

Case No.

7285

Application

Transcripts

Small Exhibits

ETC



**BRUCE KING**  
**GOVERNOR**  
**LARRY KEHDE**  
**SECRETARY**

POST OFFICE BOX 2088  
STATE LAND OFFICE BUILDING  
SANTA FE, NEW MEXICO 87501  
(505) 827-2434

July 29, 1981

Mr. George Hunker  
Hunker-Fedric  
Attorneys at Law  
Post Office Box 1837  
Roswell, New Mexico 88201

Re: CASE NO. 7285  
ORDER NO. R-6738

**Applicant:**

J. C. Williamson

**Dear Sir:**

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

Yours very truly,

**JOE D. RAMEY**  
Director

JDR/fd

**Copy of order also sent to:**

Hobbs OCD	x
Artesia OCD	x
Aztec OCD	

**Other**

STATE OF NEW MEXICO  
ENERGY AND MINERALS DEPARTMENT  
OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING  
CALLED BY THE OIL CONSERVATION  
DIVISION FOR THE PURPOSE OF  
CONSIDERING:

CASE NO. 7285  
Order No. R-6738

APPLICATION OF J. C. WILLIAMSON  
FOR TWO NON-STANDARD GAS PRORATION  
UNITS AND TWO UNORTHODOX LOCATIONS,  
LEA COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on July 2, 1981,  
at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 28th day of July, 1981, the Division  
Director, 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 Division has jurisdiction of this cause and the  
subject matter thereof.

(2) That the applicant, J. C. Williamson, seeks approval  
of two non-standard 320-acre Wolfcamp formation gas proration  
units in Section 10, Township 23 South, Range 34 East, the first  
comprising the NW/4, W/2 NE/4 and N/2 SW/4, and the second  
comprising the E/2 NE/4, S/2 SW/4, and SE/4.

(3) Applicant further seeks approval for two unorthodox  
locations, the first for a well drilled 1560 feet from the North  
line and 1830 feet from the West line of said Section 10, and  
the second for a well to be drilled 1980 feet from the South  
line and 1980 feet from the East line of the section.

(4) That the entire non-standard proration units may  
reasonably be presumed productive of gas from the Wolfcamp  
formation and that the entire non-standard gas proration units  
can be efficiently and economically drained and developed by  
the aforesaid wells.

-2-

Case No. 7285  
Order No. R-6738

(5) That no interest owner or offset operator objected to the proposed non-standard gas proration units or unorthodox locations.

(6) That approval of the subject application will afford the applicant the opportunity to produce his just and equitable share of the gas in the undesignated Wolfcamp 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, J. C. Williamson, is hereby authorized two non-standard 320-acre Wolfcamp gas proration units, the first comprising the NW/4, W/2 NE/4, and N/2 SW/4, and the second comprising the E/2 NE/4, S/2 SW/4, and SE/4 of Section 10, Township 23 South, Range 34 East, NMPM, Lea County, New Mexico.

(2) That the applicant is further granted two unorthodox gas well locations in said Section 10, the first for a well drilled 1560 feet from the North line and 1830 feet from the West line and the second for a well to be drilled 1980 feet from the South line and 1980 feet from the East line of the section.

(3) 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 the day and year hereinabove designated.

STATE OF NEW MEXICO  
OIL CONSERVATION DIVISION

  
JOE D. RALEY  
Director

  
S E A L

rd/



411 Petroleum Building  
204 W. Texas  
Midland, Texas 79701  
Telephone (915) 683-6366

RECEIVED  
JUL 27 1981  
JULY 22, 1981  
CONSERVATION DIVISION  
SANTA FE

Belco Petroleum Corporation

**Belco**

New Mexico Oil Conservation Commission

Santa Fe, New Mexico 87501

Attention: Joe Ramey

Re: Case #7285

Gentlemen:

We have examined the data relative to the unorthodox units and locations requested in Case #7285 and have no objections to the applicant's request.

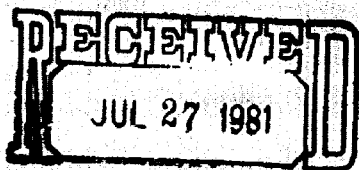
Yours very truly,

BELCO PETROLEUM CORPORATION

*Wm. A. Atlee*

William A. Atlee  
District Exploration Manager

MW/pw



OIL CONSERVATION DIVISION  
SANTA FE

GEORGE H. HUNKER, JR.  
DC : M. FEDRIC

LAW OFFICES OF  
HUNKER-FEDRIC, P. A.  
SUITE 210, HINKLE BUILDING  
POST OFFICE BOX 1837  
ROSWELL, NEW MEXICO 88201

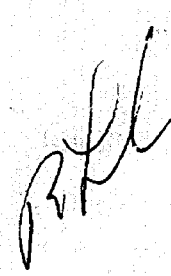
TELEPHONE 622-2700  
AREA CODE 505

July 23, 1981

Mr. Joe D. Ramey, Secretary-Director  
New Mexico Oil Conservation Division  
New Mexico Department of Energy  
P.O. Box 2088  
Santa Fe, New Mexico 87501

Attention: Mr. R.L. Stamets, Examiner

Re: J.C. Williamson  
Application for Two  
Unorthodox Gas Well  
Locations and Two  
Nonstandard Gas Proration  
Units - NMOCD No. 7285  
T. 23S, R. 34E  
Sec. 10: All  
Lea County, New Mexico



Gentlemen:

Supplementing our letter of July 21, 1981, we are  
pleased to enclose Belco Petroleum Corporation's waiver  
of objections to applicant's request for relief. Will  
you please file this in the case file above referenced.

Sincerely yours,

HUNKER-FEDRIC, P.A.

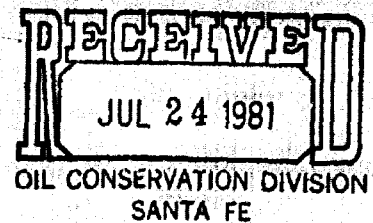
*George H. Hunker, Jr.*  
George H. Hunker, Jr. *dd*

GHR:dd  
Enc.

xc: Mr. Max E. Curry  
xc: Mr. J.C. Williamson

LAW OFFICES OF  
HUNKER-FEDRIC, P. A.  
SUITE 210, HINKLE BUILDING  
POST OFFICE BOX 1607  
ROSWELL, NEW MEXICO 88201

GEORGE H. HUNKER, JR.  
DON M. FEDRIC

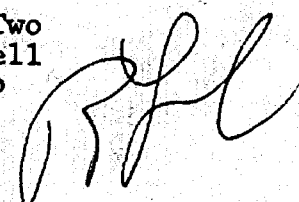


TELEPHONE 622-2700  
AREA CODE 505

July 21, 1981

Mr. Joe D. Ramey, Secretary-Director  
New Mexico Oil Conservation Division  
New Mexico Department of Energy  
P.O. Box 2088  
Santa Fe, New Mexico 87501

Re: J.C. Williamson  
Application for Two  
Unorthodox Gas Well  
Locations and Two  
Nonstandard Gas  
Proration Units  
NMOCD No. 7285  
T. 23S, R. 34E  
Sec. 10: All  
Lea County, N.M.



Attention: Mr. R.L. Stamets, Examiner

Gentlemen:

In connection with the hearing held on July 2 involving J.C. Williamson's application for two unorthodox locations and two nonstandard spacing units for the Wolfcamp production from Sec. 10, T. 23S, R. 34E, and the waivers by operators which we indicated would be furnished, please be advised as follows:

Status of Acreage

Sec. 10: NW $\frac{1}{4}$ , E $\frac{1}{2}$ NE $\frac{1}{4}$ , N $\frac{1}{2}$ SW $\frac{1}{4}$ , NW $\frac{1}{4}$ SE $\frac{1}{4}$  - Acreage in farmout to Operator.

Sec. 10: S $\frac{1}{2}$ SW $\frac{1}{4}$  - Acreage farmed out by Adobe to Operator.

Sec. 10: E $\frac{1}{2}$ NE $\frac{1}{4}$ , NE $\frac{1}{4}$ SE $\frac{1}{4}$  - Option to acquire lease held by Estoril Producing Corp. and Florida Exploration Co.

Sec. 10: S $\frac{1}{2}$ SE $\frac{1}{4}$  - Belco acreage.

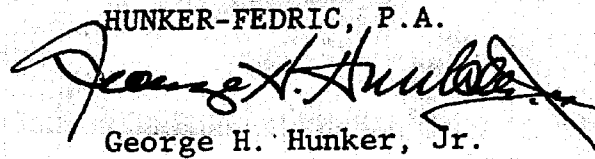
Mr. Joe D. Ramey  
NMOCD  
7/21/81  
Page 2

A waiver signed by Estoril and Florida, dated July 1, 1981, is enclosed. We have been assured that the Belco waiver, although it may not necessarily be needed, will be forthcoming and may be mailed directly to your office. Dow's interest is in the Belco acreage. Martindale, Supron and Southern Union Exploration Company are owners of the farmed acreage, with J.C. Williamson as the Operator.

With the foregoing information, we hope that you can proceed with your deliberation in connection with the matter presented to you.

Respectfully submitted,

HUNKER-FEDRIC, P.A.



George H. Hunker, Jr.

GHH:dd  
Enc.

xc: Mr. Max E. Curry  
xc: Mr. J.C. Williamson

STATE OF NEW MEXICO  
ENERGY AND MINERALS DEPARTMENT  
OIL CONSERVATION DIVISION  
STATE LAND OFFICE BLDG.  
SANTA FE, NEW MEXICO  
2 July 1981

EXAMINER HEARING

IN THE MATTER OF:

Application of J. C. Williamson for  
two non-standard gas proration units  
and two unorthodox locations, Lea  
County, New Mexico.

CASE  
7285

BEFORE: Richard L. Stamets

TRANSCRIPT OF HEARING

A P P E A R A N C E S

For the Oil Conservation  
Division:

W. Perry Pearce, Esq.  
Ernest L. Padilla, Esq.  
Legal Counsel to the Division  
State Land Office Bldg.  
Santa Fe, New Mexico 87501

For the Applicant:

George H. Hunker, Jr., Esq.  
HUNKER, FEDRIC, P. A.  
P. O. Box 1837  
Roswell, New Mexico 88201







MR. STAMETS: We'll call next Case 7285.

MR. PEARCE: Application of J. C.

Williamson for two non-standard gas proration units and two unorthodox locations, Eddy County, New Mexico.

MR. HUNKER: George H. Hunker, Junior, Hunker, Fedric, P. A., Roswell, New Mexico, appearing on behalf of the applicant, J. C. Williamson.

I have one witness, Mr. Max Curry, who needs to be sworn.

(Witness sworn.)

MAX E. CURRY

being called as a witness and being duly sworn upon his oath, testified as follows, to-wit:

DIRECT EXAMINATION

BY MR. HUNKER:

Q For the record, Mr. Curry, will you state your name, address, and occupation?

A My name is Max E. Curry from Midland, Texas. I'm an independent petroleum engineer in Midland, Texas, operating under Curry Resources.

Q Have you previously testified before

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4

2 the Division and are your qualifications as a petroleum en-  
3 gineer a matter of record?

4 A Yes, they are.

5 MR. HUNKER: Is Mr. Curry's qualification  
6 satisfactory, Mr. Stamets?

7 MR. STAMETS: Yes.

8 Q Are you familiar with the application  
9 that's been filed in this matter by J. C. Williamson?

10 A Yes.

11 Q Are you associated with Mr. Williamson  
12 in connection with this project?

13 A Yes. Mr. Williamson and I are partners  
14 in these properties and others nearby.

15 Q Are you familiar with the application  
16 that's been filed?

17 A Yes, I am.

18 Q What is Mr. Williamson seeking by this  
19 application?

20 A Mr. Williamson is seeking an unorthodox  
21 location and proration unit for two wells to be drilled to  
22 the Wolfcamp, and these -- these requests for the proration  
23 units are for the Wolfcamp formation only.

24 Q Explain, if you will, to the Examiner  
25 how it came to pass that you drilled the J. C. Williamson AAA

1  
2 Federal that it was drilled.

3 A We acquired 360 acres, which is shown  
4 in yellow on Exhibit One that we'll be presenting here in  
5 just a moment, with the -- and the rights down to the base  
6 of the Wolfcamp formation, and the well had previously been  
7 drilled and abandoned, I believe, in 1975 by Adobe Oil Corpor-  
8 ation. We had acquired the rights from the present owners  
9 to explore the Wolfcamp and several other zones above that.

10 Q And what were the results of your re-  
11 entering that well, Mr. Curry?

12 A We have a commercial well in the Wolf-  
13 camp formation from this well. This is the 1-Y. And they had  
14 previously lost the first hole, incidentally, and had moved  
15 over to redrill the hole at the location --

16 Q Did you -- did you rename the 1-Y well?

17 A Yes, we did. We renamed it the J. C.  
18 Williamson AAA Federal Well No. 1.

19 Q And where is it located precisely?

20 A It's located 1560 from the north line  
21 and 1830 feet from the west line of Section 10, Township 23  
22 South, Range 34 East in Lea County, New Mexico.

23 Q Is this well depicted on what I've  
24 handed you and marked as Exhibit Number One?

25 A Yes, it is.

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Q What else is shown by that particular exhibit?

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A This particular exhibit shows the configuration of the proposed unit A upon which this well is located, and the remaining acreage in the section, which will comprise Unit B, and the different colors on Exhibit One represent lease ownership and the rights of the Wolfcamp formation.

10

11

And you'll note that all of the acreage within the section is included in these two units.

12

13

Q How can you justify the unorthodox size of the proposed non-standard unit, Mr. Curry?

14

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A Well, the ownership under -- in Unit A is all the same. It -- during the early stages of this exploration program we were trying to put together a 320-acre unit, we found differences in opinion about the risk and the values of such a project, and it was impossible at that time within the time limits we had to perform our work to resolve those differences, and, of course, since the well is completed it's still a little bit difficult to set a value on the well now that it is produced, is able to produce.

23

24

Q Do you find that it's very difficult to get people to participate in re-entries?

25

A

Yes. Ordinarily, yes.

1  
2 Q Was this one of the difficulties that  
3 you had?

4 A Yes, it was.

5 Q Who are the other interest owners in  
6 this particular section, Mr. Curry?

7 A In the section, the total section?

8 Q In the total section.

9 A Well, all of this -- all of the proposed  
10 unit A, of course, is J. C. Williamson and myself and other  
11 partners.

12 The northwest quarter of the southeast  
13 quarter is also a part of that same base lease.

14 Unit B is a tract that the same partners  
15 who own the section to the south, which includes J. C.  
16 Williamson and myself, have an option for which we've paid  
17 a substantial sum of money, to buy the Unit B, and we consider  
18 ourselves to be involved in this unit in the Wolfcamp forma-  
19 tion.

