

CASE 7429: MARK D. WILSON FOR AN UN-  
ORTHODOX GAS WELL LOCATION, EDDY COUNTY,  
NEW MEXICO

DOCKET MAILED

Date 11/20/81

CASE NO.

7429

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APPLICATION,  
TRANSCRIPTS,  
Small Exhibits,  
ETC.

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

2 December 1981

EXAMINER HEARING

IN THE MATTER OF:

Application of Mark D. Wilson  
for an unorthodox gas well  
location, Eddy County, New  
Mexico.

CASE  
7429

*Hearing  
Registered in this  
Transcript*

BEFORE: Daniel S. Nutter

TRANSCRIPT OF HEARING

A P P E A R A N C E S

For the Oil Conservation  
Division:

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

For the Applicant:

W. Thomas Kellahin, Esq.  
KELLAHIN & KELLAHIN  
500 Don Gaspar  
Santa Fe, New Mexico 87501

## NEW MEXICO OIL CONSERVATION COMMISSION

## EXAMINER HEARING

SANTA FE, NEW MEXICO

Hearing Date DECEMBER 2, 1981 Time: 9:00 A.M.

NAME	REPRESENTING	LOCATION
Scot Zahm	Maddox Energy Corporation	Dallas
Doug Lunsford	Hinkle Law Firm	Reswell
Charles Cuenca	Maddox Energy Corp & Self	Midland
Mark Wilson	Amoco & Self	Artesia
W. F. Kellakin	Kellakin & Kellakin	Santa Fe
John M. Gilson	MGF Oil Corp.	Midland, TX
GARY L. PARLSON	Amoco Production Co	Dave
H. Luccock	U. S. G. S	ALBUQ
Opfer Koper	Montgomery & Andrews.	Santa Fe
John Van Puerce	Amoco	Denver
William L. Lee	Samuel Boyd & Black	Santa Fe
JIM LAKE	NEW MEXICO STATE LAND OFFICE	" "
Hugh H. Vanagon	Harmon Petroleum	Reswell
Ernest L. Phillips	Udminoco	Santa Fe
HOWARD Denny's	Udminoco Oil & Gas Company	Denver CO.



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I N D E X

MARK D. WILSON

Direct Examination by Mr. Kellahin	3
Cross Examination by Mr. Nutter	9

E X H I B I T S

Applicant Exhibit One, Map	4
Applicant Exhibit Two, Thickness Map	5
Applicant Exhibit Three, Structure Map	7
Applicant Exhibit Four, Log	5

1  
2 MR. NUTTER: We'll call next Case Number  
3 7429.

4 MR. PEARCE: Application of Mark D.  
5 Wilson for an unorthodox gas well location, Eddy County, New  
6 Mexico.

7 MR. KELLAHIN: If the Examiner please,  
8 I'm Tom Kellahin of Santa Fe, appearing on behalf of the ap-  
9 plicant, and I have one witness.

10  
11 (Witness sworn.)  
12

13 MARK D. WILSON

14 being called as a witness and being duly sworn upon his oath,  
15 testified as follows, to-wit:  
16

17 DIRECT EXAMINATION

18 BY MR. KELLAHIN:

19 Q Mr. Wilson, for the record would you  
20 please state your name and occupation?

21 A Mark D. Wilson, Petroleum Geologist.

22 Q Mr. Wilson, have you previously testified  
23 before the Oil Conservation Division as a petroleum geologist  
24 and had your qualifications accepted and made a matter of  
25 record?



1

2

A. I have.

3

Q. And are you the applicant in this case?

4

A. Since this notice this has come out Amoco

5

has agreed to operate this well, so I'm representing them,

6

too.

7

Q. All right, sir.

8

MR. KELLAHIN: We tender Mr. Wilson as

9

an expert petroleum geologist.

10

MR. NUTTER: Mr. Wilson is qualified.

11

Q. Mr. Wilson, let me direct your attention

12

to Exhibit Number One and have you identify that plat for us.

13

A. Okay. Exhibit One is the land plat

14

showing the proposed location with a red dot. The outline

15

of the Five Forks Working interest Unit is shown in red and

16

the outline of the Dog Canyon Working Interest Unit is shown

17

in green. Amoco is operator of both these units.

18

The north half of Section 12 spacing

19

unit, which includes 144 acres, 45 percent of the spacing unit

20

is in this Five Forks Working Interest Unit. This unit ex-

21

pires on December 21st unless another well is started, so

22

early approval of this unorthodox location is requested.

23

Q. What's the date of expiration, Mr. Wilson?

24

A. December the 21st.

25

Q. Okay. All right, and would you locate

the proposed location for us?

A Okay, let's see, it's the red dot on that land plat, 1650 from the east line and 660 from the north line of Section 12.

Q All right, it's unorthodox insofar as it's closer to the east boundary line of the proration unit --

A Right.

Q -- than allowed under the statewide rules.

A That's correct.

Q Let's go on to Exhibit Number Two and have you identify that.

A Okay, Exhibit Two shows the thickness of the Morrow series, and this is the main objective of the proposed well. Our proposed drillsite lies at the south end of the Crow Flats Alluvial Valley at a point where it branches into three other valleys. These alluvial valleys are characterized by a facies consisting of important alluvial sandstone reservoirs and associated overbank deposits. It will be noted that the Morrow series is shown to be thick throughout Section 12.

I wish now to skip to Exhibit Four.

This is a CNL/FDC log on the Eagle Oil and Gas Company Crow Flats Unit No. 1, and that well is in Section 30 of 16, 28.

1  
2 That would be up northeast there about three miles, or about  
3 two and a half miles, I would say, Section 30, 16, 28.

