

DATE IN 10.24.11	SUSPENSE	ENGINEER D/LB.	LOGGED IN 10.24.11	TYPE NSP	APP NO. 112975 3409	PTGW
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ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION
 - Engineering Bureau -
 1220 South St. Francis Drive, Santa Fe, NM 87505



112975 4046 1954
 Apache 11158
 J.C. Williamson
 Rose Draw Unit #31

ADMINISTRATIVE APPLICATION CHECKLIST

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

Application Acronyms:

- [NSL-Non-Standard Location] [NSP-Non-Standard Proration Unit] [SD-Simultaneous Dedication]
 [DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]
 [PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]
 [WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]
 [SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]
 [EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]

[1] **TYPE OF APPLICATION** - Check Those Which Apply for [A]

- [A] Location - Spacing Unit - Simultaneous Dedication
☒ NSL ☒ NSP ☐ SD

Check One Only for [B] or [C]

- [B] Commingling - Storage - Measurement
☐ DHC ☐ CTB ☐ PLC ☐ PC ☐ OLS ☐ OLM

- [C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery
☐ WFX ☐ PMX ☐ SWD ☐ IPI ☐ EOR ☐ PPR

- [D] Other: Specify _____

[2] **NOTIFICATION REQUIRED TO:** - Check Those Which Apply, or ☐ Does Not Apply

- [A] ☒ Working, Royalty or Overriding Royalty Interest Owners
 [B] ☐ Offset Operators, Leaseholders or Surface Owner
 [C] ☐ Application is One Which Requires Published Legal Notice
 [D] ☐ Notification and/or Concurrent Approval by BLM or SLO
U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office
 [E] ☒ For all of the above, Proof of Notification or Publication is Attached, and/or,
 [F] ☐ Waivers are Attached

[3] **SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.**

[4] **CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is **accurate** and **complete** to the best of my knowledge. I also understand that **no action** will be taken on this application until the required information and notifications are submitted to the Division.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

David Catanach
 Print or Type Name

David Catanach
 Signature

Agent for J. C. Williamson
 Title

10/24/11
 Date

drcatanach@netscape.com
 E-Mail Address

H-33-265-30E
 Eddy, Fed

October 24, 2011

Hand Delivered

New Mexico Oil Conservation Division
1220 S. St. Francis Drive
Santa Fe, New Mexico 87505

Attention: Ms. Jami Bailey, CPG
Division Director

Re: Application for Non-Standard Proration Unit &
Unorthodox Well Location
Ross Draw Unit No. 31 (API No. 30-015-38371)
687' FSL & 660' FEL (Lot 1)
Section 33, T-26 South, R-30 East, NMPM,
Ross Draw-Delaware Pool (52790) ✓
Eddy County, New Mexico

4808 property

Dear Ms. Bailey:

J. C. Williamson ("Williamson") respectfully requests approval of a 24.80-acre non-standard oil spacing and proration unit in the Ross Draw-Delaware Pool comprising Lot 1 of Section 33, Township 26 South, Range 30 East, NMPM, Eddy County, New Mexico. This unit is to be dedicated in the Ross Draw-Delaware Pool to the existing Ross Draw Unit Well No. 31 located at an unorthodox oil well location 687 feet from the South line and 660 feet from the East line (Lot 1) of Section 33.

The Ross Draw-Delaware Pool is currently governed by Division Rule 19.19.15.9 which requires standard 40-acre oil spacing and proration units with wells to be located no closer than 330 feet to the outer boundary of the spacing unit.

The proposed non-standard spacing unit is necessary due to a variation in the legal subdivision of the United States Public Lands Survey (see attached plats). Consequently Section 33 is shaped irregularly.