20 Belco Petroleum owns the south half of  
21 the south -- southeast quarter and Adobe owns the south half  
22 of the southwest.

23 Prior to the time we started this well  
24 we had an agreement with Adobe to farm-out their Wolfcamp  
25 rights in the south half of the southwest.



1  
2 So Belco is actually the -- Belco and  
3 some of their partners are Supron and Southland -- I mean,  
4 let's see, Southern Union Exploration, own that tract in the  
5 south half of the southeast quarter.

6 Q Are you proposing that the Division  
7 approve an unorthodox location -- unorthodox location for  
8 your AAA Federal No. 1 Well as well as a non-standard spacing  
9 unit consisting of the northwest quarter and the east half  
10 of the northeast quarter and the north half of the southwest  
11 quarter of Section 10?

12 A Yes. This is our proposal.

13 Q In the event this unit is approved and  
14 this spacing is approved, do you propose to drill a second  
15 well, and if so, where?

16 A Yes. We propose to drill a well in the --  
17 well, the well has been staked 1980 from the south and 1980  
18 from the east line of the section.

19 Q For your Wolfcamp spacing unit for that  
20 well what acreage would you propose to dedicate to it?

21 A All of the remaining acreage in the --  
22 in the section, which would consist of the southeast quarter  
23 of that section, the east half of the northeast, and the south  
24 half of the southwest quarter.

25 Q Because of the configuration of this



1  
2 proposed unit, is it also necessary for the Division to approve  
3 a non-standard location for the proposed Well No. 2?

4 A Yes, it is, and we have placed this well  
5 in its position to protect the correlative rights of everyone  
6 in this section and we have more or less gotten together and  
7 actually all we're doing is dividing the ownership of the two  
8 wells, because the configuration of the two wells within the  
9 units would be an equitable division within the section itself.  
10 All of the acreage, incidentally, is a single royalty owner,  
11 United States government and we feel that this is an equitable  
12 position to take.

13 We have requested and have received  
14 waivers from almost all the people in the unit. We have no  
15 objection from those. I believe some of the people here  
16 present here today would like to state that they would have  
17 no objection to this unit.

18 Q You've also prepared three other exhibits.  
19 I'll hand you Exhibits Two, Three, and Four, and ask you to  
20 identify those and tell the Examiner what they show.

21 A Unit Two demonstrates the --

22 Q Exhibit Two, you mean.

23 A Exhibit Two, yes, demonstrates the  
24 position of the proposed well and the existing well if the  
25 normal proration units were used, and you'll note that these

1  
2 would be standard locations if we had standard proration  
3 units.

4 So the people on the outside that are  
5 listed in their respective positions of ownership, this --  
6 our request would not adversely affect them in any way.

7 Q Explain Number Three.

8 A Exhibit Number Three is an exhibit that  
9 demonstrates the position should the units be turned in a  
10 north half/south half configuration of 320-acre units, and  
11 you'll note that the -- the only deviation is the slight  
12 movement of the AAA Federal Well No. 1, which is due to losing  
13 the hole, and that location was previously approved.

14 Q But you're not asking for that, those  
15 type of spacing units --

16 A No --

17 Q -- you're --

18 A No, we were just demonstrating the fact  
19 that none of the people outside this unit would be adversely  
20 affected by our requested locations.

21 Q The Exhibit Number Four, then, depicts  
22 exactly what acreage you want to have included in the two  
23 unorthodox spacing units with two unorthodox locations, is  
24 that correct?

25 A That is correct. And you'll note that

1 all of the acreage is included in the section and the well is  
2 no closer than 660 feet to any line. The only deviations are  
3 some of the -- to the unusual shape of the unit itself.

4 Q In connection with these two test wells,  
5 especially the second one, do you feel that the second unit  
6 will be reasonably proven to be productive of Wolfcamp forma-  
7 tion oil and gas?

8 A Yes, it does. Yes. We own the acreage  
9 to the south and have just completed a well there and with the  
10 completion of the AAA Federal No. 1 we feel like we are be-  
11 tween two proved areas.

12 Q In your opinion will the approval of  
13 the two non-standard units mean that you can efficiently and  
14 economically drain and develop this entire area of Wolfcamp  
15 production?

16 A Yes, we do.

17 Q Is it your opinion that this will prevent  
18 economic loss caused by the drilling of unnecessary wells,  
19 avoid the augmentation of risk arising from the drilling of  
20 an excessive number of wells, and otherwise prevent waste and  
21 protect correlative rights?

22 A Yes, we do, and with the agreement of  
23 all the other people inside the section, we feel like that  
24 they feel that their rights are protected.  
25

1  
2 MR. HUNKER: Mr. Examiner, I'd like to  
3 offer in evidence Exhibits One through Four, and I'd like to  
4 present at this time letters signed by Adobe, the Dow Chemical  
5 Company, and Getty Oil Company.

6 I understand that a gentleman is here  
7 from Supron who might care to make a statement to the effect  
8 that they don't oppose the application in this particular  
9 instance. Mr. Burk.

10 MR. CARR: At this time, Mr. Stamets,  
11 if it please the Examiner, I am William F. Carr, attorney for  
12 Supron Energy Corporation.

13 We were advised this morning by Mr.  
14 Curry that they did not have a waiver from Supron and we would  
15 therefor like for the record to reflect that Supron has no  
16 objection to this application.

17 MR. STAMETS: Okay.

18 MR. HUNKER: I have nothing else Mr.  
19 Stamets.

20 MR. STAMETS: I'm not sure that these  
21 are the right waivers. These are waivers for multiple com-  
22 pletion, on Estoril Producing Corporation.

23 A I believe, though, that these have been  
24 filed with the Commission.

25 MR. HUNKER: These are with regard to

1  
2 the well to the south.

3 MR. STAMETS: Let's see what we've got  
4 up here, if anything.

5 Well, my file doesn't reflect any  
6 waivers.

7 A Well, we've been advised that those have  
8 all been mailed and I received my copies and unfortunately I  
9 packed the wrong waivers.

10 MR. HUNKER: If the Examiner please,  
11 we'd like to submit those to you --

12 MR. STAMETS: Okay.

13 MR. HUNKER: -- at another date.

14 MR. STAMETS: That's fine. We'll hold  
15 the record open for submittal of those waivers at some time.  
16 Apparently, though, everybody here feels that Adobe, being  
17 the operator of the one 80-acres which seems to be most af-  
18 fected by this, is in agreement and they --

19 A We are --

20 MR. STAMETS: Are they going to partici-  
21 pate in the drilling?

22 A We have -- they have farmed those rights  
23 out to us.

24 MR. STAMETS: I see, so you are essen-  
25 tially the operator of --



1

2

A. Yes.

3

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MR. STAMETS: -- everything in Unit B now.

5

6

A. With the -- with the exception of the south half of the southwest quarter.

7

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MR. STAMETS: South half --

9

A. Southeast, excuse me.

10

MR. STAMETS: Okay, that's Belco.

11

A. That's right.

12

MR. STAMETS: Is Belco going to join in the drilling the well?

13

14

A. We think they are. We're discussing that. They'll have no objection to it. They'll not be affected either way.

15

16

MR. STAMETS: How about the acreage you've marked in blue on Exhibit One?

17

18

A. We have an option to purchase that, which we fully intend to exercise.

19

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MR. STAMETS: Okay. Are there any other questions of this witness? He may be excused.

21

22

Anything further in this case?

23

24

With the provision for submittal of additional waivers, the case will be taken under advisement.

25

(Hearing concluded.)



C E R T I F I C A T E

I, SALLY W. BOYD, C.S.R., DO HEREBY CERTIFY that  
the foregoing Transcript of Hearing before the Oil Conserva-  
tion Division was reported by me; that the said transcript  
is a full, true, and correct record of the hearing, prepared  
by me to the best of my ability.

Sally W. Boyd CSR

SALLY W. BOYD, C.S.R.  
Rt. 1 Box 193-B  
Santa Fe, New Mexico 87501  
Phone (505) 455-7409

I do hereby certify that the foregoing is  
a complete record of the proceedings in  
the Examiner hearing of Case No. 7285  
heard by me on 7-2 1981.  
Richard L. Stewart, Examiner  
Oil Conservation Division

STATE OF NEW MEXICO  
ENERGY AND MINERALS DEPARTMENT  
OIL CONSERVATION DIVISION  
STATE LAND OFFICE BLDG.  
SANTA FE, NEW MEXICO  
2 July 1981

EXAMINER HEARING

IN THE MATTER OF:

Application of J. C. Williamson for  
two non-standard gas proration units  
and two unorthodox locations, Lea  
County, New Mexico.

CASE  
7285

BEFORE: Richard L. Stamets

TRANSCRIPT OF HEARING

A P P E A R A N C E S

For the Oil Conservation  
Division:

W. Perry Pearce, Esq.  
Ernest L. Padilla, Esq.  
Legal Counsel to the Division  
State Land Office Bldg.  
Santa Fe, New Mexico 87501

For the Applicant:

George H. Hunker, Jr., Esq.  
HUNKER, FEDRIC, P. A.  
P. O. Box 1837  
Roswell, New Mexico 88201

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MAX E. CURRY

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EXHIBITS

Applicant Exhibit One, Plat 5

Applicant Exhibit Two, Plat 9

Applicant Exhibit Three, Plat 9

Applicant Exhibit Four, Plat 9

MR. STAMETS: We'll call next Case 7285.

MR. PEARCE: Application of J. C.

Williamson for two non-standard gas proration units and two unorthodox locations, Eddy County, New Mexico.

MR. HUNKER: George H. Hunker, Junior Hunker, Fedric, P. A., Roswell, New Mexico, appearing on behalf of the applicant, J. C. Williamson.

I have one witness, Mr. Max Curry, who needs to be sworn.

(Witness sworn.)

MAX E. CURRY

being called as a witness and being duly sworn upon his oath, testified as follows, to-wit:

DIRECT EXAMINATION

BY MR. HUNKER:

Q For the record, Mr. Curry, will you state your name, address, and occupation?

A My name is Max E. Curry from Midland, Texas. I'm an independent petroleum engineer in Midland, Texas, operating under Curry Resources.

Q Have you previously testified before

1  
2 the Division and are your qualifications as a petroleum en-  
3 gineer a matter of record?

4 A Yes, they are.

5 MR. HUNKER Is Mr. Curry's qualification  
6 satisfactory, Mr. Stamets?

7 MR. STAMETS: Yes.

8 Q Are you familiar with the application  
9 that's been filed in this matter by J. C. Williamson?

10 A Yes.

11 Q Are you associated with Mr. Williamson  
12 in connection with this project?

13 A Yes. Mr. Williamson and I are partners  
14 in these properties and others nearby.

15 Q Are you familiar with the application  
16 that's been filed?

17 A Yes, I am.

18 Q What is Mr. Williamson seeking by this  
19 application?

20 A Mr. Williamson is seeking an unorthodox  
21 location and proration unit for two wells to be drilled to  
22 the Wolfcamp, and these -- these requests for the proration  
23 units are for the Wolfcamp formation only.

24 Q Explain, if you will, to the Examiner  
25 how it came to pass that you drilled the J. C. Williamson AAA

1  
2 Federal that it was drilled.

3 A We acquired 360 acres, which is shown  
4 in yellow on Exhibit One that we'll be presenting here in  
5 just a moment, with the -- and the rights down to the base  
6 of the Wolfcamp formation, and the well had previously been  
7 drilled and abandoned, I believe, in 1975 by Adobe Oil Corpor-  
8 ation. We had acquired the rights from the present owners  
9 to explore the Wolfcamp and several other zones above that.

10 Q And what were the results of your re-  
11 entering that well. Mr. Curry?

12 A We have a commercial well in the Wolf-  
13 camp formation from this well. This is the 1-Y. And they had  
14 previously lost the first hole, incidentally, and had moved  
15 over to redrill the hole at the location --

16 Q Did you -- did you rename the 1-Y well?

17 A Yes, we did. We renamed it the J. C.  
18 Williamson AAA Federal Well No. 1.

19 Q And where is it located precisely?

20 A It's located 1560 from the north line  
21 and 1830 feet from the west line of Section 10, Township 23  
22 South, Range 34 East in Lea County, New Mexico.

23 Q Is this well depicted on what I've  
24 handed you and marked as Exhibit Number One?

25 A Yes, it is.



1  
2 Q What else is shown by that particular  
3 exhibit?

4 A This particular exhibit shows the con-  
5 figuration of the proposed unit A upon which this well is  
6 located, and the remaining acreage in the section, which will  
7 comprise Unit B, and the different colors on Exhibit One re-  
8 present lease ownership and the rights of the Wolfcamp forma-  
9 tion.

10 And you'll note that all of the acreage  
11 within the section is included in these two units.

12 Q How can you justify the unorthodox size  
13 of the proposed non-standard unit, Mr. Curry?

14 A Well, the ownership under -- in Unit A  
15 is all the same. It -- during the early stages of this  
16 exploration program we were trying to put together a 320-acre  
17 unit, we found differences in opinion about the risk and the  
18 values of such a project, and it was impossible at that time  
19 within the time limits we had to perform our work to resolve  
20 those differences and, of course, since the well is completed  
21 it's still a little bit difficult to set a value on the well  
22 now that it is produced, is able to produce.

23 Q Do you find that it's very difficult  
24 to get people to participate in re-entries?

25 A Yes. Ordinarily. yes.

1  
2 Q Was this one of the difficulties that  
3 you had?

4 A Yes, it was.

5 Q Who are the other interest owners in  
6 this particular section Mr. Curry?

7 A In the section, the total section?

8 Q In the total section.

9 A Well, all of this -- all of the proposed  
10 unit A, of course, is J. C. Williamson and myself and other  
11 partners.

12 The northwest quarter of the southeast  
13 quarter is also a part of that same base lease.

14 Unit B is a tract that the same partners  
15 who own the section to the south, which includes J. C.  
16 Williamson and myself, have an option for which we've paid  
17 a substantial sum of money, to buy the Unit B, and we consider  
18 ourselves to be involved in this unit in the Wolfcamp forma-  
19 tion.

20 Belco Petroleum owns the south half of  
21 the south -- southeast quarter and Adobe owns the south half  
22 of the southwest.

23 Prior to the time we started this well  
24 we had an agreement with Adobe to farm-out their Wolfcamp  
25 rights in the south half of the southwest.

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So Belco is actually the -- Belco and some of their partners are Supron and Southland -- I mean, let's see, Southern Union Exploration, own that tract in the south half of the southeast quarter.

Q Are you proposing that the Division approve an unorthodox location -- unorthodox location for your AAA Federal No. 1 Well as well as a non-standard spacing unit consisting of the northwest quarter and the east half of the northeast quarter and the north half of the southwest quarter of Section 10?

A Yes. This is our proposal.

Q In the event this unit is approved and this spacing is approved, do you propose to drill a second well, and if so, where?