4 As shown on Exhibit Two, going back to  
5 Exhibit Two, this well is near the axis of the Crow Flats  
6 Alluvial Valley. The producing sandstone is a 28-foot typical  
7 meander-belt sandstone at the very base of the Morrow series.  
8 One would expect the trend of this sandstone to be the same  
9 as the trend of the alluvial valley. In point of fact, this  
10 sandstone was encountered in the MWJ Dog Canyon 36-1, State  
11 dash one, which is 1980 from the south line and 660 from the  
12 east line of Section 36 in 16, 27. In other words, about a  
13 mile and a quarter south-southwest from this well in Section  
14 30, that same reservoir sand. The sand in that well was  
15 about 30 feet thick. The logs on this well have not been  
16 released yet and I won't present one to the -- in this hearing  
17 because of that.

18 Q In your opinion, Mr. Wilson, is the  
19 proposed unorthodox location the optimum location within the  
20 proration unit to drill and test for Pennsylvanian production?

21 A Yeh, I think that is correct. If you'll  
22 look back at the thickness map, which is Exhibit Two, that  
23 location is at the south terminus of the Crow Flats Alluvial  
24 Valley at that point where it's beginning to branch into  
25 these other three alluvial valleys.

1  
2 And in regard to location, too, I should  
3 refer to Exhibit Three, which is the structure map on top of  
4 the Atoka series, and that is -- that map has a 50-foot con-  
5 tour interval. The location is shown with a red dot and our  
6 drillsite will be about 125 feet low to the nearest producing  
7 well, which is that MWJ well up there in 36 of 16, 27.

8 It shows it on the structure map here to  
9 be near the axis of the syncline with an anticline off to the  
10 south. Now this structure in here appears to be late Pennsyl-  
11 vanian, where we are dealing with early Pennsylvanian Morrow  
12 sandstone reservoirs.

13 Initially there was a strat trap here  
14 and I think we've found the limits of it between Section 30  
15 and the wells we drilled up in Section 19 in 16, 28. Assuming  
16 that was the limit, we feel that there is some risk that we  
17 might encounter water by virtue of being low. There has not  
18 been water found in this particular township where wells have  
19 been drilled in structural lows, so we feel kind of a minor  
20 risk in it, but I wanted to present the picture on the struc-  
21 ture.

22 Q It appears from your Exhibit Number Two  
23 that the principal reason for the unorthodox location is to  
24 anticipate the curvature of this alluvial valley that you've  
25 labeled the SEDU as it proceeds on to the south and to the

1  
2 east.

3 A That is correct. This valley that we've  
4 labeled SEDU, that refers to South Empire Deep Unit, which is  
5 over southeast here several miles, but there is a major Lower  
6 Morrow delta there and we think this is the valley that fed  
7 that delta, and when I said Lower Morrow, of course, you recall  
8 that these sands here to the north in the well in Section 30  
9 and the one in 36, are at the very base of the Morrow, so that  
10 I did want to give this thing a little bias towards the South  
11 Empire Deep Unit valley and that's why the 1650 location  
12 rather than 1980.

13 Q All right, sir. Mr. Wilson, were Exhibits  
14 One through Four prepared by you or compiled under your  
15 direction and supervision?

16 A They were compiled by me.

17 Q And in your opinion will approval of this  
18 application be in the best interests of conservation, the pre-  
19 vention of waste, and the protection of correlative rights?

20 A I believe so.

21 MR. KELLAHIN: We move the introduction  
22 of Applicant's Exhibits One through Four.

23 MR. NUTTER: Exhibits One through Four  
24 will be admitted in evidence.  
25

## CROSS EXAMINATION

BY MR. NUTTER:

Q. Mr. Wilson, I really don't see on Exhibits  
Two or Three --

A. Yeah.

Q. -- any real advantage to the unorthodox  
location. Actually a standard location would be on the west  
side of the red dot, and I don't see --

A. Well, yeah, I gave that very careful con-  
sideration, and that's why I'm up here.

The reason for it, maybe I ought to elab-  
orate a little bit. In this Logan Draw Valley, you see off  
there in the south central part of the map?

Q. Right.

A. There are several Morrow producing wells  
in there in Lower Morrow Sands, at least in more than one  
case, but on the other hand, up toward the north end of it  
there is a dry hole right there in the axis of that valley.  
It's got 303 feet of Morrow in it, and there is a very strong  
indication that the Lower Morrow Sands coming north from that  
valley are getting tight.

So I kind of wanted to stay away from  
the alignment you'd get by extending that valley up into the

1  
2 Crow Flat Valley.

3 Now, there's another valley there called  
4 the East Logan Draw Valley and that is, to put it bluntly, a  
5 rather nebulous affair. Holly Energy is getting ready to  
6 drill a well down there in Section 25 and we'll know a lot  
7 more about that valley when that well is drilled.

8 The valley that we are quite familiar  
9 with and we know is an important valley as far as the Lower  
10 Morrow is concerned, is the South Empire Deep Unit Valley,  
11 which feeds a very large delta feature over in the field of  
12 the same name, and we just said that we felt that this sand  
13 that we're encountering up there in the north is more likely  
14 to be related to that South Empire Deep Unit Valley than it  
15 is to these other two.

16 Q So you're leaning a little to the side  
17 of the SEDU?

18 A Exactly. We are biasing this thing a  
19 little bit toward the South Empire Deep Unit Valley. That's  
20 the whole point, I guess.

21 Q But by moving to the east 330 feet you  
22 are actually moving slightly lower, as depicted on Exhibit  
23 Three, aren't you?

24 A That is correct and as far as the struc-  
25 ture is concerned, we don't know yet if there is a gas/water

1  
2 contact in this sand. To my knowledge there is no -- so far  
3 has been no water encountered in this Township 17 South, 27  
4 East, and if you'll look around there at those Morrow wells  
5 in that township, some are on the structure, some are off the  
6 structure, some are on the axis of the syncline.

