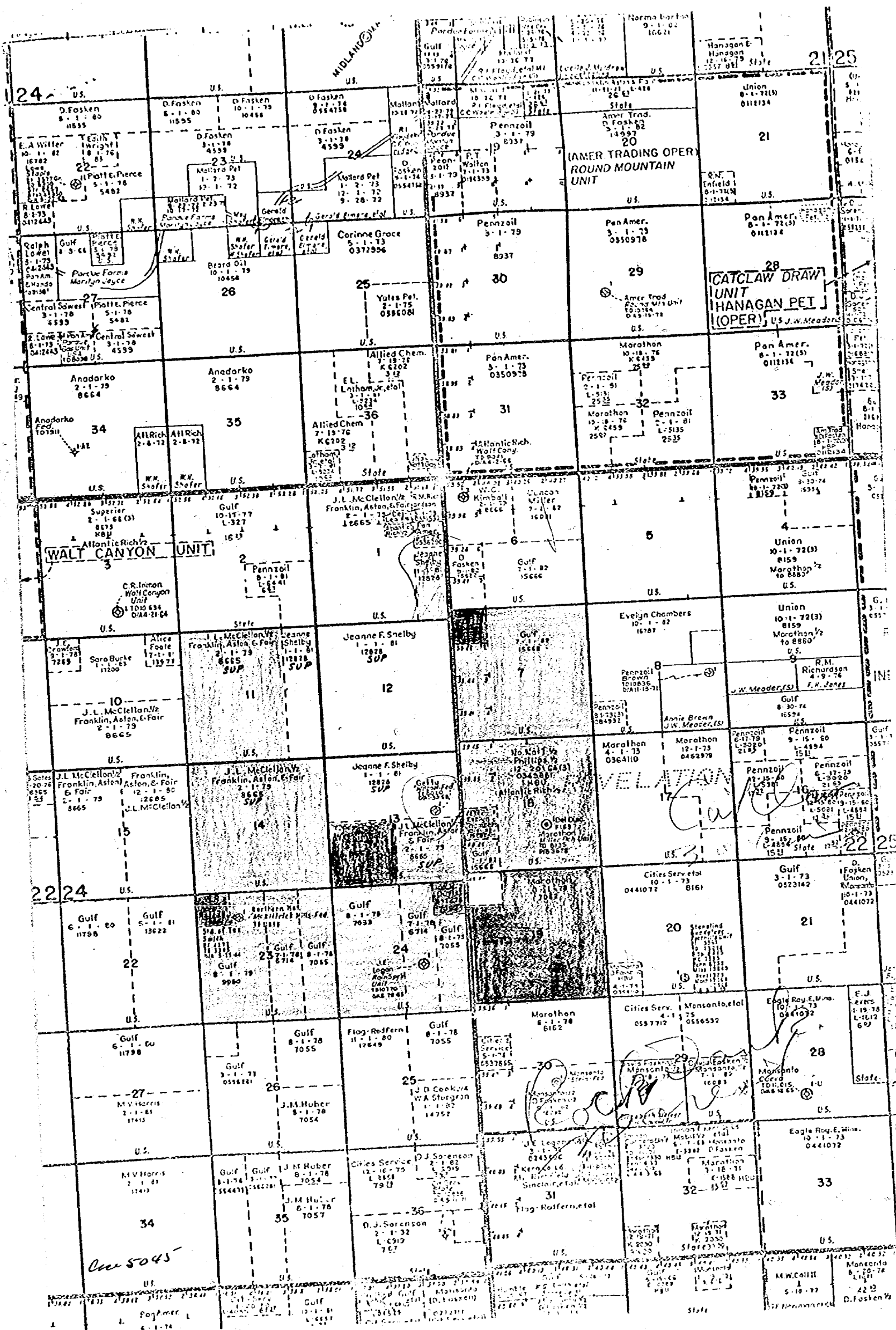
CASE 5041: Application of W. T. Wynn for a unit agreement, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval of the Kaiser Lake Unit Area comprising 960 acres, more or less, of federal and fee lands in Township 18 South, Ranges 26 and 27 East, Eddy County, New Mexico.

CASE 4789: (Reopened)

In the matter of Case No. 4789 being reopened pursuant to the provisions of Order No. R-4375, which order established special rules and regulations for the Many Gates-Abo Pool, Chaves County, New Mexico, including a provision for 80-acre proration units. All interested parties may appear and show cause why said pool should not be developed on 40-acre spacing.