A Yes. We propose to drill a well in the well, the well has been staked 1980 from the south and 1980 from the east line of the section.

Q For your Wolfcamp spacing unit for that well what acreage would you propose to dedicate to it?

A All of the remaining acreage in the -- in the section, which would consist of the southeast quarter of that section, the east half of the northeast, and the south half of the southwest quarter.

Q Because of the configuration of this

1  
2 proposed unit, is it also necessary for the Division to approve  
3 a non-standard location for the proposed Well No. 2?

4 A Yes, it is, and we have placed this well  
5 in its position to protect the correlative rights of everyone  
6 in this section and we have more or less gotten together and  
7 actually all we're doing is dividing the ownership of the two  
8 wells, because the configuration of the two wells within the  
9 units would be an equitable division within the section itself.  
10 All of the acreage, incidentally, is a single royalty owner,  
11 United States government and we feel that this is an equitable  
12 position to take.

13 We have requested and have received  
14 waivers from almost all the people in the unit. We have no  
15 objection from those. I believe some of the people here  
16 present here today would like to state that they would have  
17 no objection to this unit.

18 Q You've also prepared three other exhibits.  
19 I'll hand you Exhibits Two, Three, and Four and ask you to  
20 identify those and tell the Examiner what they show.

21 A Unit Two demonstrates the --

22 Q Exhibit Two, you mean.

23 A Exhibit Two, yes, demonstrates the  
24 position of the proposed well and the existing well if the  
25 normal proration units were used, and you'll note that these

1  
2 would be standard locations if we had standard proration  
3 units.

4 So the people on the outside that are  
5 listed in their respective positions of ownership, this --  
6 our request would not adversely affect them in any way.

7 Q Explain Number Three.

8 A Exhibit Number Three is an exhibit that  
9 demonstrates the position should the units be turned in a  
10 north half/south half configuration of 320-acre units, and  
11 you'll note that the -- the only deviation is the slight  
12 movement of the AAA Federal Well No. 1, which is due to losing  
13 the hole, and that location was previously approved.

14 Q But you're not asking for that, those  
15 type of spacing units --

16 A No --

17 Q -- you're --

18 A No, we were just demonstrating the fact  
19 that none of the people outside this unit would be adversely  
20 affected by our requested locations.

21 Q The Exhibit Number Four, then, depicts  
22 exactly what acreage you want to have included in the two  
23 unorthodox spacing units with two unorthodox locations, is  
24 that correct?

25 A That is correct. And you'll note that



1  
2 all of the acreage is included in the section and the well is  
3 no closer than 660 feet to any line. The only deviations are  
4 some of the -- to the unusual shape of the unit itself.

5 Q In connection with these two test wells,  
6 especially the second one, do you feel that the second unit  
7 will be reasonably proven to be productive of Wolfcamp forma-  
8 tion oil and gas?

9 A Yes, it does. Yes. We own the acreage  
10 to the south and have just completed a well there and with the  
11 completion of the AAA Federal No. 1 we feel like we are be-  
12 tween two proved areas.

13 Q In your opinion will the approval of  
14 the two non-standard units mean that you can efficiently and  
15 economically drain and develop this entire area of Wolfcamp  
16 production?

17 A Yes, we do.

18 Q Is it your opinion that this will prevent  
19 economic loss caused by the drilling of unnecessary wells,  
20 avoid the augmentation of risk arising from the drilling of  
21 an excessive number of wells, and otherwise prevent waste and  
22 protect correlative rights?

23 A Yes, we do, and with the agreement of  
24 all the other people inside the section, we feel like that  
25 they feel that their rights are protected.

1  
2 MR. HUNKER: Mr. Examiner, I'd like to  
3 offer in evidence Exhibits One through Four, and I'd like to  
4 present at this time letters signed by Adobe, the Dow Chemical  
5 Company, and Getty Oil Company.

6 I understand that a gentleman is here  
7 from Supron who might care to make a statement to the effect  
8 that they don't oppose the application in this particular  
9 instance. Mr. Burk.

10 MR. CARR: At this time, Mr. Stamets,  
11 if it please the Examiner, I am William F. Carr, attorney for  
12 Supron Energy Corporation.

13 We were advised this morning by Mr.  
14 Curry that they did not have a waiver from Supron and we would  
15 therefor like for the record to reflect that Supron has no  
16 objection to this application.

17 MR. STAMETS: Okay.

18 MR. HUNKER: I have nothing else, Mr.  
19 Stamets.

20 MR. STAMETS: I'm not sure that these  
21 are the right waivers. These are waivers for multiple com-  
22 pletion, on Estoril Producing Corporation.

23 A I believe, though, that these have been  
24 filed with the Commission.

25 MR. HUNKER: These are with regard to

1  
2 the well to the south.

3 MR. STAMETS: Let's see what we've got  
4 up here, if anything.

5 Well, my file doesn't reflect any  
6 waivers.

7 A Well, we've been advised that those have  
8 all been mailed and I received my copies and unfortunately I  
9 packed the wrong waivers.

10 MR. HUNKER: If the Examiner please,  
11 we'd like to submit those to you --

12 MR. STAMETS: Okay.

13 MR. HUNKER: -- at another date.

14 MR. STAMETS: That's fine. We'll hold  
15 the record open for submittal of those waivers at some time.  
16 Apparently, though, everybody here feels that Adobe, being  
17 the operator of the one 80-acres which seems to be most af-  
18 fected by this, is in agreement and they --

19 A We are --

20 MR. STAMETS: Are they going to partici-  
21 pate in the drilling?

22 A We have -- they have farmed those rights  
23 out to us.

24 MR. STAMETS: I see, so you are essen-  
25 tially the operator of --

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A Yes.

MR. STAMETS: -- everything in Unit B  
now.

A With the -- with the exception of the  
south half of the southwest quarter.

MR. STAMETS: South half --

A Southeast, excuse me.

MR. STAMETS: Okay, that's Belco.

A That's right.

MR. STAMETS: Is Belco going to join in  
the drilling the well?

A We think they are. We're discussing  
that. They'll have no objection to it. They'll not be af-  
fected either way.

MR. STAMETS: How about the acreage  
you've marked in blue on Exhibit One?

A We have an option to purchase that,  
which we fully intend to exercise.

MR. STAMETS: Okay. Are there any other  
questions of this witness? He may be excused.

Anything further in this case?

With the provision for submittal of ad-  
ditional waivers, the case will be taken under advisement.

(Hearing concluded.)

C E R T I F I C A T E

I, SALLY W. BOYD, C.S.R., DO HEREPY CERTIFY that  
the foregoing Transcript of Hearing before the Oil Conserva-  
tion Division was reported by me; that the said transcript  
is a full, true, and correct record of the hearing, prepared  
by me to the best of my ability.

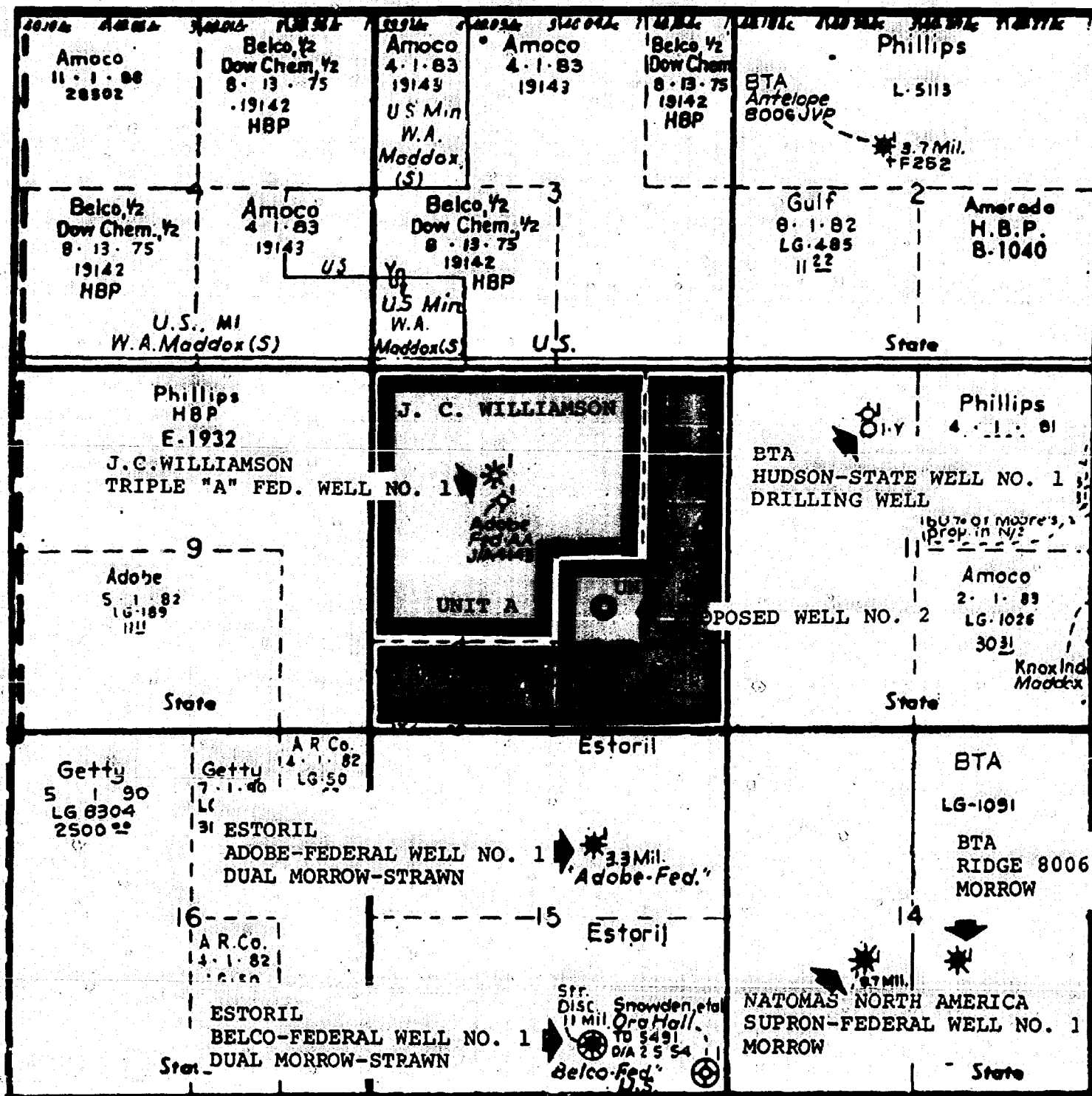
Sally W. Boyd CSR

SALLY W. BOYD, C.S.R.  
Rt. 1 Box 193-B  
Santa Fe, New Mexico 87501  
Phone (505) 455-7409

I do hereby certify that the foregoing is  
a complete record of the proceedings in  
the Examiner hearing of Case No. \_\_\_\_\_,  
heard by me on \_\_\_\_\_ 19\_\_\_\_.