7 The production seems to be rather unre-  
8 lated to the structure and I explained that by saying that --

9 Q The channels or the valleys are more im-  
10 portant, I assume.

11 A Yes. What I'm saying is that, of course  
12 we're dealing with Morrow Sands, early Pennsylvanian Sands,  
13 and generally these structures here in Eddy County are late  
14 Pennsylvanian. That's one reason we don't get Devonian  
15 production in a large part of Eddy County. The structures  
16 are there but they're too danged late for -- they're in the  
17 late part of the Pennsylvanian, whereas in Lea County they're  
18 talking about early Pennsylvanian traffic.

19 We know there was a strat trap here in  
20 this channel sand that I have referred to and pointed out on  
21 the log in the basal part of the Morrow in Section 30. There  
22 are three Morrow tests up in Section 19 immediately to the  
23 north of there. None of these got that sand, and that's a  
24 profile, you see, right across that valley.

25 So we feel that the limit on that trap



1  
2 is somewhere between that well in Section 30 and the well in  
3 Section 19, going northward.

4 Now, where the south limit is we'll find  
5 out in due course as we drill.

6 Q Now you said the log hadn't been released  
7 on the well in Section 36, but I presume you have seen that  
8 log.

9 A That is correct. In fact I have --

10 Q And the characteristics are very similar  
11 to the one in --

12 A It is.

13 Q -- Section 30.

14 A It is precisely the same sand and I've  
15 talked with Eagle about the production history on the well  
16 in Section 30 and they're satisfied that on engineering data  
17 they are tied to the well down there.

18 Q In 36?

19 A Right.

20 Q So you hope to tie in the same channel.

21 A Yeah. The point I was making there,  
22 you know, when I said this sand is going to take on the  
23 orientation of the valley, when you've got a sand down in  
24 the very basal part of the Morrow, you see, this is an ero-  
25 sional feature; it's been filled in.

Q Uh-huh.

A. And it can't do anything much but run along right down the axis of that valley.

When you get into the high part of the Morrow, where your topography is less effective, then these sands can spread out and go elsewhere.

MR. NUTTER: Are there any further questions of Mr. Wilson? He may be excused.

Do you have anything further, Mr. Kella-  
hin?

MR. KELLAHIN: No, sir.

MR. NUTTER: Does anyone have anything they wish to offer in Case 7429?

We'll take the case under advisement.

(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

I do hereby certify that the foregoing is  
a complete and correct transcript of the  
hearing held on 12/2 1981  
[Signature] Examiner  
Oil Conservation Division

SALLY W. BOYD, C.S.R.

Rt. 1 Box 193-B  
Santa Fe, New Mexico 87501  
Phone (505) 455-7409

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BRUCE KING  
GOVERNOR  
LARRY KEHOE  
SECRETARY

STATE OF NEW MEXICO  
ENERGY AND MINERALS DEPARTMENT  
OIL CONSERVATION DIVISION

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

December 9, 1981

Mr. Thomas Kellahin  
Kellahin & Kellahin  
Attorneys at Law  
Post Office Box 1769  
Santa Fe, New Mexico

Re: CASE NO. 7429  
ORDER NO. ~~R-6852~~

Applicant:

Mark D. Wilson

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	<u>x</u>
Artesia OCD	<u>x</u>
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. 7429  
Order No. R-6852

APPLICATION OF MARK D. WILSON FOR AN  
UNORTHODOX GAS WELL LOCATION, EDDY  
COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on December 2, 1981, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 2th day of December, 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, Mark D. Wilson, seeks approval of an unorthodox gas well location of a well to be drilled 660 feet from the North line and 1650 feet from the East line of Section 12, Township 17 South, Range 27 East, NMPM, to test the Wolfcamp and Pennsylvanian formations, Eddy County, New Mexico.

(3) That the N/2 of said Section 12 is to be dedicated to the well.

(4) That a well at said unorthodox location will better enable applicant to produce the gas underlying the proration unit.

(5) That no offset operator objected to the proposed unorthodox location.

(6) That approval of the subject application will afford the applicant the opportunity to produce its just and equitable share of the gas in the subject pool, will prevent the economic

-2-

Case No. 7429  
Order No. R-6852

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.

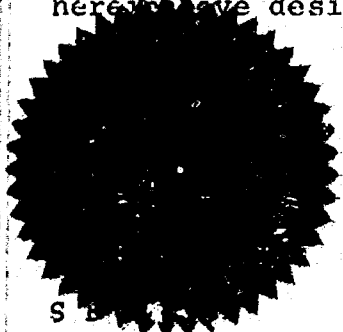
IT IS THEREFORE ORDERED:

(1) That the application of Mark D. Wilson for an unorthodox gas well location for the Wolfcamp and Pennsylvanian formations is hereby approved for a well to be located at a point 660 feet from the North line and 1650 feet from the East line of Section 12, Township 17 South, Range 27 East, NMPM, Eddy County, New Mexico.

(2) That the N/2 of said Section 12 shall be dedicated to the above-described well.

(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 herein above designated.