CASE 4548: (Reopened)

In the matter of Case No. 4548 being reopened pursuant to the provisions of Order No. R-4157, which order established special rules and regulations for the Catclaw Draw-Morrow Gas Pool, Eddy County, New Mexico, including a provision for 640-acre proration units. All interested parties may appear and show cause why said pool should not be developed on 320-acre spacing.



WELLS, Artesia N. M. O. C. C. CAMP  
Acc: W.L. Doone  
Loc: R.V. Coe  
Loc: File  
UNITED STATES  
DEPARTMENT OF THE INTERIOR  
GEOLOGICAL SURVEY

SUBMIT IN DUPLICATE\*

(See other instructions on reverse side)

Form approved  
Budget Bureau No. 42-R2533

WELL COMPLETION OR RECOMPLETION REPORT AND LOG\*

1. TYPE OF WELL: OIL WELL <input type="checkbox"/> GAS WELL <input type="checkbox"/> DRY <input checked="" type="checkbox"/> OTHER <input type="checkbox"/>		5. LEASE DESIGNATION AND SERIAL NO. 111-0349023	
2. NAME OF OPERATOR CENTY OIL COMPANY		6. IF INDIAN, ALLOTTEE OR TRIBE NAME	
3. ADDRESS OF OPERATOR P. O. Box 249, Hobbs, New Mexico		7. UNIT AGREEMENT NAME	
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements)* At surface 2310 TEL, 590 TEL At top prod. interval reported below At total depth		8. FARM OR LEASE NAME Wilson Federal	
14. PERMIT NO.		9. WELL NO. 1	
DATE ISSUED		10. FIELD AND POOL, OR WILDCAT Wildcat	
15. DATE SPUDDED 12-1-57		11. SEC., T., R., M., OR BLOCK AND SURVEY OR AREA 13 - 228 - 242	
16. DATE T.D. REACHED 1-26-58		12. COUNTY Pecos	
17. DATE COMPL. (Ready to prod.) Dry		13. STATE New Mexico	
18. ELEVATIONS (DY, RHD, RT, GR, ETC.)* 3827.3 GR		19. ELEV. CASINGHEAD	
20. TOTAL DEPTH, MD & TVD 3020		21. INTERVALS DRILLED BY 65 - 3020'	
22. IF MULTIPLE COMPL., HOW MANY*		23. ROTARY TOOLS CABLE TOOLS 0-55'	
24. PRODUCING INTERVAL(S). OF THIS COMPLETION—TOP, BOTTOM, NAME (MD AND TVD)* NONE		25. WAS DIRECTIONAL SURVEY MADE YES	
26. TYPE ELECTRIC AND OTHER LOGS RUN Schlumberger Borehole Comp. Sonic, GR Laterolog		27. WAS WELL CORED NO	
28. CASING RECORD (Report all strings set in well)			
CASING SIZE	WEIGHT, LB./FT.	DEPTH SET (MD)	HOLE SIZE
13-3/8	355		
8-5/8	3505		
CEMENTING RECORD		AMOUNT PULLED	
350 sq ft. 2 1/2 Cael,		None	
1/4" floccals/sack			
1150 sq ft. Incon 50-50 Pozzic			
325 sq ft. Incon Heat		None	
29. LINER RECORD			
SIZE	TOP (MD)	BOTTOM (MD)	SACKS CEMENT*
SCREEN (MD)		TUBING RECORD	
NONE		SIZE	DEPTH SET (MD)
30. PERFORATION RECORD (Interval, size and number)			
NONE			
31. ACID, SHOT, FRACTURE, CEMENT SQUEEZER, ETC.			
DEPTH INTERVAL (MD)		AMOUNT AND KIND OF MATERIAL USED	
NONE			
32. PRODUCTION			
DATE FIRST PRODUCTION		PRODUCTION METHOD (Flowing, gas lift, pumping—size and type of pump)	
DATE OF TEST	HOURS TESTED	CHOKER SIZE	PROD'N. FOR TEST PERIOD
FLOW, TUBING PRESS.	CASING PRESSURE	CALCULATED 24-HOUR RATE	OIL—BBL.
34. DISPOSITION OF GAS (Sol., used for fuel, vented, etc.)		TEST WITNESSED BY	
35. LIST OF ATTACHMENTS Deviation, Electric Logs			
36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records			
Original Signed By			
SIGNED C. L. WACE		TITLE Area Superintendent	
DATE 1-29-58			

\*(See Instructions and Specs for Additional Data)

Form 9-331  
(May 1963)

ORIG 3 lcc: USGS, Artesia, N. M. O. C. C. 20  
lcc: File UNITED STATES  
DEPARTMENT OF THE INTERIOR  
GEOLOGICAL SURVEY

SUBMIT IN TRIPLICATE\*  
(Other instructions on reverse side)

Form approved.  
Budget Bureau No. 42-R1124.