\_\_\_\_\_, Examiner  
Oil Conservation Division





235-34E

J. C. WILLIAMSON  
CASE NO. 7285  
EXHIBIT

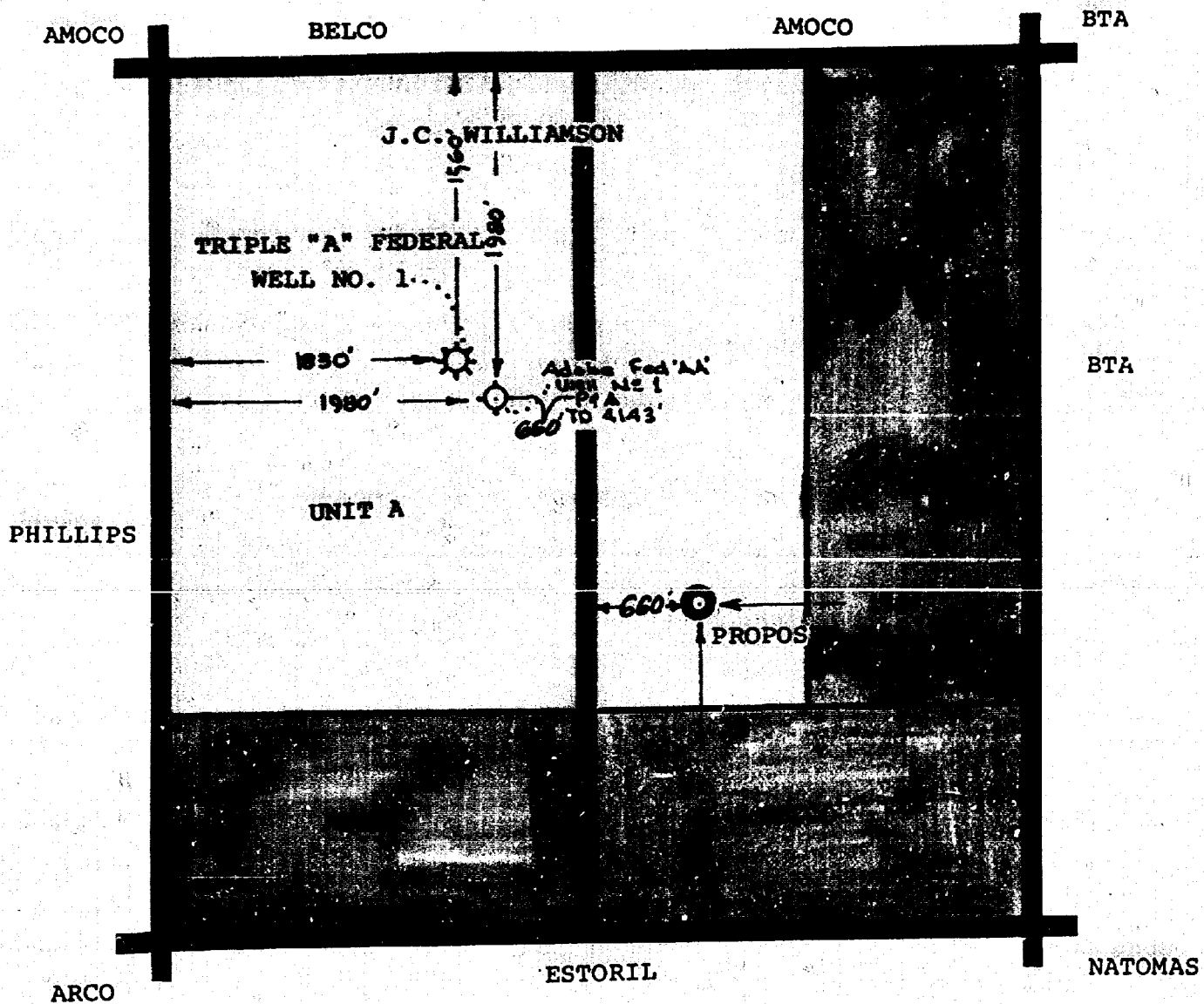
BEFORE EXAMINER STAMETS  
OIL CONSERVATION DIVISION

EXHIBIT NO. 1

CASE NO. 7285

Submitted by Applicant

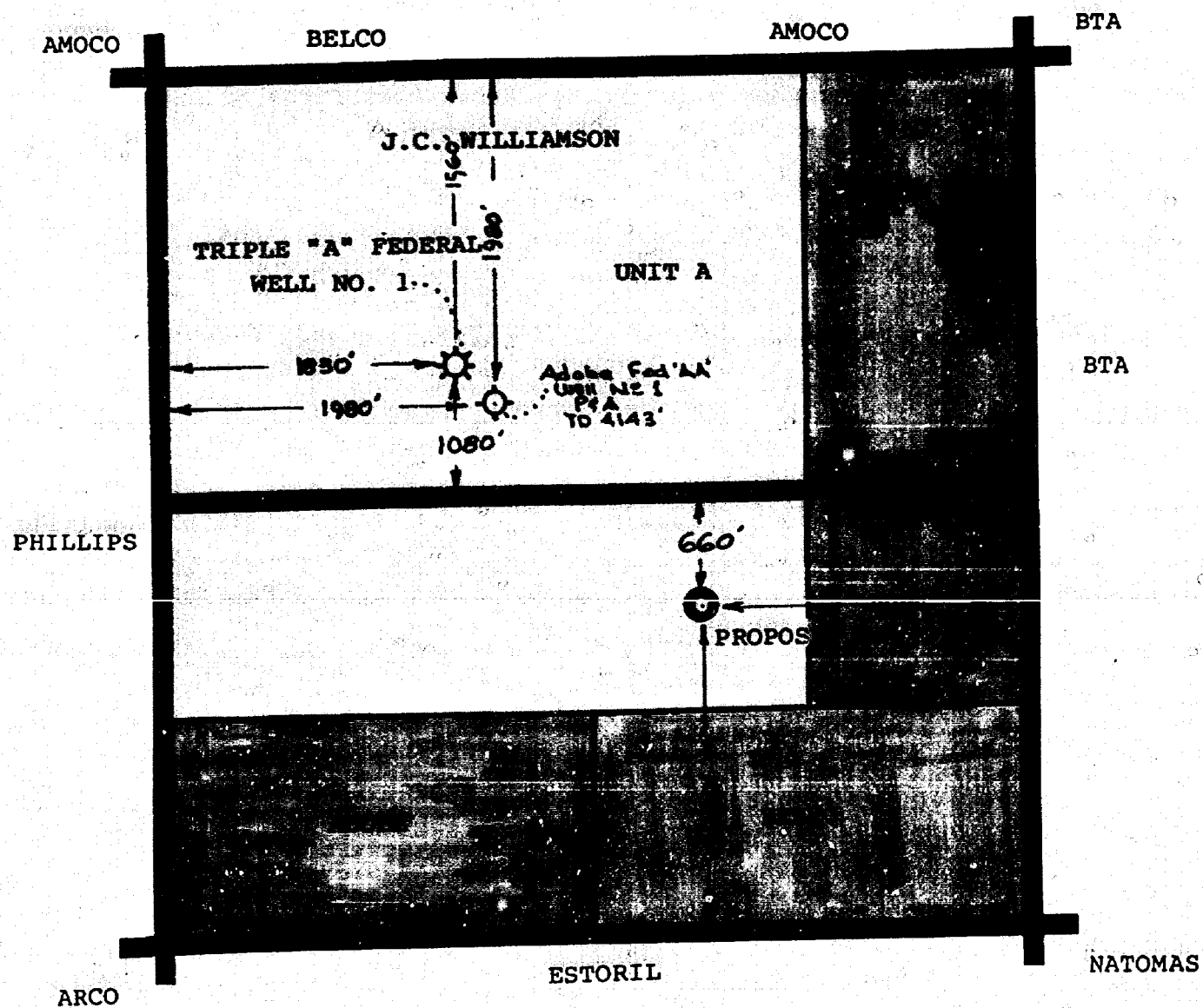
Hearing Date 10-17-81



J. C. WILLIAMSON

CASE NO. 7285  
EXHIBIT

BEFORE EXAMINER STAMETS OIL CONSERVATION DIVISION	
Applicant	EXHIBIT NO. <u>2</u>
CASE NO.	<u>7285</u>
Submitted by	_____
Hearing Date	<u>7-2-81</u>



J. C. WILLIAMSON

CASE NO. 7285

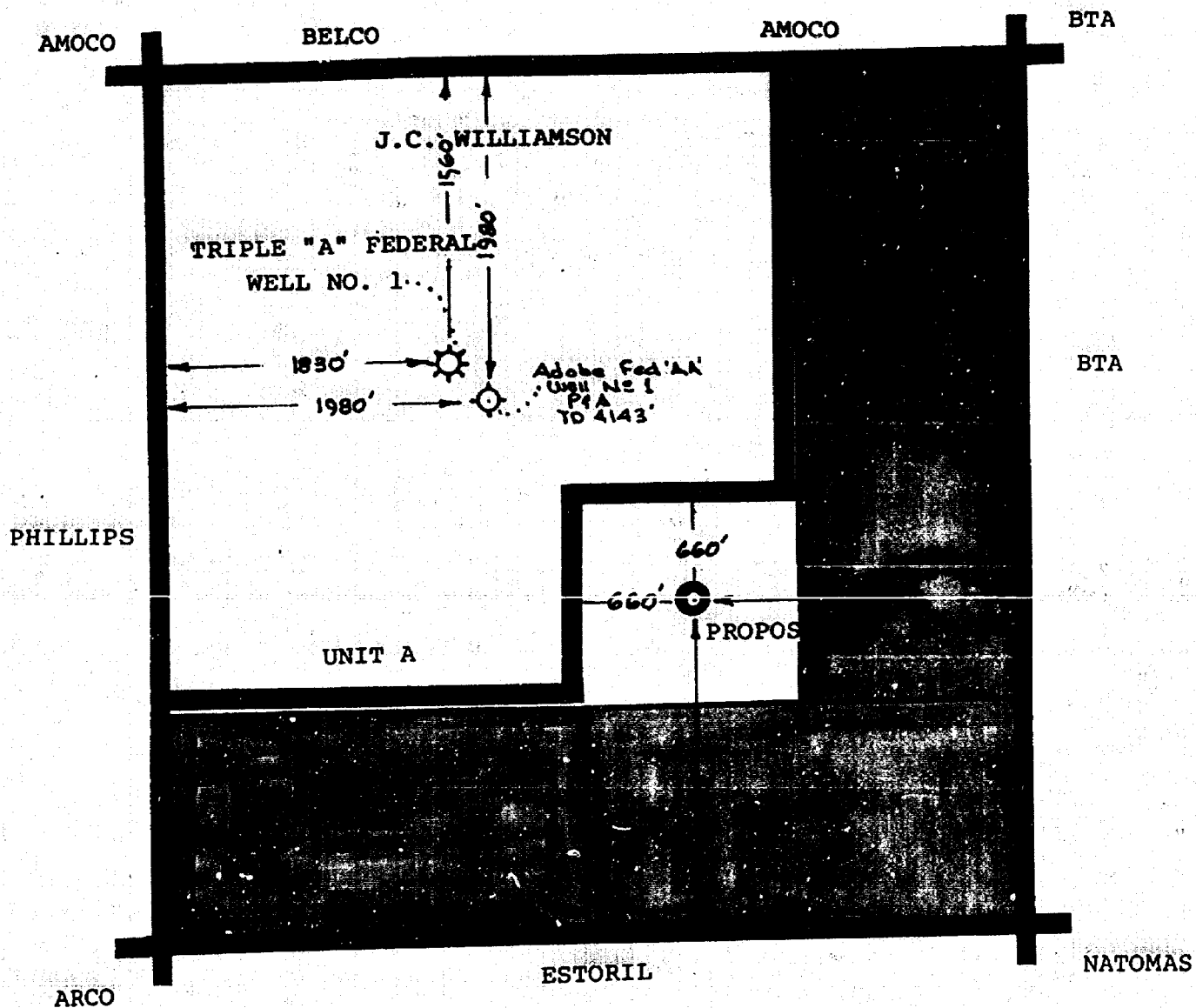
EXHIBIT

BEFORE EXAMINER STAMETS  
OIL CONSERVATION DIVISION  
EXHIBIT NO. 3

CASE NO. 7285

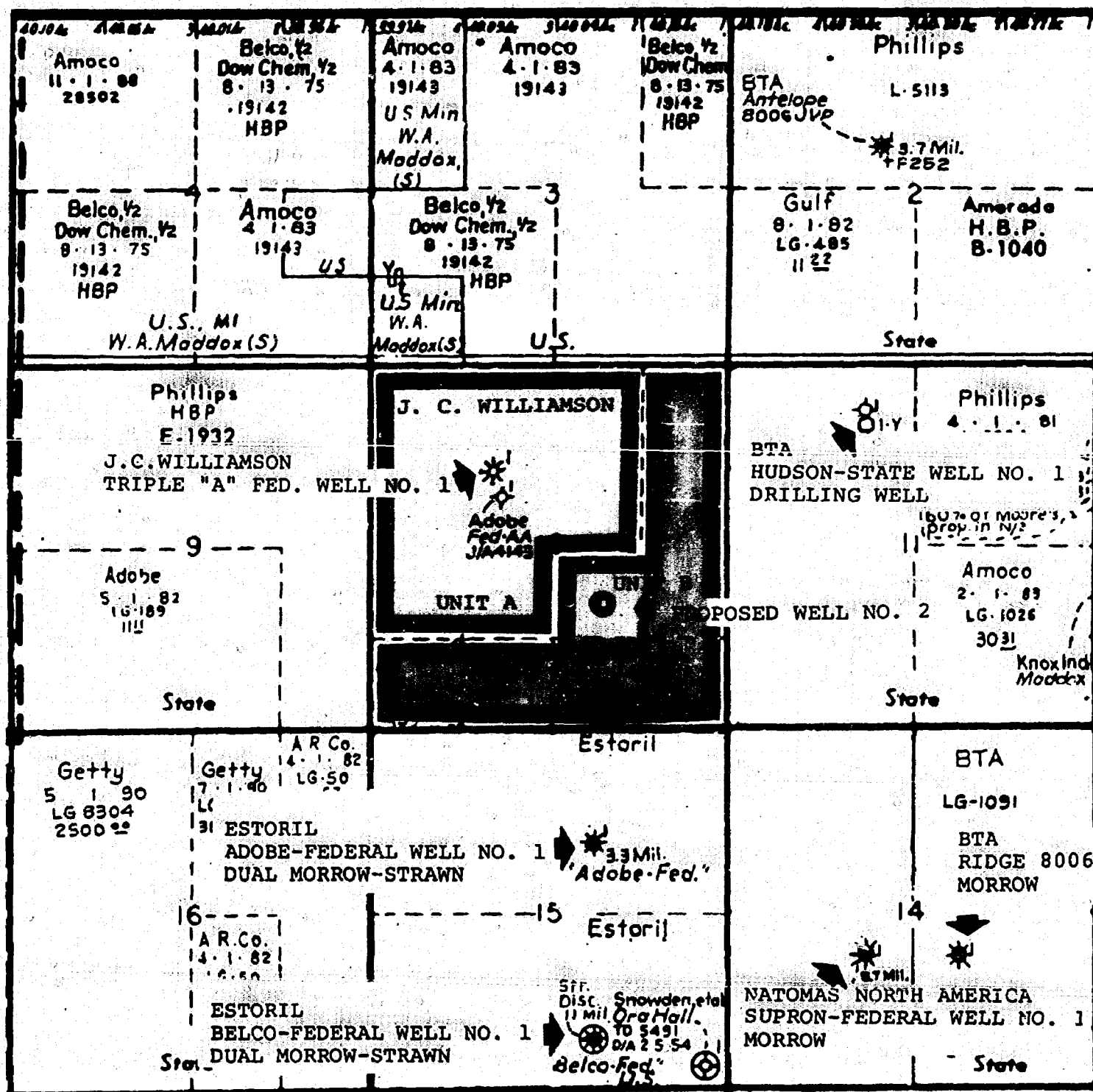
Submitted by Applicant

Hearing Date 7-2-81



J. C. WILLIAMSON  
CASE NO. 7285  
EXHIBIT

BEFORE EXAMINER STAMETS  
OIL CONSERVATION DIVISION  
Applicant EXHIBIT NO. 4  
CASE NO. 7285  
Submitted by \_\_\_\_\_  
Hearing Date 7-2-81