STATE OF NEW MEXICO  
OIL CONSERVATION DIVISION

*Joe D. Ramey*  
JOE D. RAMEY  
Director

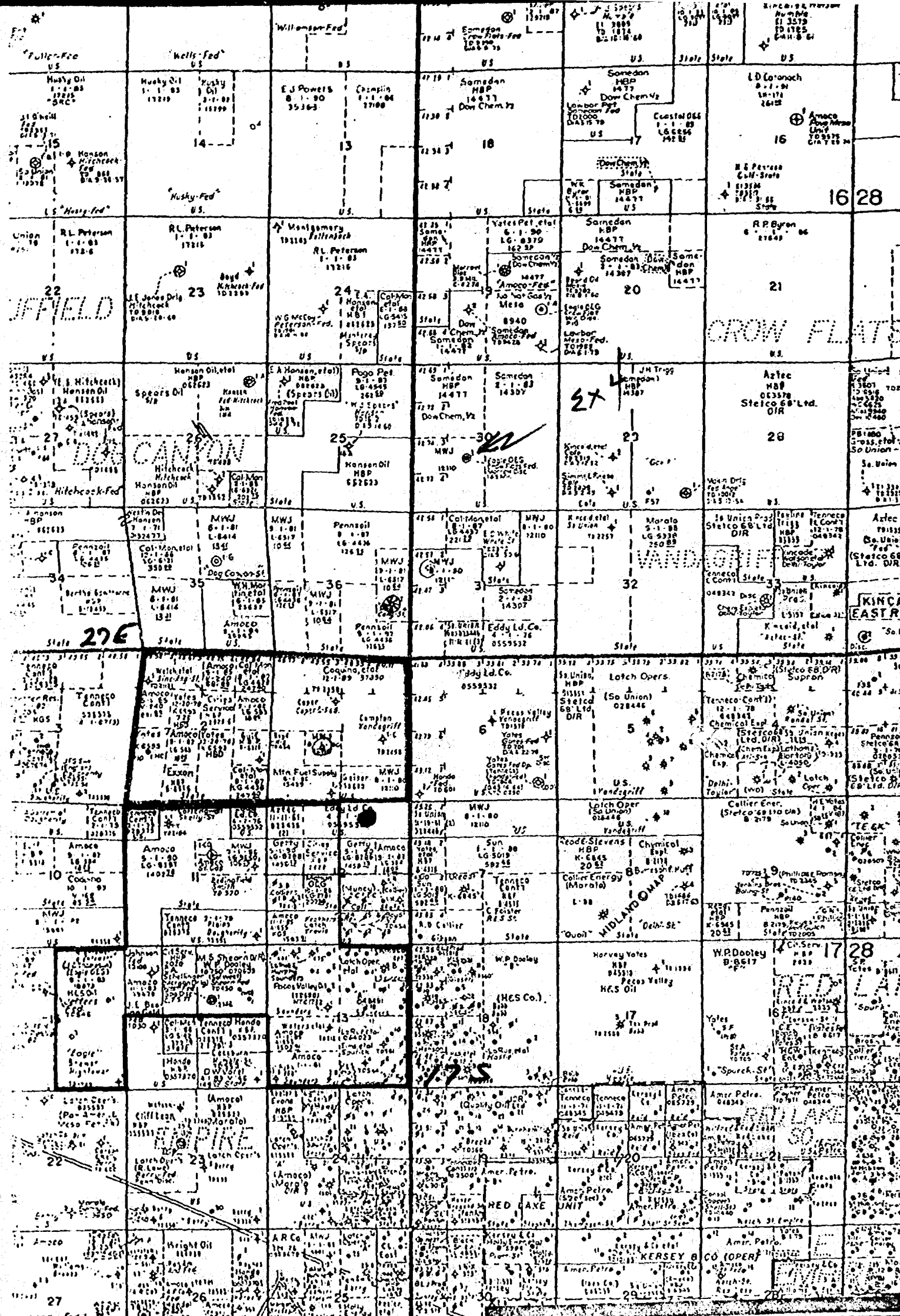


EXHIBIT 1 LAND PLAT  
CASE 7429 -UNORTHODOX WOLFCAMP-PENN. LOCATION  
660' FNL 1650' FEL  
Sec. 12-17S-27E  
Eddy County, New Mexico  
Red Outline - Five Forks W.I. Unit  
Green Outline - Dog Canyon W.I. Unit  
Blue Outline - Unorthodox Drilling Unit