5. LEASE DESIGNATION AND SERIAL NO.  
121-0349823

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME  
Wilson Federal

9. WELL NO.  
1

10. FIELD AND POOL, OR WILDCAT  
Wildcat

11. SEC., T., R., OR BLK. AND SURVEY OR AREA  
13 - 22N - 3E

12. COUNTY OR PARISH  
Dadey

13. STATE  
New Mexico

14. PERMIT NO.

15. ELEVATIONS (Show whether DT, RT, GR, etc.)  
3227.3 GR

16. Check Appropriate Box To Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
TEST WATER SHUT-OFF	<input type="checkbox"/>	PULL OR ALTER CASING	<input type="checkbox"/>
FRACTURE TREAT	<input type="checkbox"/>	MULTIPLE COMPLETION	<input type="checkbox"/>
SHOOT OR ACIDIZE	<input type="checkbox"/>	ABANDON*	<input type="checkbox"/>
REPAIR WELL	<input type="checkbox"/>	CHANGE PLANS	<input type="checkbox"/>
(Other)	<input type="checkbox"/>		
		WATER SHUT-OFF	<input type="checkbox"/>
		FRACTURE TREATMENT	<input type="checkbox"/>
		SHOOTING OR ACIDIZING	<input type="checkbox"/>
		(Other)	<input type="checkbox"/>
		REPAIRING WELL	<input type="checkbox"/>
		ALTERING CASING	<input type="checkbox"/>
		ABANDONMENT*	<input checked="" type="checkbox"/>

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

17. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)\*

January 28, 1968

Laid 25 sack reg. cement plug 7965 - 7865  
Laid 25 sack reg. cement plug 7602 - 7502  
Laid 25 sack reg. cement plug 6090 - 5990  
Laid 25 sack reg. cement plug 4610 - 4510  
Laid 25 sack reg. cement plug 3539 - 3439  
Laid 12 sack reg. cement plug 15 - Surface

Final Form 9-331 will be filed as soon as marker is installed and location is cleaned up.

RECEIVED

NOV 4 1968

O. C. C.

ARTESIA, OFFICE

18. I hereby certify that the foregoing is true and correct  
Original Signed By

SIGNED C. L. WADZ

TITLE Area Superintendent

DATE 1-29-68

(This space for Federal or State office use)

APPROVED BY  
CONDITIONS OF APPROVAL, IF ANY:

TITLE

DATE

\*See Instructions on Reverse Side

RECEIVED  
JAN 30 1968  
U. S. GEOLOGICAL SURVEY  
ARTESIA, NEW MEXICO

J. O. SETH (1883-1963)

A. K. MONTGOMERY  
WM. R. FEDERICI  
FRANK ANDREWS  
FRED C. HANNAHS  
RICHARD S. MORRIS  
SUMNER G. BUELL  
SETH D. MONTGOMERY  
FRANK ANDREWS III

OWEN M. LOPEZ  
JEFFREY R. BRANNEN  
JOHN BENNETT POUND

**MONTGOMERY, FEDERICI, ANDREWS, HANNAHS & MORRIS**

ATTORNEYS AND COUNSELORS AT LAW

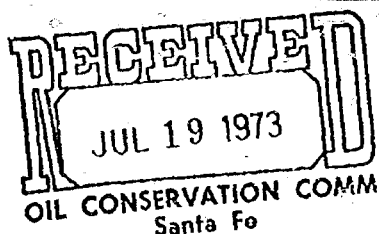
350 EAST PALACE AVENUE  
SANTA FE, NEW MEXICO 87501

POST OFFICE BOX 2307  
AREA CODE 505  
TELEPHONE 982-3876

July 18, 1973

*Case 5045*

New Mexico Oil  
Conservation Commission  
State Land Office Building  
Santa Fe, New Mexico



Gentlemen:

Enclosed in triplicate is an Application by Southern Union Production Company for approval of an unorthodox gas well location for a well to be re-entered and deepened to the Morrow formation at a location 2310 feet from the north line and 990 feet from the east line of Section 13, Township 22 South, Range 24 East, Eddy County, New Mexico.

Please advise us of the date this matter will be set for hearing.