J. C. WILLIAMSON

CASE NO. 7285

EXHIBIT

BEFORE EXAMINER STAMETS  
OIL CONSERVATION DIVISION

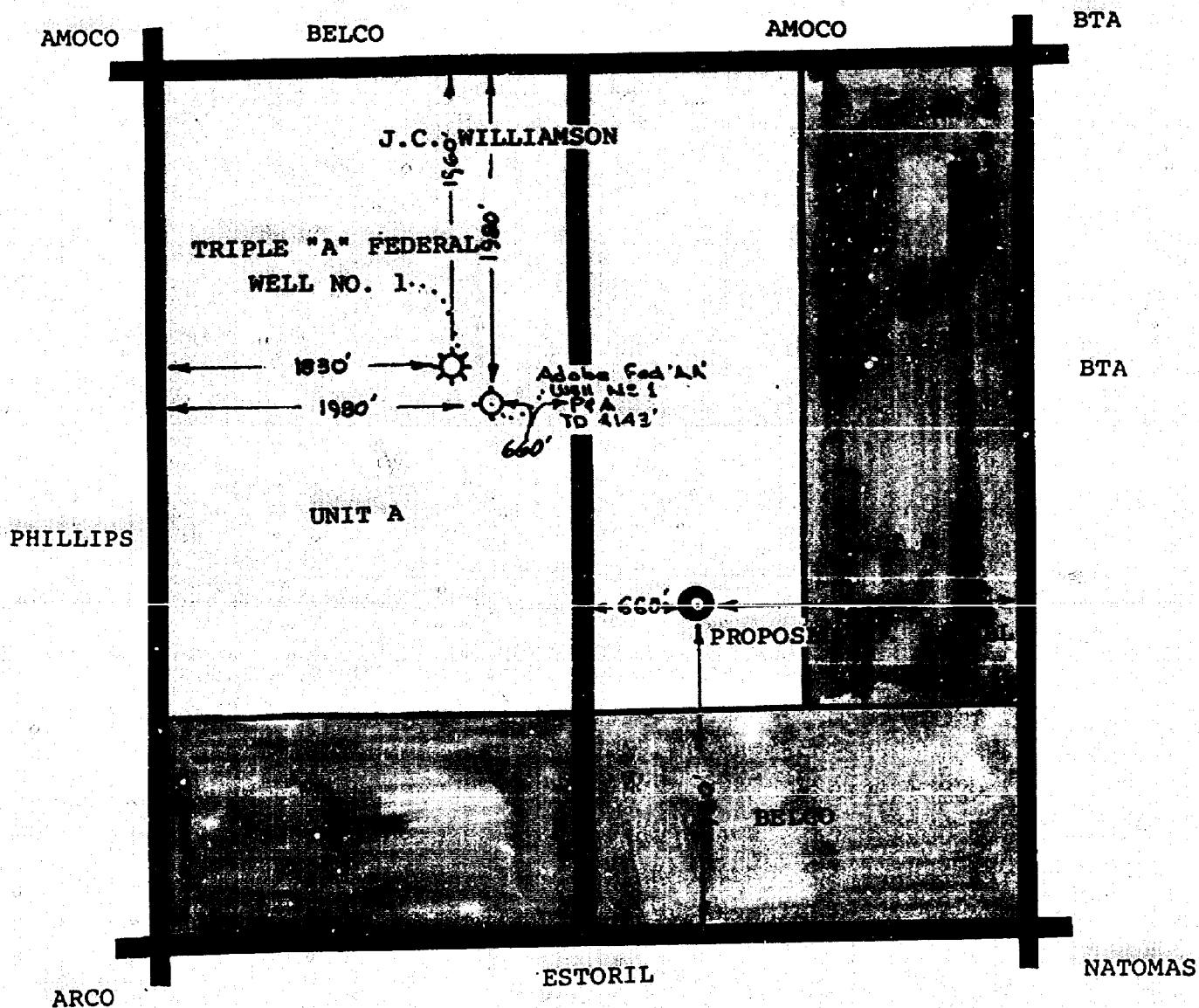
EXHIBIT NO. 1

CASE NO. 7285

Submitted by Applicant

Hearing Date 7-2-81

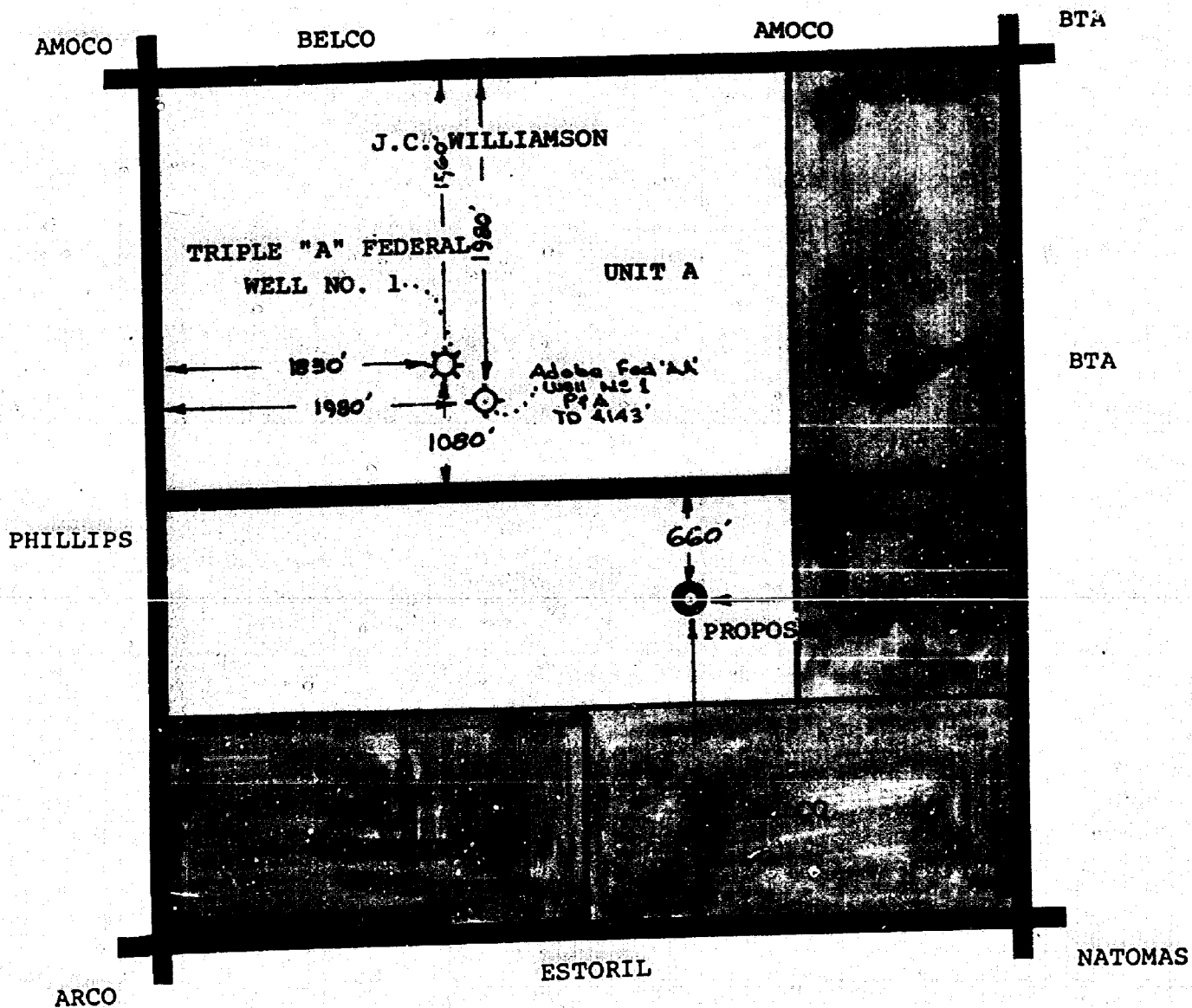




J. C. WILLIAMSON

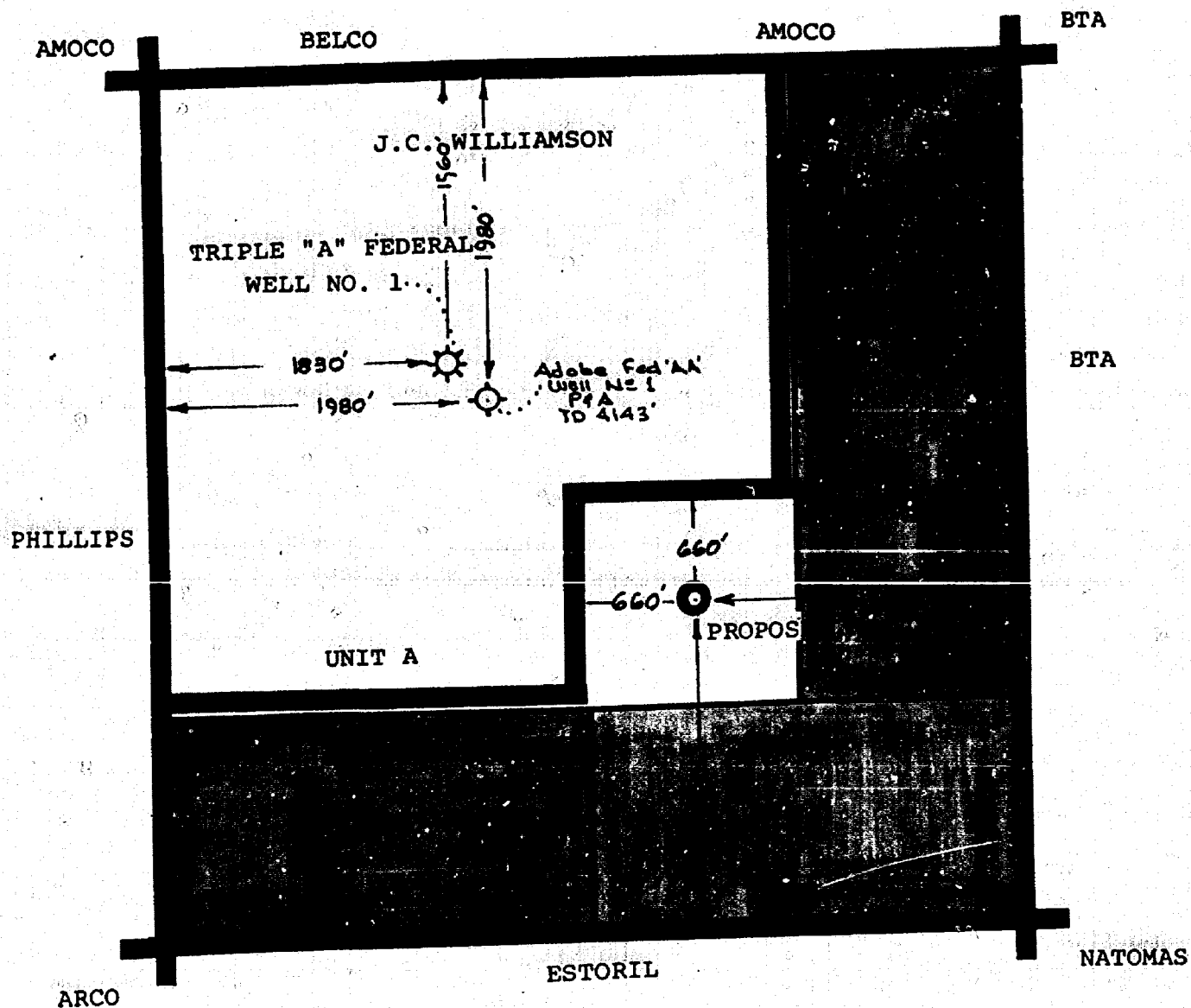
CASE NO. 7285  
EXHIBIT

BEFORE EXAMINER STAMETS OIL CONSERVATION DIVISION	
Applicant	EXHIBIT NO. <u>2</u>
CASE NO.	<u>7285</u>
Submitted by	_____
Hearing Date	<u>7-2-81</u>



J. C. WILLIAMSON  
CASE NO. 7285  
EXHIBIT

BEFORE EXAMINER STAMETS  
OIL CONSERVATION DIVISION  
EXHIBIT NO. 3  
CASE NO. 7285  
Submitted by Applicant  
Hearing Date 7-2-81



J. C. WILLIAMSON  
CASE NO. 7285  
EXHIBIT

BEFORE EXAMINER STAMETS  
OIL CONSERVATION DIVISION  
Applicant EXHIBIT NO. 4  
CASE NO. 7285  
Submitted by \_\_\_\_\_  
Hearing Date 7-2-81

Dockets Nos. 22-81 and 23-81 are tentatively set for July 15 and 29, 1981. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: EXAMINER HEARING - THURSDAY - JULY 2, 1981

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

The following cases will be heard before Richard L. Stamets, Examiner, or Daniel S. Nutter, Alternate Examiner:

- CASE 7283: Application of Harvey E. Yates Company for amendment of Division Order No. R-6387, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the amendment of Division Order No. R-6382 to provide that said order authorizing the McDonald Unit Agreement shall have an effective date of June 1, 1981.
- CASE 7284: Application of Energy Reserves Group, Inc. for an unorthodox gas well location, Roosevelt County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox Cisco location of its Miller Well No. 1 located 660 feet from the South and West lines of Section 12, Township 6 South, Range 33 East, the S/2 of said Section 12 to be dedicated to the well.
- CASE 7285: Application of J. C. Williamson for two non-standard gas proration units and two unorthodox locations, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for two non-standard 320-acre Wolfcamp gas proration units in Section 10, Township 23 South, Range 34 East, the first comprising the NW/4, W/2 NE/4, and N/2 SW/4, and the second comprising the E/2 NE/4, S/2 SW/4, and SE/4. Applicant further seeks approval for two unorthodox locations, the first for a well drilled 1560 feet from the North line and 1830 feet from the West line of said Section 10, and the second for a well to be drilled 1980 feet from the South and East lines of the section.
- CASE 7286: Application of Supron Energy Corporation for downhole commingling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of Basin-Dakota and Blanco Mesaverde production in the wellbore of its Jicarilla F Well No. 6 located in the SW/4 of Section 34, Township 26 North, Range 4 West.
- CASE 7287: Application of Benson-Montin-Greer Drilling Corporation for compulsory pooling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the West Puerto Chiquito-Mancos Oil Pool underlying a previously approved 640-acre non-standard proration unit comprising the W/2 of Section 17 and the W/2 of Section 20, Township 26 North, Range 1 West, to be dedicated to a well to be drilled thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well, and a charge for risk involved in drilling said well.
- CASE 7288: Application of Southern Union Exploration Company of Texas for contraction of the West Puerto Chiquito-Mancos Oil Pool, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks the contraction of the West Puerto Chiquito-Mancos Oil Pool by the deletion of Section 36, Township 24 North, Range 1 West, therefrom.
- CASE 7251: (Continued from June 3, 1981, Examiner Hearing)
- Application of Southern Union Exploration Company of Texas for compulsory pooling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the West Puerto Chiquito-Mancos Oil Pool underlying all of Section 36, Township 24 North, Range 1 West, to be dedicated to its Mobil Federal Well No. 1 drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well, and a charge for risk involved in drilling said well.
- CASE 7289: Application of Exxon Corporation for a salt water disposal well, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the Queen formation at a depth of 2638 feet to 2774 feet in its Strange Federal Well No. 3 in Unit J of Section 25, Township 7 South, Range 31 East, Tomahawk-San Andres Pool.
- CASE 7290: Application of Yates Petroleum Corporation for compulsory pooling, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Abo formation underlying the NE/4 of Section 26, Township 5 South, Range 24 East, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well, and a charge for risk involved in drilling said well.