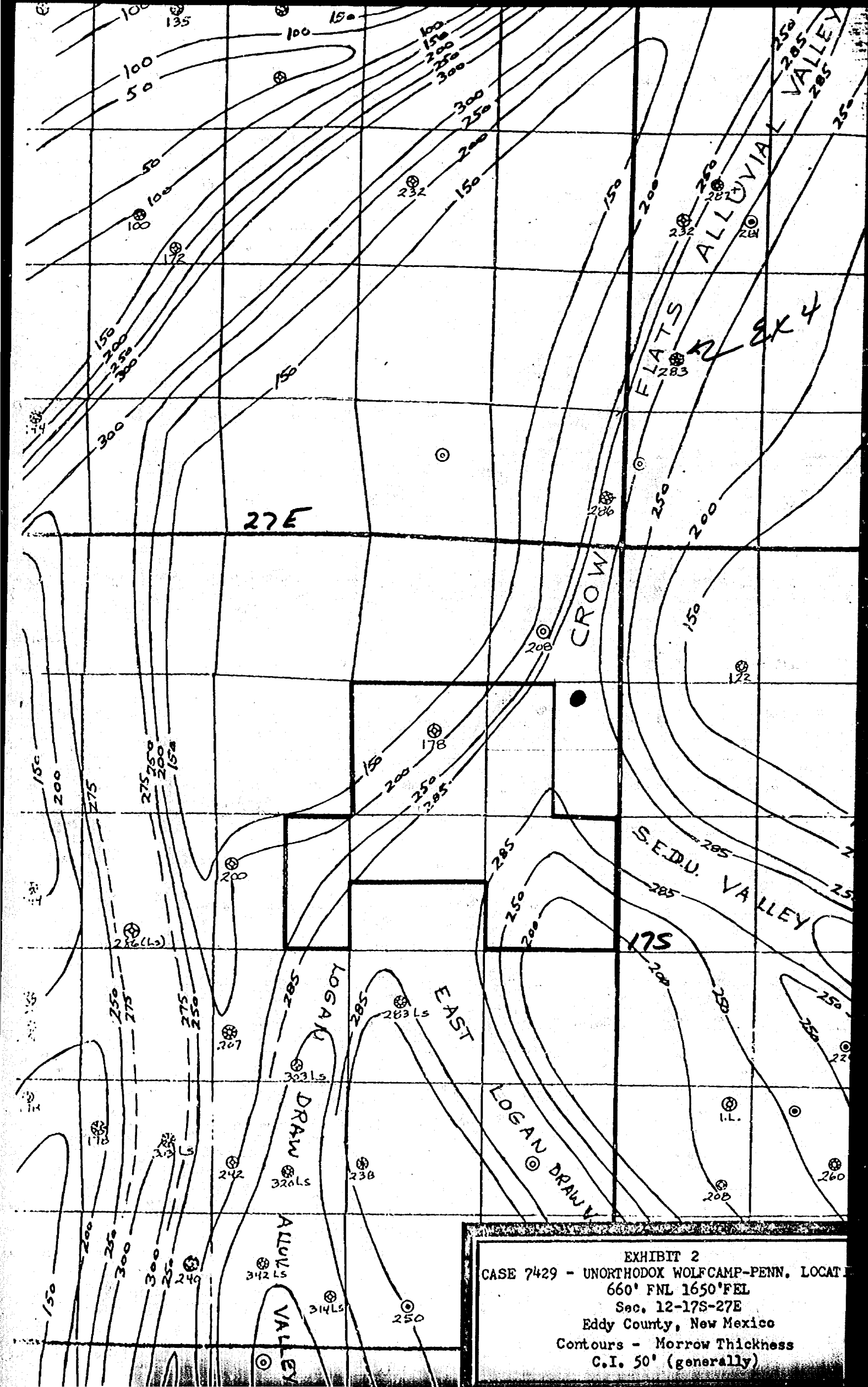


EXHIBIT 2  
CASE 7429 - UNORTHODOX WOLFCAMP-PENN. LOCAT  
660' FNL 1650' FEL  
Sec. 12-17S-27E  
Eddy County, New Mexico  
Contours - Morrow Thickness  
C.I. 50' (generally)



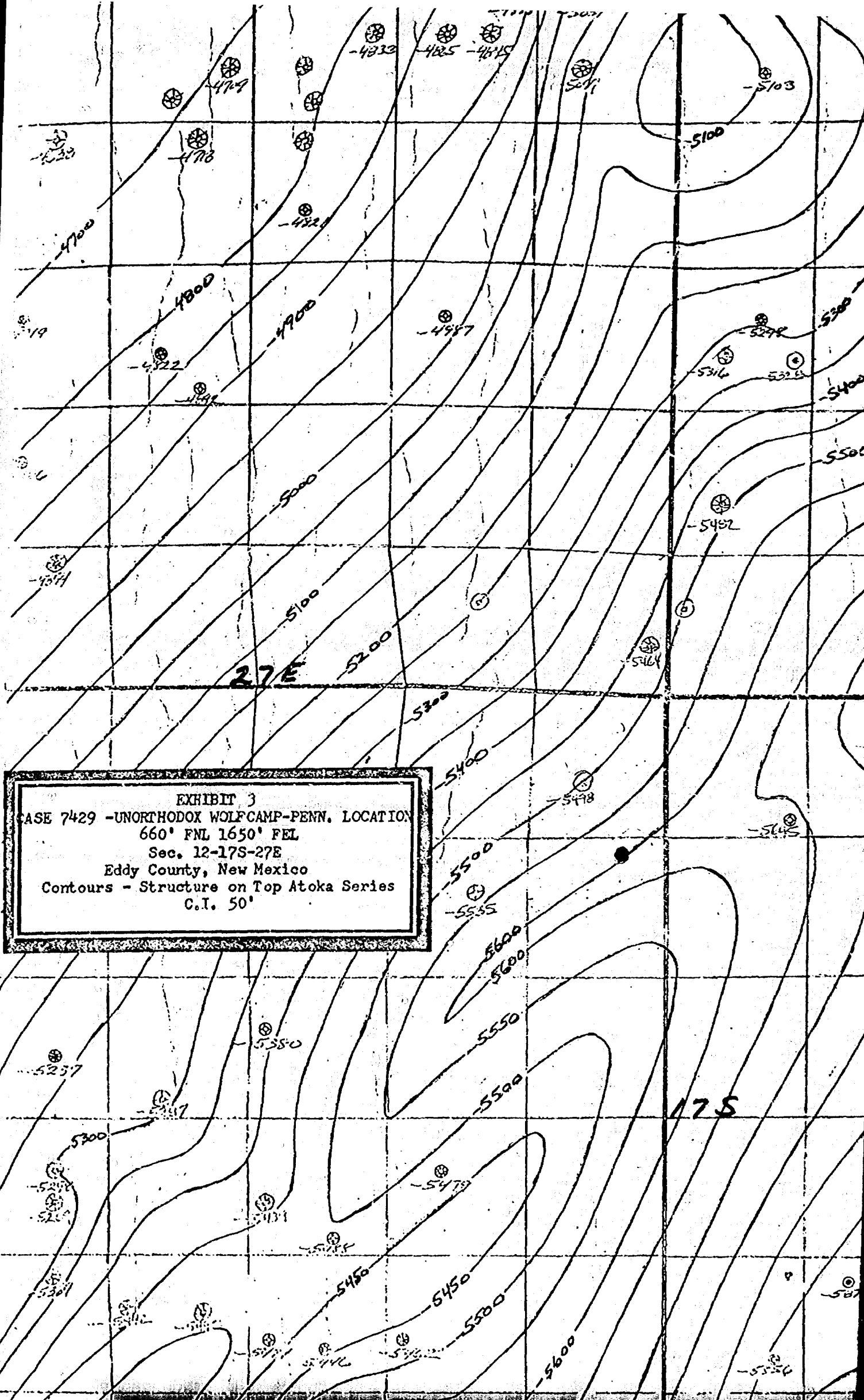


EXHIBIT 3  
CASE 7429 -UNORTHODOX WOLFCAMP-PENN. LOCATION  
660' FNL 1650' FEL  
Sec. 12-17S-27E  
Eddy County, New Mexico  
Contours - Structure on Top Atoka Series  
C.I. 50'