Very truly yours,

*Richard S. Morris*  
*RSM*

RSM:alb  
enclosures  
5086-73-9

cc: Mr. Charles L. Stephenson w/enc.

DOCKET MAILED

Date 7-27-73

BEFORE THE  
NEW MEXICO OIL CONSERVATION COMMISSION  
OIL CONSERVATION COMM.  
Santa Fe

RECEIVED  
JUL 19 1973

APPLICATION OF SOUTHERN UNION  
PRODUCTION COMPANY FOR  
APPROVAL OF AN UNORTHODOX  
GAS WELL LOCATION IN THE  
MORROW FORMATION, EDDY  
COUNTY, NEW MEXICO

Case NO. 5045

APPLICATION

Comes now the Southern Union Production Company, by its attorneys, and requests approval of an unorthodox gas well location in the Morrow formation, Eddy County, New Mexico, and in support of its Application states:

1. Southern Union Production Company is the operator of the North half of Section 13, Township 22 South, Range 24 East, Eddy County, New Mexico.

2. Applicant proposes to re-enter the Wilson Federal Well No. 1 located 2310 feet from the north line and 990 feet from the east line of said Section 13 and deepen the said well to an approximate depth of 11,000 feet in the Morrow formation. The said well was previously drilled by Getty Oil Company as a Cisco Canyon test and was plugged and abandoned at a total depth of 8020 feet on January 30, 1968.

3. Applicant is presently negotiating to obtain operating rights in the Southeast quarter of said Section 13 and also is the owner of operating rights in Sections 11, 12 and 14 offsetting the subject acreage.

4. Approval of this Application will prevent waste and will not impair correlative rights.

WHEREFORE, applicant requests that this Application be set for hearing before the Commission or one of its examiners, and



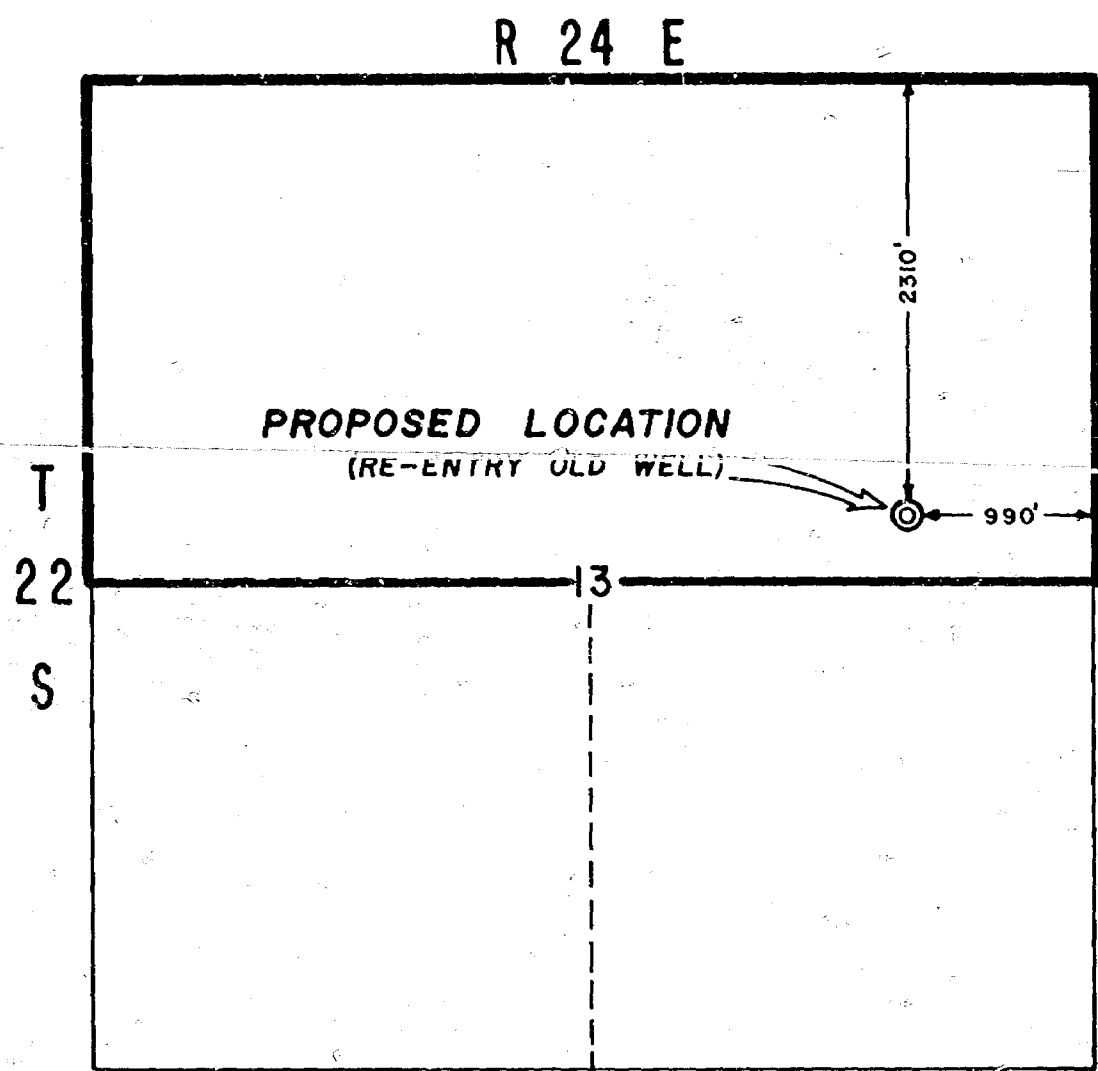
that the Commission enter its Order approving this Application.