- CASE 7291:** Application of ARCO Oil and Gas Company for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Silurian and Fusselman formations underlying the N/2 of Section 6, Township 25 South, Range 37 East, Custer Field, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well, and a charge for risk involved in drilling said well.
- CASE 7292:** Application of ARCO Oil and Gas Company for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Devonian thru Ellenburger formations underlying the S/2 of Section 6, Township 25 South, Range 37 East, Custer Field, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well, and a charge for risk involved in drilling said well.
- CASE 7293:** Application of ARCO Oil and Gas Company for an amendment to Order No. R-6649, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an amendment to Division Order No. R-6649 which authorized compulsory pooling in Section 33, Township 22 South, Range 36 East, Langlie Field, to extend to February 1, 1982, the commencement of drilling required in said order.
- CASE 7294:** Application of ARCO Oil and Gas Company for salt water disposal, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the Seven Rivers-Queen formation at a depth of 2996 feet to 3186 feet in its R. S. Crosby Well No. A-2 located in Unit L of Section 28, Township 25 South, Range 37 East, Langlie Mattix Pool.
- CASE 7248:** (Continued from June 3, 1981, Examiner Hearing)  
Application of Inxco Oil Company for pool creation, special pool rules, and an oil discovery allowable, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks the creation of a new Wolfcamp oil pool for its Federal 10 State Com. Well No. 1 located in Unit L of Section 10, Township 21 South, Range 26 East, and the promulgation of special rules therefor, including provisions for 160-acre spacing. Applicant further seeks the assignment of approximately 42,290 barrels of discovery allowable to the aforesaid well.
- CASE 7280:** (Continued from June 17, 1981, Examiner Hearing)  
Application of Northwest Pipeline Corporation for a dual completion and downhole commingling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks authority to dually complete its Rosa Unit Well No. 77 located in Unit L of Section 33, Township 31 North, Range 5 West, to produce gas from the Mesaverde formation and commingled Gallup and Dakota production through separate strings of tubing.
- CASE 7295:** Application of Gulf Oil Corporation for rescission of Division Order No. R-2429-C, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks the rescission of Division Order No. R-2429-C which authorized 320-acre spacing units in the White City-Pennsylvanian Gas Pool. Applicant seeks the reinstatement of 640-acre spacing units in said pool with provision for 320-acre infill drilling and appropriate findings relative thereto.
- CASE 7296:** Application of J. Gregory Merriam and Robert L. Bayless for amendment of pool rules, contraction of the Otero-Gallup Pool, and extension of the Devils Fork-Gallup Associated Pool, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks the amendment of the Devils Fork-Gallup Associated Pool Rules to provide for 160-acre spacing rather than 80 acres. Applicant further seeks the contraction of the Otero-Gallup Pool by the deletion of the following acreage: E/2 and NE/4 SW/4 of Section 2, Township 24 North, Range 6 West, and the E/2 of Section 35, Township 25 North, Range 6 West. Applicant seeks the extension of the Devils Fork-Gallup Associated Pool to include the following acreage: In Township 24 North, Range 6 West: All of Sections 2 and 3; S/2 and NE/4 of Section 4; S/2 of Section 5; S/2 of Section 6; and N/2 of Section 11. In Township 25 North, Range 6 West: SE/4 of Section 33; S/2 of Section 34; and all of Section 35.
- CASE 7297:** (This case will be dismissed.)  
Application of Amoco Production Company for an NCPA determination, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks a new onshore reservoir determination in the Morrow formation for its Alley Unit Well No. 1 in Unit E of Section 1, Township 19 South, Range 25 East.



CASE 7298: (This case will be dismissed.)

Application of Amoco Production Company for an NGPA determination, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks a new onshore reservoir determination in the Morrow formation for its Lancaster Springs Com Well No. 1 in Unit I of Section 1, Township 22 South, Range 26 East.

CASE 7299: (This case will be dismissed.)

Application of Amoco Production Company for an NGPA determination, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks a new onshore reservoir determination in the Morrow formation for its State 1L Com Well No. 1 in Unit G of Section 3, Township 19 South, Range 24 East.

CASE 7300: Application of Dome Petroleum Corporation for designation of a tight formation, Sandoval County, New Mexico. Applicant, in the above-styled cause, seeks the designation of the Chacra formation underlying portions of Townships 21 and 22 North, Ranges 5, 6, and 7 West, containing 73,018 acres, more or less, as a tight formation pursuant to Section 107 of the Natural Gas Policy Act and 18 CFR Section 271.701-705.

CASE 7301: In the matter of the hearing called by the Oil Conservation Division on its own motion for an order creating, redesignating, and extending vertical and horizontal limits of certain pools in Chaves, Eddy, Lea, and Roosevelt Counties, New Mexico:

(a) CREATE a new pool in Lea County, New Mexico, classified as a gas pool for Morrow production and designated as the East Lusk-Morrow Gas Pool. The discovery well is Grace Petroleum Corporation West Tonto Federal Com Well No. 1 located in Unit L of Section 24, Township 19 South, Range 32 East, NMPM. Said pool would comprise:

TOWNSHIP 19 SOUTH, RANGE 32 EAST, NMPM  
Section 24: W/2

(b) CREATE a new pool in Roosevelt County, New Mexico, classified as an oil pool for Mississippian production and designated as the Peterson-Mississippian Pool. The discovery well is Enserch Exploration, Inc. Firley Well No. 1 located in Unit A of Section 6, Township 5 South, Range 33 East, NMPM. Said pool would comprise:

TOWNSHIP 4 SOUTH, RANGE 33 EAST, NMPM  
Section 28: SW/4  
Section 29: S/2  
Section 32: W/2

TOWNSHIP 5 SOUTH, RANGE 33 EAST, NMPM  
Section 5: NW/4  
Section 6: NE/4

(c) CREATE a new pool in Lea County, New Mexico, classified as a gas pool for Wolfcamp production and designated as the Salado Draw-Wolfcamp Gas Pool. The discovery well is Amoco Production Company State GR Well No. 1 located in Unit G of Section 17, Township 26 South, Range 33 East, NMPM. Said pool would comprise:

TOWNSHIP 26 SOUTH, RANGE 33 EAST, NMPM  
Section 17: E/2

(d) CREATE a new pool in Lea County, New Mexico, classified as a gas pool for Strawn production and designated as the Talco-Strawn Gas Pool. The discovery well is American Trading and Producing Corporation Talco Unit Well No. 1 located in Unit H of Section 11, Township 26 South, Range 35 East, NMPM. Said pool would comprise:

TOWNSHIP 26 SOUTH, RANGE 35 EAST, NMPM  
Section 11: E/2

(e) REDESIGNATE the Lusk-Seven Rivers Pool in Lea County, New Mexico, to the North Lusk-Seven Rivers Pool described as:

TOWNSHIP 19 SOUTH, RANGE 32 EAST, NMPM  
Section 3: All

(f) EXTEND the vertical limits of the Lusk-Yates Pool in Eddy and Lea Counties, New Mexico, to include the Seven Rivers formation and redesignate pool as the Lusk Yates-Seven Rivers Pool described as:

TOWNSHIP 19 SOUTH, RANGE 31 EAST, NMPM  
Section 24: All

TOWNSHIP 19 SOUTH, RANGE 32 EAST, NMPM  
Section 19: W/2 and W/2 NE/4

(g) EXTEND the Angell Ranch Atoka-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 19 SOUTH, RANGE 27 EAST, NMPM  
Section 11: S/2  
Section 14: All

TOWNSHIP 19 SOUTH, RANGE 28 EAST, NMPM  
Section 32: S/2

(h) EXTEND the Antelope Ridge-Atoka Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 23 SOUTH, RANGE 34 EAST, NMPM  
Section 2: W/2 and NE/4  
Section 11: W/2

(i) EXTEND the Atoka-Yeso Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 26 EAST, NMPM  
Section 26: NW/4 SW/4  
Section 33: S/2 SE/4

TOWNSHIP 19 SOUTH, RANGE 26 EAST, NMPM  
Section 4: NW/4 NE/4

(j) EXTEND the Boyd-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 24 EAST, NMPM  
Section 34: S/2

TOWNSHIP 18 SOUTH, RANGE 25 EAST, NMPM  
Section 34: E/2

TOWNSHIP 19 SOUTH, RANGE 24 EAST, NMPM  
Section 3: All  
Section 10: N/2  
Section 11: W/2

(k) EXTEND the Bull's Eye-San Andres Pool in Chaves County, New Mexico, to include therein:

TOWNSHIP 8 SOUTH, RANGE 28 EAST, NMPM  
Section 12: N/2 SE/4

TOWNSHIP 8 SOUTH, RANGE 29 EAST, NMPM  
Section 7: N/2 SW/4

(l) EXTEND the South Culebra Bluff-Bone Springs Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 23 SOUTH, RANGE 28 EAST, NMPM  
Section 27: N/2 NE/4

(m) EXTEND the Dublin Ranch-Atoka Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 22 SOUTH, RANGE 28 EAST, NMPM  
Section 33: N/2

(n) EXTEND the East Eagle Creek Atoka-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 17 SOUTH, RANGE 26 EAST, NMPM  
Section 30: N/2

- (o) EXTEND the Southwest Eunice-San Andres Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 22 SOUTH, RANGE 37 EAST, NMPM  
Section 17: NE/4

- (p) EXTEND the Cam-Morrow Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 19 SOUTH, RANGE 33 EAST, NMPM  
Section 31: E/2

- (q) EXTEND the Cladiola-Wolfcamp Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 12 SOUTH, RANGE 38 EAST, NMPM  
Section 20: NE/4  
Section 21: N/2

- (r) EXTEND the Grayburg Jackson Seven Rivers-Queen-Grayburg-San Andres Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 17 SOUTH, RANGE 31 EAST, NMPM  
Section 1: W/2 SW/4

- (s) EXTEND the North Illinois Camp-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 28 EAST, NMPM  
Section 16: E/2

- (t) EXTEND the Langlie Mattix Seven Rivers-Queen-Grayburg Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 22 SOUTH, RANGE 37 EAST, NMPM  
Section 31: SW/4

- (u) EXTEND the North Loving-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 23 SOUTH, RANGE 28 EAST, NMPM  
Section 7: S/2

- (v) EXTEND the West Nadine-Blinbry Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 20 SOUTH, RANGE 38 EAST, NMPM  
Section 5: E/2  
Section 8: NE/4

- (w) EXTEND the East Red Lake Queen-Grayburg Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 16 SOUTH, RANGE 28 EAST, NMPM  
Section 25: W/2 NE/4 and NW/4 SE/4

- (x) EXTEND the Richard Knob Atoka-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 25 EAST, NMPM  
Section 9: N/2

- (y) EXTEND the West Sawyer-San Andres Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 9 SOUTH, RANGE 37 EAST, NMPM  
Section 16: S/2

- (z) EXTEND the Scharb-Wolfcamp Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 19 SOUTH, RANGE 35 EAST, NMPM  
Section 5: E/2

(aa) EXTEND the Tomahawk-San Andres Pool in Roosevelt County, New Mexico, to include therein:

TOWNSHIP 7 SOUTH, RANGE 32 EAST, NMPM  
Section 19: NW/4

(bb) EXTEND the Wantz-Abo Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 22 SOUTH, RANGE 37 EAST, NMPM  
Section 11: SW/4  
Section 14: NW/4

\*\*\*\*\*

Docket No. 21-81

DOCKET: COMMISSION HEARING - WEDNESDAY - JULY 8, 1981

OIL CONSERVATION COMMISSION - 9 A.M. - ROOM 205  
STATE LAND OFFICE BUILDING, SANTA FE, NEW MEXICO

CASE 7226: (DE NOVO)

Application of Enserch Exploration, Inc. for salt water disposal, Roosevelt County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the Montoya formation in the interval from 7902 feet to 7930 feet in its Radio Well No. 2 in Unit E of Section 32, Township 5 South, Range 33 East.

Upon application of Enserch Exploration, Inc. this case will be heard De Novo pursuant to the provisions of Rule 1220.

CASE 7275: (Continued from June 17, 1981, Examiner Hearing)

Application of S. P. Yates for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Wolfcamp-Pennsylvanian formations underlying the N/2 of Section 21, Township 19 South, Range 27 East, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well, and a charge for risk involved in drilling said well.

CASE 7270: (Continued from June 17, 1981, Examiner Hearing)

Application of Southland Royalty Company for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Wolfcamp and Pennsylvanian formations underlying the N/2 of Section 21, Township 19 South, Range 27 East, to be dedicated to its Pecos River Federal 21-A Com Well No. 1 drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well, and a charge for risk involved in drilling said well.

Application of J.C. Williamson for two non-standard  
and gas production units and two unorthodox  
locations, Lea County, New Mexico.

Applicant, in the above-styled cause, seeks  
approval for two nonstandard 320-acre <sup>wells</sup> gas  
production units in Section 10, Township 23  
South, Range 34 East, the first comprising  
the NW/4, W/2 NE/4, and N/2 SW/4, and the  
second comprising the E/2 NE/4, S/2 SW/4,  
and SE/4. Applicant ~~proposes to dedicate~~  
~~said units to well~~ further seeks approval  
for two unorthodox locations, the first for  
a well drilled 1560 feet from the North  
line and 1830 feet from the West line  
of said Section 10, and the second for  
a well to be drilled 1980 feet from the  
South and East lines of the section.

Caused in by:  
Geo. Smucker 6-9-81



LAW OFFICES OF  
HUNKER-FEDRIC, P. A.  
SUITE 210, HINKLE BUILDING  
POST OFFICE BOX 1837  
ROSWELL, NEW MEXICO 86201

GEORGE H. HUNKER, JR.  
DON M. FEDRIC

TELEPHONE 622-2700  
AREA CODE 505

June 19, 1981

Mr. Joe D. Ramey,  
Secretary-Director  
New Mexico Oil Conservation Division  
New Mexico Department of Energy  
P.O. Box 2088  
Santa Fe, New Mexico 87501

Re: J.C. Williamson  
Application for Unorthodox  
Gas Well Location and Two  
Non-Standard Gas Proration Units  
T-23-S, R-34-E  
Sec. 10: All  
Lea County, New Mexico

Dear Mr. Ramey:

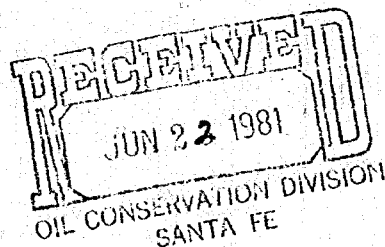
We hand you herewith the original and two copies of J.C. Williamson's Application for Unorthodox Gas Well Location and Two Non-Standard Gas Proration Units, Lea County, New Mexico, which said Application is self-explanatory. We would like very much for you to put this case on the docket of the Examiners' cases to be heard on July 2, 1981.

Your assistance in this regard will be appreciated.

Sincerely yours,

HUNKER-FEDRIC, P.A.

*George H. Hunker, Jr.*  
George H. Hunker, Jr.

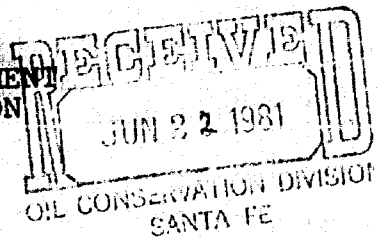


DMF/rp  
Enc.

xc: Max E. Curry, w/enc.  
J.C. Williamson, w/enc.  
Adobe Oil Corporation, w/enc.  
Belco Petroleum Corporation, w/enc.  
Dow Chemical, U.S.A., w/enc.  
Florida Exploration Company, w/enc.  
Martindale Petroleum Corporation, w/enc.  
Supron Energy Corporation, w/enc.  
Southern Union Exploration Company, w/enc.



STATE OF NEW MEXICO  
ENERGY AND MINERALS DEPARTMENT  
OIL CONSERVATION DIVISION



IN THE MATTER OF THE HEARING  
CALLED BY THE OIL CONSERVATION  
DIVISION FOR THE PURPOSE OF  
CONSIDERING:

CASE NO. 7285

APPLICATION OF J.C. WILLIAMSON  
FOR THE APPROVAL OF TWO  
UNORTHODOX GAS WELL LOCATIONS  
AND TWO NONSTANDARD GAS  
PRORATION UNITS, LEA COUNTY,  
NEW MEXICO.