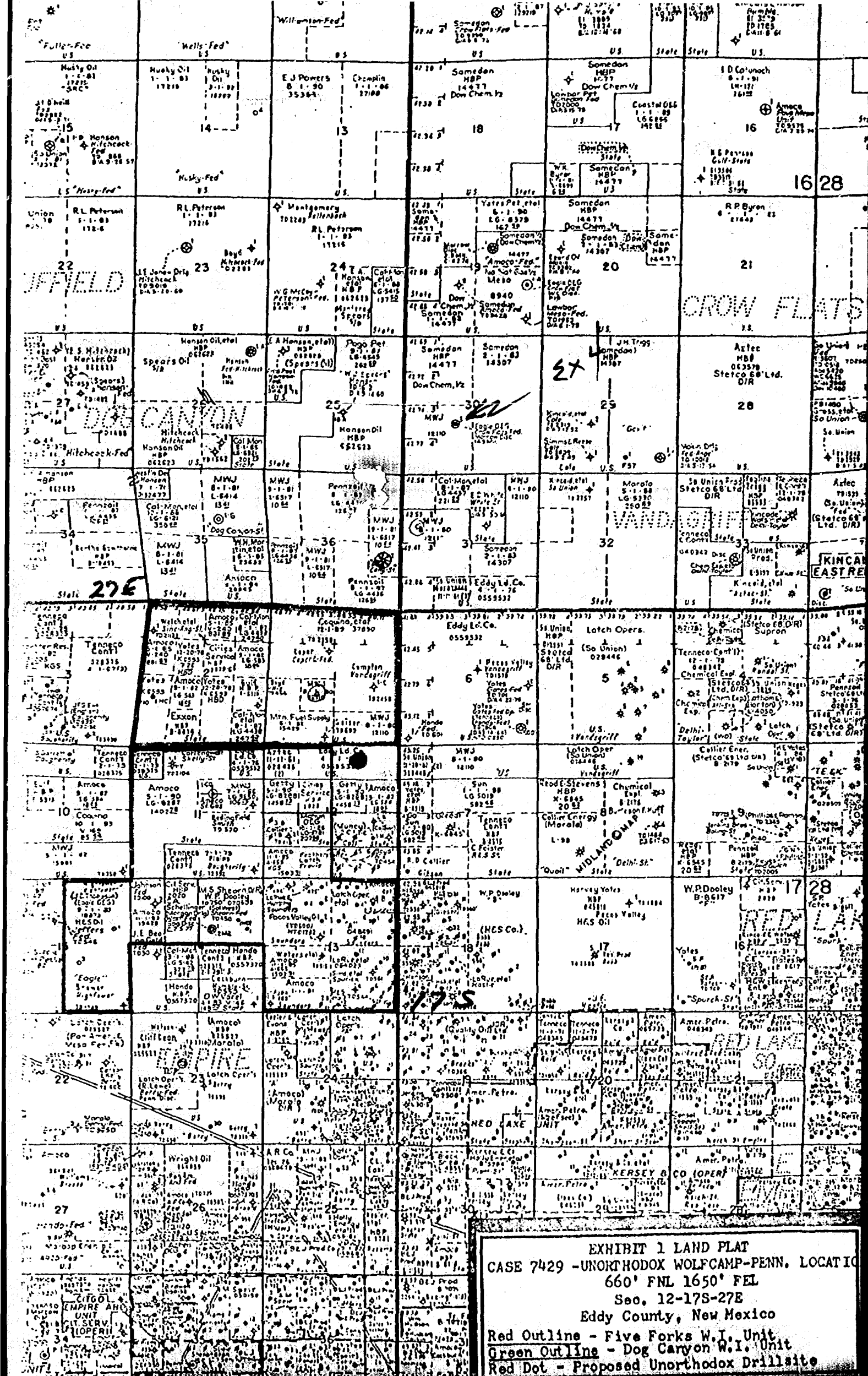


BEFORE EXAMINER TITTER

OIL CASE - INVESTIGATION

Wilson EXHIBIT NO. 3

CASE NO. 7429



BUFOH & SONS, NEWYTER  
OIL COMPANY, DIVISION

made with NO. 1

CASE NO. 7429

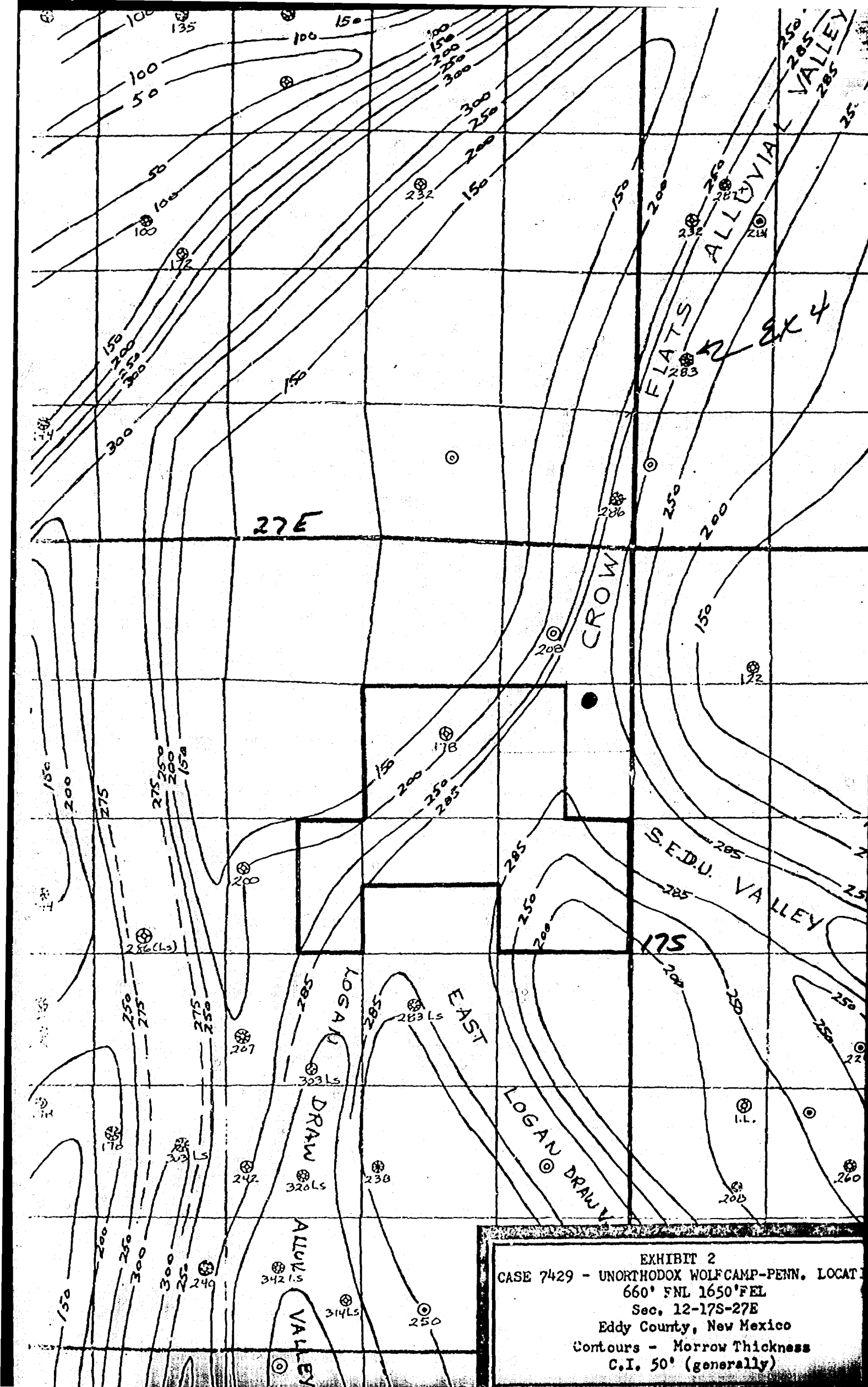


EXHIBIT 2  
CASE 7429 - UNORTHODOX WOLF CAMP-PENN. LOCAT  
660' FNL 1650' FEL  
Sec. 12-17S-27E  
Eddy County, New Mexico  
Contours - Morrow Thickness  
C.I. 50' (generally)

BEFORE THE WATER NUTTER

OIL COMPANY AND DIVISION

Wilson NO. 2

CASE NO. 7429

Docket No 40-81 is tentatively set for December 16, 1981. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: EXAMINER HEARING - WEDNESDAY - DECEMBER 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 Daniel S. Nutter, Examiner, or Richard L. Stramets, Alternate Examiner:

CASE 7396: (Continued from November 4, 1981, Examiner Hearing)

In the matter of the hearing called by the Oil Conservation Division on its own motion to permit Sentry Oil Exploration Company and Lawyers Surety Corporation to appear and show cause why Farr Well No. 1, located in Unit G of Section 6, Township 31 North, Range 34 East, Union County, New Mexico, should not be ordered plugged and abandoned in accordance with a Division-approved plugging program. ✓

CASE 7429: Application of Mark D. Wilson for an unorthodox gas well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of a well to be drilled 660 feet from the North line and 1650 feet from the East line of Section 12, Township 17 South, Range 27 East, Wolfcamp-Pennsylvanian formations, the N/2 of said Section 12 to be dedicated to the well. ✓

CASE 7430: Application of Amoco Production Company for downhole commingling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of the Fruitland and Pictured Cliffs formations in the wellbore of its Gutierrez Gas Com "C" Well No. 1, located in the NE/4 of Section 4, Township 29 North, Range 9 West. ✓

CASE 7431: Application of Wainoco Oil & Gas Company for compulsory pooling and a non-standard oil proration unit, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Northeast Lovington Penn Pool underlying a 101.65-acre non-standard oil proration unit comprising Lots 3 & 4 of Section 18, Township 16 South, Range 37 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 7425: (Continued and Readvertised)