The information that has been provided to me with regards to the Ross Draw Unit Well No. 31 indicates that:

1. The subject well was drilled sometime during 2011, but is currently shut-in pending approval of this application;
2. The subject well was drilled by Mr. Ralph Williamson, who very recently passed away;

3. The proposed non-standard spacing unit, as described above, is directly adjacent on its southern boundary to the Texas state line.
4. The dimensions of the proposed non-standard spacing unit are approximately 1,320 feet wide by 834 feet long. Various land plats describe Lot 1 to contain 24.80 acres.
5. The Ross Draw Unit No. 31 is located approximately 147 feet from the northern boundary of the proposed non-standard spacing unit, but is at least 330 feet from the east, west and south boundaries; and
6. The Ross Draw Unit No. 31 is located within the Ross Draw Unit, a Federal exploratory unit operated by J. C. Williamson.

While it is not fully known the reason that the Ross Draw Unit No. 31 was drilled at its present location, an examination of documents in the well file indicates that Mr. Williamson may have chosen this well location in order to minimize surface disturbance due to the necessity to construct a road, pipeline and power line to this well from the existing Ross Draw Unit Well No. 12 (see attached plat).

With regards to the unorthodox location, the affected offset acreage is the NE/4 NE/4 (Unit A) of Section 33. Within the NE/4 NE/4 of Section 33, Williamson currently operates the Ross Draw Unit No. 12 which produces from the Ross Draw-Delaware Pool. Please be advised that the working interest ownership between the proposed non-standard proration unit and the NE/4 NE/4 of Section 33 is not common. While the parties owning working interest in these two tracts is almost identical, their percentage of working interest varies between the two tracts.

With regards to the proposed non-standard proration unit, the affected offset units include Lot 2 and the N/2 NE/4 (Units A and B) of Section 33, and Lot 4 and the NW/4 NW/4 (Unit D) of Section 34 (see attached plat.) After discussion with NMOCD, it has been determined that notice of this application to affected offset acreage within the State of Texas is not required. As stated above, the only affected offset tract that is currently being produced is Unit A of Section 33. Please be advised that the working interest ownership between the proposed non-standard proration unit and Lot 2 and Unit B of Section 33 is common. Please be further advised that the working interest ownership between the proposed non-standard proration unit and Lot 4 and Unit D of Section 34 is not common. Consequently, notice of the proposed unorthodox well location and non-standard proration unit is being provided to all working interest owners in Unit A of Section 33, and Lot 4 and Unit D of Section 34. A list of these working interest owners is attached.

Attached are Form C-102, a vicinity map of this area, a survey plat showing the extent and location of the electric line crossing, and a plat that identifies the offset wells

*J. C. Williamson
Application for Non-Standard Proration Unit &
Unorthodox Well Location
Ross Draw Unit No. 31
Page 3*

and affected offset tracts. Also attached is a notice letter to the offset working interest owners.

In summary, approval of the application will provide J. C. Williamson the opportunity to recover additional oil and gas reserves from the Ross Draw-Delaware Pool underlying Lot 1 of Section 33, thereby preventing waste, and will not violate correlative rights.

If you should have any questions, please call me at (505) 690-9453.

Sincerely,

A handwritten signature in black ink, appearing to read "David Catanach", with a long horizontal flourish extending to the right.

David Catanach, Agent
J. C. Williamson
P.O. Box 16
Midland, Texas 79702

Xc: OCD-Artesia

DISTRICT I
1625 N. FRANKLIN DR., HOUSTON, NM 88240

DISTRICT II
1301 W. GRAND AVENUE, ARTESIA, NM 88210

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

DISTRICT IV
1220 S. ST. FRANCIS DR., SANTA FE, NM 87505

State of New Mexico
Energy, Minerals and Natural Resource Department

OIL CONSERVATION DIVISION
1220 SOUTH ST. FRANCIS DR.
Santa Fe, New Mexico 87505

Form C-102
Revised October 12, 2005
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number 30-015-38371	Pool Code 52790	Pool Name Ross Draw-Delaware
Property Code 11808	Property Name ROSS DRAW UNIT	Well Number 31
GRID No. 11158	Operator Name J.C. WILLIAMSON	Elevation 2979'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
1	33	26-S	30-E		687	SOUTH	660	EAST	EDDY