MONTGOMERY, FEDERICI, ANDREWS,  
HANNAHS & MORRIS

By

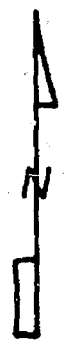
*Lith D. Montgomery*  
Post Office Box 2301  
Santa Fe, New Mexico  
Attorneys for Southern  
Union Production Company

Case 5045



SOUTHERN UNION PRODUCTION COMPANY  
EXHIBIT " — "

STATE OF NEW MEXICO  
OIL CONSERVATION COMMISSION  
UNORTHODOX LOCATION HEARING  
EDDY COUNTY, NEW MEXICO



— PROPOSED 320 ACRE UNIT

DRAFT

dr/

BEFORE THE OIL CONSERVATION COMMISSION  
OF THE STATE OF NEW MEXICO

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

APPLICATION OF SOUTHERN UNION  
PRODUCTION COMPANY FOR AN UNORTHODOX  
GAS WELL LOCATION, EDDY COUNTY, NEW  
MEXICO.

CASE NO. 5045

Order No. R-4618

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on August 9, 1973,  
at Santa Fe, New Mexico, before Examiner Elvis A. Utz.

NOW, on this day of August, 1973, the Commission,  
a quorum being present, having considered the testimony, the record,  
and the recommendations of the Examiner, 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, Southern Union Production Company,  
seeks approval to re-enter the Wilson Federal Well No. 1 at an  
unorthodox location 2310 feet from the North line and 990 feet  
from the East line of Section 13, Township 22 South, Range 24  
East, NMPM, Eddy County, New Mexico, and to deepen said well to

11,060 feet into the Morrow formation.

from 8020 feet

(3) That currently there is no production from the Marrow formation within three miles of the proposed non-standard location and deeping ~~deepening~~ <sup>drilling a new well at a standard location would</sup> ~~not~~ ~~work~~ therefore involve a high degree of risk.

(4) That the most economical feasible way to determine if the Marrow formation is productive in this area is to deepen the Wilson Federal Well No. 1 but in so doing ~~the~~ the aforementioned non-standard location will result.

-2-

Case No. 5045  
Order No. R-

~~5(f)~~ That a well drilled at the proposed non-standard location should encounter additional pay in the Morrow which would not be encountered in a well drilled at a standard location and should, therefore, result in greater ultimate recovery of gas, thereby preventing waste.

(5) ~~5(f)~~ That the N/2 of said Section 13 is to be dedicated to the well.

~~7(b)~~ That a well drilled at the proposed unorthodox location can efficiently and economically drain the N/2 of said Section 13.

(6) ~~5(f)~~ That approval of the subject application will afford the applicant the opportunity to produce its just and equitable share of the gas <sup>from</sup> ~~in the subject~~ Morrow formation gas pool, will prevent the economic loss caused by the drilling of unnecessary wells, avoid the augmentation of risk arising from the drilling of an excessive number of wells, and will otherwise prevent waste and protect correlative rights.

IT IS THEREFORE ORDERED:

(1) That the applicant, Southern Union Production Company, is hereby given approval to re-enter the Wilson Federal Well No. 1 at an unorthodox location 2310 feet from the North line and 990 feet from the East line of Section 13, Township 22 South, Range 24 East, NMPM, Eddy County, New Mexico, and to deepen said well to the Morrow formation.

(2) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

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