Application of H. L. Brown, Jr. for compulsory pooling and an unorthodox location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the top of the San Andres formation to the base of the Pennsylvanian formation underlying the S/2 of Section 26, Township 16 South, Range 37 East, to be dedicated to a well to be drilled at a standard location thereon, provided that in the event the subject well encounters production in the Casey-Strawn Pool and/or the West Knowles Brinkard Pool, the lands pooled would be the S/2 SW/4 of said Section 26. Applicant further seeks approval for the commencement of a second well within 120 days after completion of the first well, said well to be drilled at an unorthodox location 1650 feet from the South line and 660 feet from the West line of Section 26, and dedicated to the N/2 SW/4 of said Section 26 which applicant also seeks to be pooled. Also to be considered will be the cost of drilling and completing said wells and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the wells and a charge for risk involved in drilling said wells.

CASE 7402: (Continued and Readvertised)

Application of MGF Oil Corporation for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests down to and including the Abo formation underlying the NW/4 NW/4 of Section 5, Township 20 South, Range 39 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 7432: Application of Maddox Energy Corporation for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests down through the Bone Spring formation underlying the S/2 SW/4 of Section 27, Township 23 South, Range 28 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 7421: (Readvertised)

Application of Doyle Hartman for compulsory pooling, unorthodox well location and non-standard spacing unit, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Eumont Gas Pool underlying a 120-acre non-standard spacing unit consisting of the S/2 SW/4 and the NW/4 SW/4 of Section 3, Township 20 South, Range 17 East, to be dedicated to a well to be drilled at an unorthodox location 2,310 feet from the South line and 330 feet from the West line of Section 3. 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.