APPLICATION

J.C. Williamson, P.O. Box 16, Midland, Texas 79701, as Operator, hereby applies for two unorthodox gas well locations and two non-standard gas proration units, Antelope Ridge Wolfcamp (undesignated) Pool, Lea County, and in support thereof shows:

1. That Applicant, pursuant to a farmout arrangement, re-entered, worked-over and completed for production the Adobe #1-AA, located 1,560' FNL and 1,830' FWL, Section 10, T. 23S, R. 34E. Said work-over was renamed J.C. Williamson Triple A Federal #1, and was completed in the Wolfcamp Formation for a gas condensate well, requiring the dedication of 320 acres.

2. That the lease farmed out embraces 360 acres described as NW $\frac{1}{4}$ , W $\frac{1}{2}$ NE $\frac{1}{4}$ , N $\frac{1}{2}$ SW $\frac{1}{4}$ , and NW $\frac{1}{4}$ SE $\frac{1}{4}$ , forming a square in the NW quadrant of Section 10, T. 23S, R. 34E. That Applicant, by reason of the compact uniform common ownership of said tract, desires to create a nonstandard proration unit consisting of the NW $\frac{1}{4}$ , W $\frac{1}{2}$ NE $\frac{1}{4}$ , N $\frac{1}{2}$ SW $\frac{1}{4}$  of said Section 10, T. 23S, R. 34E, containing 320 acres. Inasmuch as said requested nonstandard tract has a configuration crossing both the N $\frac{1}{2}$  and the W $\frac{1}{2}$  of said section, it will be necessary for the Division to approve an unorthodox well location for the J.C. Williamson Triple A Federal #1 which Applicant hereby applies for.

3. Applicant also seeks the approval of a nonstandard unit consisting of E $\frac{1}{2}$ NE $\frac{1}{4}$ , SE $\frac{1}{4}$ , S $\frac{1}{2}$ SW $\frac{1}{4}$  of Section 10, T. 23S, R. 34E, containing 320 acres, for the drilling of a Wolfcamp test well for oil and gas to be located within 100 feet of the center of the NW $\frac{1}{4}$ SE $\frac{1}{4}$  of Section 10, T. 23S, R. 34E, or approximately 1,980' FEL and 1,980' FSL

of said section in Unit "J". That said unit will be necessary and proper if the spacing and location requirements requested above pertaining to the Triple A Federal #1 Well are approved as requested. That by reason of the unorthodox configuration of the proposed spacing unit, it is further requested that the Division approve a nonstandard location for the undrilled second test well, to be known as the J.C. Williamson #2 Triple A Federal, to be drilled to the Wolfcamp Formation at a location approximately 1,980' FEL and 1,980' FSL of Section 10, T. 23S, R. 34E, N.M.P.M., Lea County, New Mexico.

4. A copy of a plat showing the two nonstandard proration units and the location (Triple A Federal #1) and the proposed location of J.C. Williamson #2 Triple A Federal, is attached to this Application.

5. That both of said nonstandard proration units may reasonably be presumed productive of gas in the Antelope Ridge Wolfcamp Gas Pool (undesignated), and that the entire nonstandard units can efficiently and economically be drained and developed by the respective aforesaid wells. That the approval of this Application will afford the Applicant the opportunity to produce Applicant's just and equitable share of the gas in the Antelope Ridge Wolfcamp Gas Pool (undesignated), 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.

6. That copies of this Application are being mailed to the following named known owners of operating rights in Section 10, T. 23S, R. 34E:

Adobe Oil Corporation  
1100 Western United Life Bldg.  
Midland, Texas 79701

Belco Petroleum Corporation  
411 Petroleum Bldg.  
204 West Texas  
Midland, Texas 79701

Dow Chemical, U.S.A.  
Suite 1123 Wilco Bldg.  
Midland, Texas 79701

Florida Exploration Company  
Suite 900 Vaughn Bldg.  
Midland, Texas 79701

Martindale Petroleum Corporation  
P.O. Box 1955  
Hobbs, New Mexico 88240

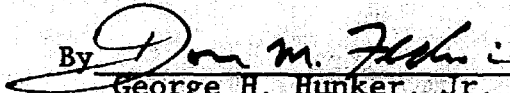
Supron Energy Corporation  
Supron Building "V", 5th Floor  
10300 North Central Expressway  
Dallas, Texas 75231

Southern Union Exploration Company  
Suite 400 Texas Federal Bldg.  
1217 Main St.  
Dallas, Texas 75202

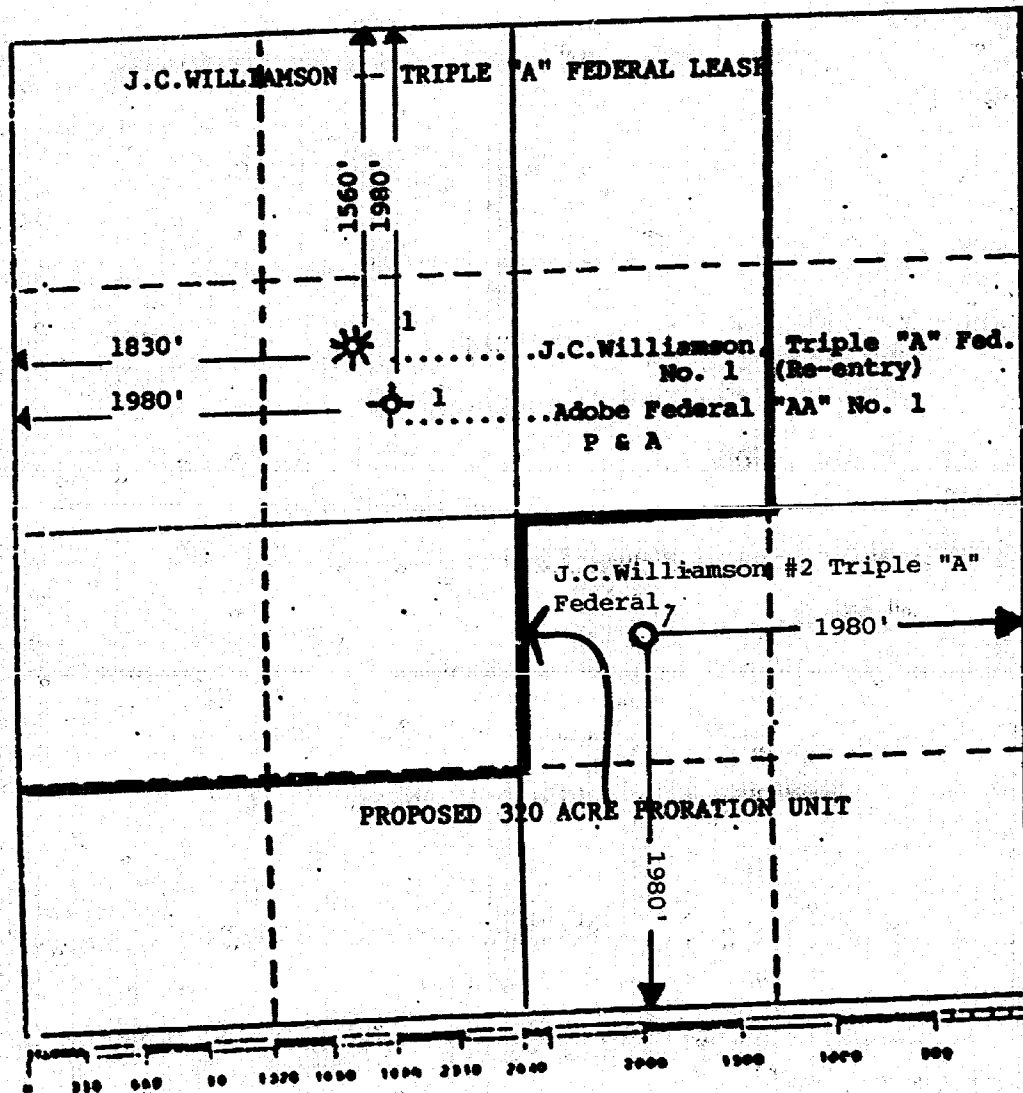
Applicant requests a hearing before an Examiner at an early date, preferably July 2, 1981, and prays that its Application for two unorthodox gas well locations and two nonstandard gas proration units above described be approved.

Respectfully submitted,

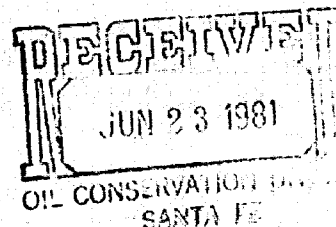
HUNKER-FEDRIC, P.A.

By   
George H. Hunker, Jr.  
Attorneys for Applicant,  
J.C. Williamson  
P.O. Box 1837  
Roswell, New Mexico 88201  
(505) 622-2700

SECTION 10, T-23-S, R-34-E, N.M.P.M.,  
Lea County, New Mexico



STATE OF NEW MEXICO  
ENERGY AND MINERALS DEPARTMENT  
OIL CONSERVATION DIVISION



IN THE MATTER OF THE HEARING  
CALLED BY THE OIL CONSERVATION  
DIVISION FOR THE PURPOSE OF  
CONSIDERING:

CASE NO. 7285

APPLICATION OF J.C. WILLIAMSON  
FOR THE APPROVAL OF TWO  
UNORTHODOX GAS WELL LOCATIONS  
AND TWO NONSTANDARD GAS  
PRORATION UNITS, LEA COUNTY,  
NEW MEXICO.

APPLICATION

J.C. Williamson, P.O. Box 16, Midland, Texas 79701, as Operator,  
hereby applies for two unorthodox gas well locations and two non-  
standard gas proration units, Antelope Ridge Wolfcamp (undesignated)  
Pool, Lea County, and in support thereof shows:

1. That Applicant, pursuant to a farmout arrangement, re-entered,  
worked-over and completed for production the Adobe #1-AA, located  
1,560' FNL and 1,830' FWL, Section 10, T. 23S, R. 34E. Said work-over  
was renamed J.C. Williamson Triple A Federal #1, and was completed in  
the Wolfcamp Formation for a gas condensate well, requiring the  
dedication of 320 acres.

2. That the lease farmed out embraces 360 acres described as  
NW $\frac{1}{4}$ , W $\frac{1}{2}$ NE $\frac{1}{4}$ , N $\frac{1}{2}$ SW $\frac{1}{4}$ , and NW $\frac{1}{4}$ SE $\frac{1}{4}$ , forming a square in the NW quadrant  
of Section 10, T. 23S, R. 34E. That Applicant, by reason of the  
compact uniform common ownership of said tract, desires to create a  
nonstandard proration unit consisting of the NW $\frac{1}{4}$ , W $\frac{1}{2}$ NE $\frac{1}{4}$ , N $\frac{1}{2}$ SW $\frac{1}{4}$  of said  
Section 10, T. 23S, R. 34E, containing 320 acres. Inasmuch as said  
requested nonstandard tract has a configuration crossing both the N $\frac{1}{2}$   
and the W $\frac{1}{2}$  of said section, it will be necessary for the Division to  
approve an unorthodox well location for the J.C. Williamson Triple A  
Federal #1 which Applicant hereby applies for.

3. Applicant also seeks the approval of a nonstandard unit  
consisting of E $\frac{1}{2}$ NE $\frac{1}{4}$ , SE $\frac{1}{4}$ , S $\frac{1}{2}$ SW $\frac{1}{4}$  of Section 10, T. 23S, R. 34E,  
containing 320 acres, for the drilling of a Wolfcamp test well for oil  
and gas to be located within 100 feet of the center of the NW $\frac{1}{4}$ SE $\frac{1}{4}$  of  
Section 10, T. 23S, R. 34E, or approximately 1,980' FEL and 1,980' FSL



of said section in Unit "J". That said unit will be necessary and proper if the spacing and location requirements requested above pertaining to the Triple A Federal #1 Well are approved as requested. That by reason of the unorthodox configuration of the proposed spacing unit, it is further requested that the Division approve a nonstandard location for the undrilled second test well, to be known as the J.C. Williamson #2 Triple A Federal, to be drilled to the Wolfcamp Formation at a location approximately 1,980' FEL and 1,980' FSL of Section 10, T. 23S, R. 34E, N.M.P.M., Lea County, New Mexico.

4. A copy of a plat showing the two nonstandard proration units and the location (Triple A Federal #1) and the proposed location of J.C. Williamson #2 Triple A Federal, is attached to this Application.

5. That both of said nonstandard proration units may reasonably be presumed productive of gas in the Antelope Ridge Wolfcamp Gas Pool (undesignated), and that the entire nonstandard units can efficiently and economically be drained and developed by the respective aforesaid wells. That the approval of this Application will afford the Applicant the opportunity to produce Applicant's just and equitable share of the gas in the Antelope Ridge Wolfcamp Gas Pool (undesignated), 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.

6. That copies of this Application are being mailed to the following named known owners of operating rights in Section 10, T. 23S, R. 34E:

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Midland, Texas 79701

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411 Petroleum Bldg.  
204 West Texas  
Midland, Texas 79701

Dow Chemical, U.S.A.  
Suite 1123 Wilco Bldg.  
Midland, Texas 79701

Florida Exploration Company  
Suite 900 Vaughn Bldg.  
Midland, Texas 79701



Martindale Petroleum Corporation  
P.O. Box 1955  
Hobbs, New Mexico 88240

Supron Energy Corporation  
Supron Building "V", 5th Floor  
10300 North Central Expressway  
Dallas, Texas 75231

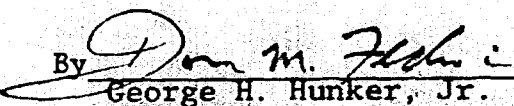
Southern Union Exploration Company  
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Applicant requests a hearing before an Examiner at an early date, preferably July 2, 1981, and prays that its Application for two unorthodox gas well locations and two nonstandard gas proration units above described be approved.