KELLAHIN and KELLAHIN

*Attorneys at Law*

500 Don Gaspar Avenue

Post Office Box 1769

Santa Fe, New Mexico 87501

Jason Kellahin

W. Thomas Kellahin

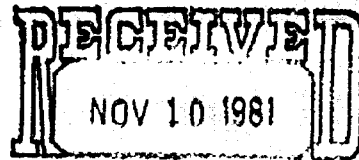
Karen Aubrey

Telephone 982-4255

Area Code 505

November 10, 1981

Mr. Joe D. Ramey  
Oil Conservation Division  
P.O. Box 2088  
Santa Fe, New Mexico 87501



RE: Mark D. Wilson

OIL CONSERVATION DIVISION

SANTA FE

*Case 7429*

Dear Joe:

Please set the enclosed application for hearing on  
the Examiner Docket set for December 2, 1981.

Very truly yours,

A large, stylized handwritten signature in black ink, appearing to read "W. Thomas Kellahin".

W. Thomas Kellahin

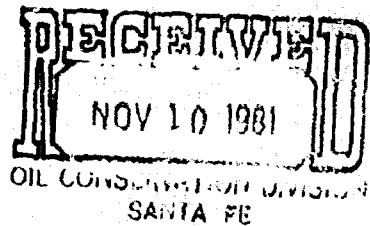
WTK:jm

Enclosure

cc: Scott Wilson

STATE OF NEW MEXICO  
DEPARTMENT OF ENERGY AND MINERALS  
OIL CONSERVATION DIVISION

IN THE MATTER OF THE APPLICATION OF  
MARK D. WILSON FOR APPROVAL OF AN  
UNORTHODOX WELL LOCATION, EDDY COUNTY  
NEW MEXICO.



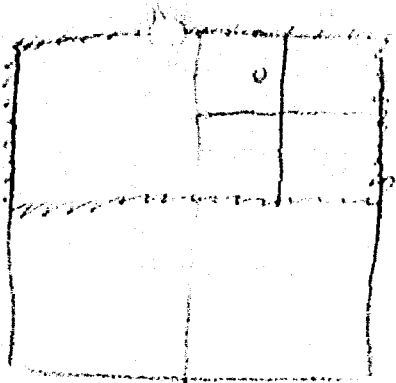
A P P L I C A T I O N

Case 7429

COMES NOW THE APPLICANT, MARK D. WILSON, by and through his attorneys, Kellahin & Kellahin and applies to the New Mexico Oil Conservation Division for approval of an unorthodox gas well location 1650 feet from the East line and 660 feet from the North line of Section 12, T17S, R27E, N.M.P.M., Eddy County, New Mexico and in support thereof would show:


1. Applicant has the right to drill the N/2 of Section 12, T17S, R27E, N.M.P.M.
2. Applicant or its designated operator proposes to drill a Wolfcamp-Pennsylvanian test at an unorthodox well location 1650 feet from the East line and 660 feet from the North line of said Section 12, and to dedicate the N/2 of said section to the subject well.
3. Approval of the application will be in the best interests of conservation, the prevention of waste and the protection of correlative rights.

WHEREFORE, Applicant requests that the application be set for hearing and that after notice and hearing, the application be granted as requested.



KELLAHIN & KELLAHIN

By:

  
W. Thomas Kellahin  
P.O. Box 1769  
Santa Fe, New Mexico 87501  
982-4285

ATTORNEYS FOR APPLICANT

HERBIE  
ORDERS  
UNORTHODOX GAS WELL  
LOCATION

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. 7429

Order No. R-6852

APPLICATION OF MARK D. WILSON FOR AN  
UNORTHODOX GAS WELL LOCATION, EDDY  
COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on December 2,  
1981, at Santa Fe, New Mexico, before Examiner Daniel S.  
Nutter..

NOW, on this \_\_\_\_\_ day of December, 1981, the Division  
Director, having considered the testimony, the record, and the

HERBIE  
ORDERS  
UNORTHODOX WELL  
LOCATION

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. 7429

Order No. R-6852

APPLICATION OF MARK D. WILSON FOR AN  
UNORTHODOX GAS WELL LOCATION, EDDY  
COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on December 2,  
1981, at Santa Fe, New Mexico, before Examiner Daniel S.  
Nutter..

NOW, on this \_\_\_\_\_ day of December, 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, Mark D. Wilson, seeks approval of an unorthodox gas well location of a well to be drilled 660 feet from the North line and 1650 feet from the East line of Section 12, Township 17 South, Range 27 East, NMPM, to test the *Wolfcamp and* Pennsylvanian formations, ~~Wolfcamp-Pennsylvanian Pool~~, Eddy County, New Mexico.

(3) That the N/2 of said Section 12 is to be dedicated to the well.

(4) That a well at said unorthodox location will better enable applicant to produce the gas underlying the proration unit.

(5) That no offset operator objected to the proposed unorthodox location.

(6) That approval of the subject application will afford the applicant the opportunity to produce its just and equitable

share of the gas in the subject 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 application of Mark D. Wilson for*  
*Wolfcamp and*  
A (1) That an unorthodox gas well location for the Pennsylvanian formations is hereby approved for a well to be located at a point 660 feet from the North line and 1650 feet from the East line of Section 12, Township 17 South, Range 27 East, NMPM, ~~Wolfcamp Pennsylvanian formations~~, Eddy County, New Mexico.

(2) That the N/2 of said Section 12 shall be dedicated to the above-described well.

(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