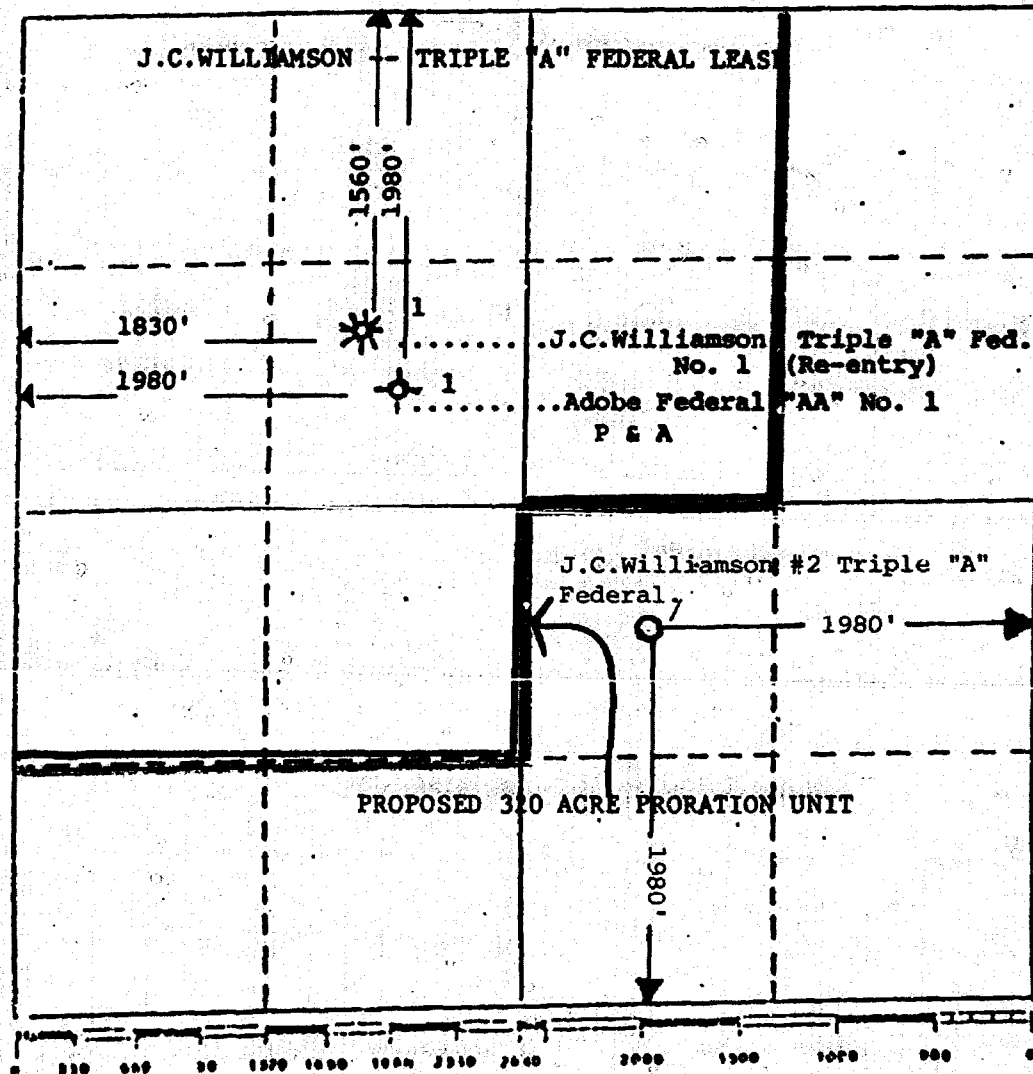
Respectfully submitted,

HUNKER-FEDRIC, P.A.

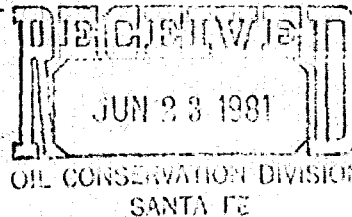
By

  
George H. Hunker, Jr.  
Attorneys for Applicant,  
J.C. Williamson  
P.O. Box 1837  
Roswell, New Mexico 88201  
(505) 622-2700

SECTION 10, T-23-S, R-34-E, N.M.P.M.,  
Lea County, New Mexico



STATE OF NEW MEXICO  
ENERGY AND MINERALS DEPARTMENT  
OIL CONSERVATION DIVISION



IN THE MATTER OF THE HEARING  
CALLED BY THE OIL CONSERVATION  
DIVISION FOR THE PURPOSE OF  
CONSIDERING:

CASE NO. 7285

APPLICATION OF J.C. WILLIAMSON  
FOR THE APPROVAL OF TWO  
UNORTHODOX GAS WELL LOCATIONS  
AND TWO NONSTANDARD GAS  
PRORATION UNITS, LEA COUNTY,  
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APPLICATION

J.C. Williamson, P.O. Box 16, Midland, Texas 79701, as Operator, hereby applies for two unorthodox gas well locations and two non-standard gas proration units, Antelope Ridge Wolfcamp (undesignated) Pool, Lea County, and in support thereof shows:

1. That Applicant, pursuant to a farmout arrangement, re-entered, worked-over and completed for production the Adobe #1-AA, located 1,560' FNL and 1,830' FWL, Section 10, T. 23S, R. 34E. Said work-over was renamed J.C. Williamson Triple A Federal #1, and was completed in the Wolfcamp Formation for a gas condensate well, requiring the dedication of 320 acres.

2. That the lease farmed out embraces 360 acres described as NW $\frac{1}{4}$ , W $\frac{1}{2}$ NE $\frac{1}{4}$ , N $\frac{1}{2}$ SW $\frac{1}{4}$ , and NW $\frac{1}{4}$ SE $\frac{1}{4}$ , forming a square in the NW quadrant of Section 10, T. 23S, R. 34E. That Applicant, by reason of the compact uniform common ownership of said tract, desires to create a nonstandard proration unit consisting of the NW $\frac{1}{4}$ , W $\frac{1}{2}$ NE $\frac{1}{4}$ , N $\frac{1}{2}$ SW $\frac{1}{4}$  of said Section 10, T. 23S, R. 34E, containing 320 acres. Inasmuch as said requested nonstandard tract has a configuration crossing both the N $\frac{1}{2}$  and the W $\frac{1}{2}$  of said section, it will be necessary for the Division to approve an unorthodox well location for the J.C. Williamson Triple A Federal #1 which Applicant hereby applies for.

3. Applicant also seeks the approval of a nonstandard unit consisting of E $\frac{1}{2}$ NE $\frac{1}{4}$ , SE $\frac{1}{4}$ , S $\frac{1}{2}$ SW $\frac{1}{4}$  of Section 10, T. 23S, R. 34E, containing 320 acres, for the drilling of a Wolfcamp test well for oil and gas to be located within 100 feet of the center of the NW $\frac{1}{4}$ SE $\frac{1}{4}$  of Section 10, T. 23S, R. 34E, or approximately 1,980' FEL and 1,980' FSL

of said section in Unit "J". That said unit will be necessary and proper if the spacing and location requirements requested above pertaining to the Triple A Federal #1 Well are approved as requested. That by reason of the unorthodox configuration of the proposed spacing unit, it is further requested that the Division approve a nonstandard location for the undrilled second test well, to be known as the J.C. Williamson #2 Triple A Federal, to be drilled to the Wolfcamp Formation at a location approximately 1,980' FEL and 1,980' FSL of Section 10, T. 23S, R. 34E, N.M.P.M., Lea County, New Mexico.

4. A copy of a plat showing the two nonstandard proration units and the location (Triple A Federal #1) and the proposed location of J.C. Williamson #2 Triple A Federal, is attached to this Application.

5. That both of said nonstandard proration units may reasonably be presumed productive of gas in the Antelope Ridge Wolfcamp Gas Pool (undesignated), and that the entire nonstandard units can efficiently and economically be drained and developed by the respective aforesaid wells. That the approval of this Application will afford the Applicant the opportunity to produce Applicant's just and equitable share of the gas in the Antelope Ridge Wolfcamp Gas Pool (undesignated), 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.

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10300 North Central Expressway  
Dallas, Texas 75231

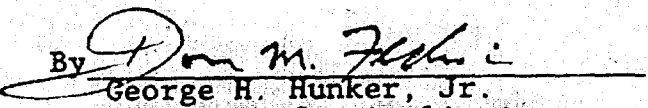
Southern Union Exploration Company  
Suite 400 Texas Federal Bldg.  
1217 Main St.  
Dallas, Texas 75202

Applicant requests a hearing before an Examiner at an early date, preferably July 2, 1981, and prays that its Application for two unorthodox gas well locations and two nonstandard gas proration units above described be approved.

Respectfully submitted,

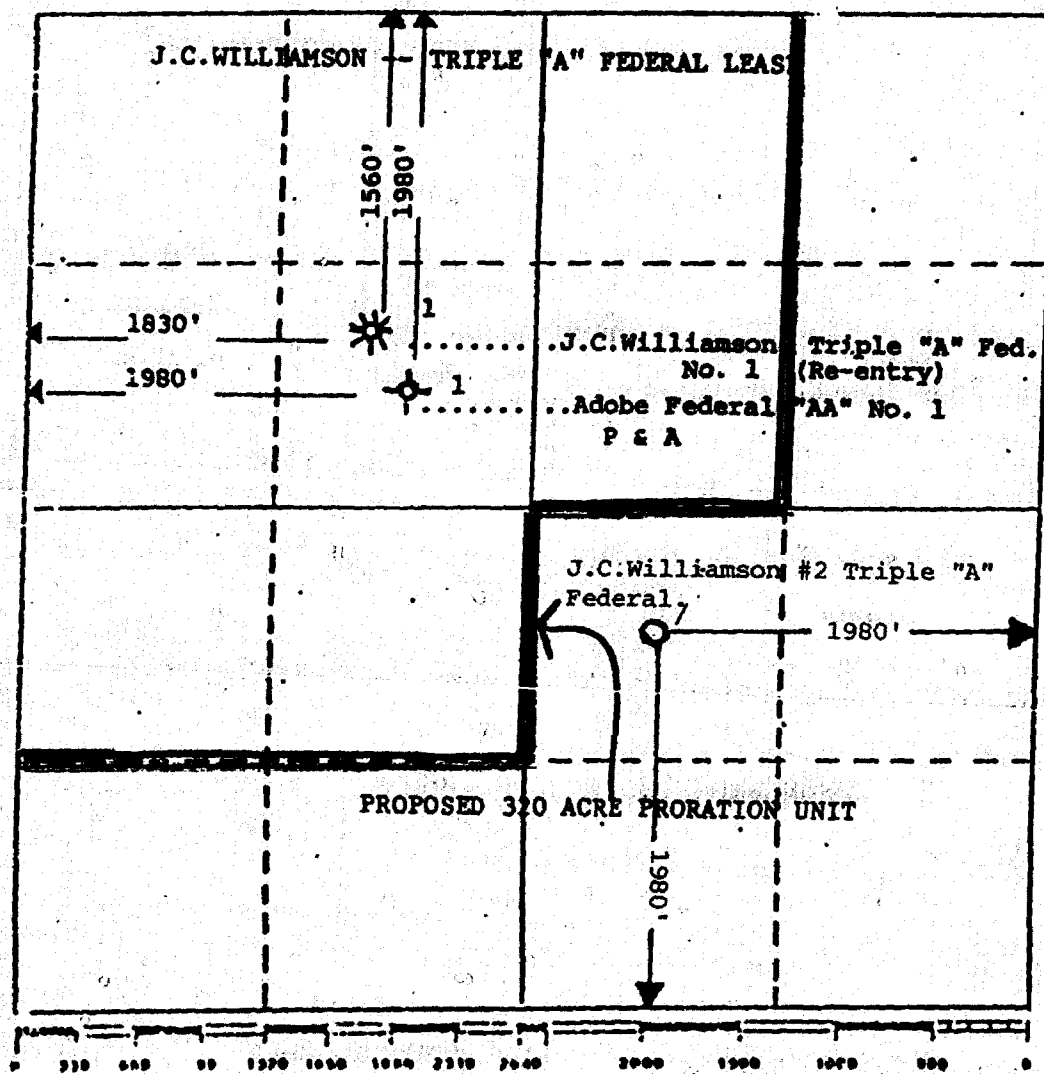
HUNKER-FEDRIC, P.A.

By

  
George H. Hunker, Jr.  
Attorneys for Applicant,  
J.C. Williamson  
P.O. Box 1837  
Roswell, New Mexico 88201  
(505) 622-2700



SECTION 10, T-23-S, R-34-E, N.M.P.M.,  
Lea County, New Mexico





DRAFT

STATE OF NEW MEXICO  
ENERGY AND MINERALS DEPARTMENT  
OIL CONSERVATION DIVISION

dr/

IN THE MATTER OF THE HEARING  
CALLED BY THE OIL CONSERVATION  
DIVISION FOR THE PURPOSE OF  
CONSIDERING:

CASE NO. 7285

Order No. R-6738

APPLICATION OF J. C. WILLIAMSON  
TWO GAS  
FOR A NON-STANDARD PRORATION/UNIT, AND TWO UNORTHODOX LOCATIONS,  
LEA COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on July 2  
19 81, at Santa Fe, New Mexico, before Examiner Richard L. Stamets  
NOW, on this day of July, 19 81, the Division  
Director, 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 Division has jurisdiction of this cause and the subject  
matter thereof.

(2) That the applicant, J. C. Williamson  
seeks approval of a two 320-acre Wolfcamp formation  
in Section 10, Township 23 South, Range 34 East, the first  
comprising the NW/4, W/2 NE/4 and N/2 of Section SW/4, and  
and the second comprising the E/2 NE/4, S/2 SW/4, and SE/4.  
ship Range NMDM, to be dedicated to  
located in  
Unit of said Section.

(4) That the entire non-standard proration units may reasonably  
be presumed productive of gas from the Wolfcamp formation  
Gas coal and that the entire non-standard gas proration unit can  
be efficiently and economically drained and developed by the  
aforesaid well.

(3) Applicant further seeks approval for two unorthodox locations,  
the first for a well drilled 1560 feet from the North line and 1830 feet  
from the West line of said Section 10, and the second for a well to be  
drilled 1980 feet from the South line and 1980 feet from the East line of  
the section.

5  
(\*) That no interest owner or offset operator  
-2- ~~was~~ objected to the proposed non standard gas  
production units or unorthodox locations

(4) That approval of the subject application will afford  
the applicant the opportunity to produce his just and equitable  
share of the gas in the Wolfcamp ~~Wolfcamp~~ underlying ~~Wolfcamp~~  
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:

The applicant, J.C. Williams, is hereby authorized

(1) That ~~two~~ two ~~xxx~~ xxx non-standard/gas production units  
the first  
in the Gas Pool comprising the  
NW/4, N/2 NE/4, and N/2 SW/4, and the second comprising the E/2 NE/4,  
S/2 SW/4, and SE/4 of Section 10, Township 23 South

Range 34 East, NMPM, Lea County, New Mexico,

~~is hereby established and dedicated to use~~ is hereby established and dedicated to use

~~located in Unit~~ located in Unit ~~of said~~  
Section Section

(3) 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 the day and year hereinabove  
designated.

The applicant is further granted is said Section 10,  
(2) That ~~two~~ two ~~unorthodox~~ unorthodox ~~locations~~ locations the first for a well  
drilled 1560 feet from the North line and 1830 feet from the West  
line ~~Section 10~~ and the second for a well to be drilled  
1980 feet from the South line and 1980 feet from the East line of  
~~the second are hereby approved.~~