Bottom Hole Location If Different From Surface

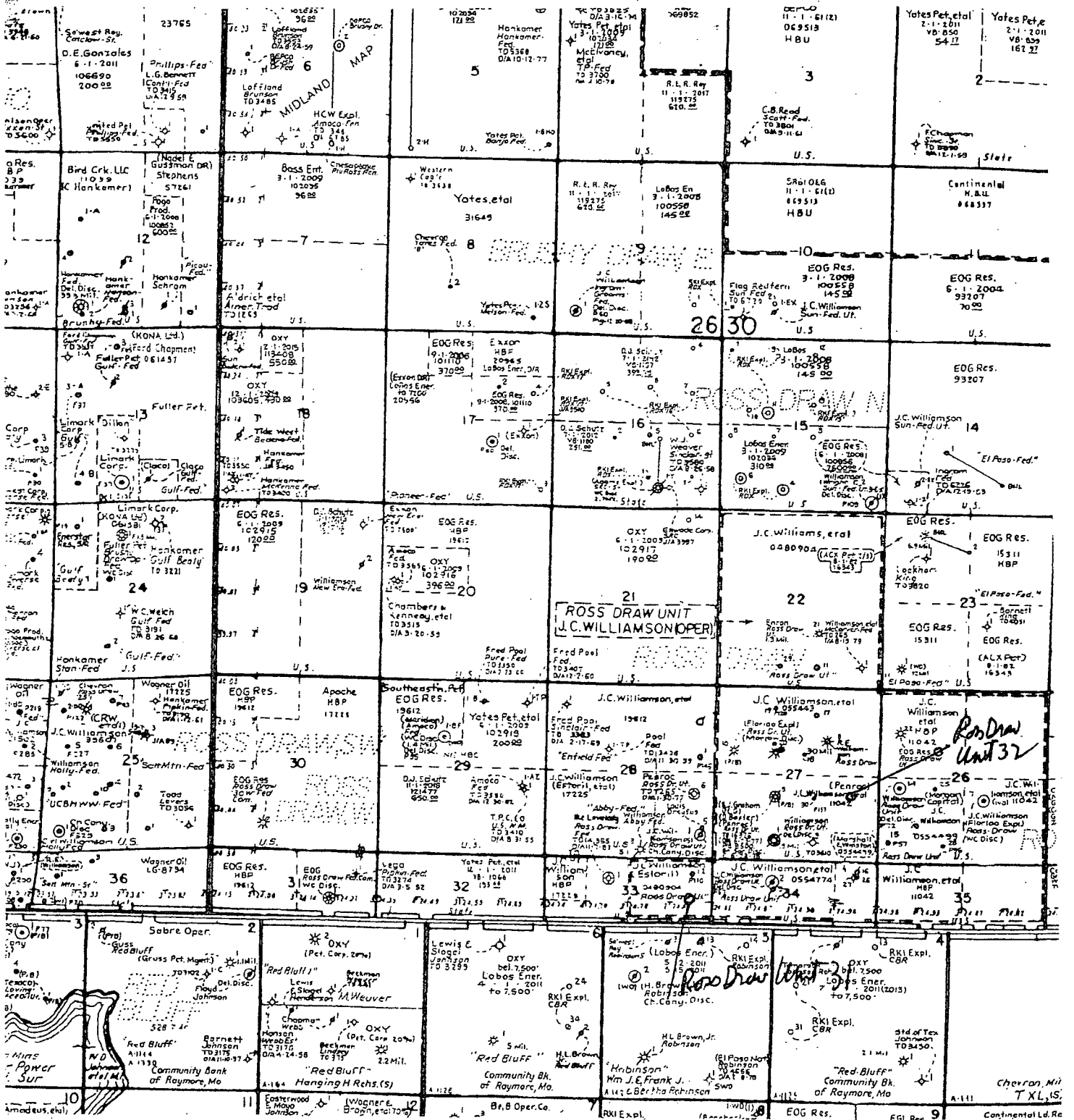
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

Dedicated Acres 24.80	Joint or Infill	Consolidation Code	Order No.
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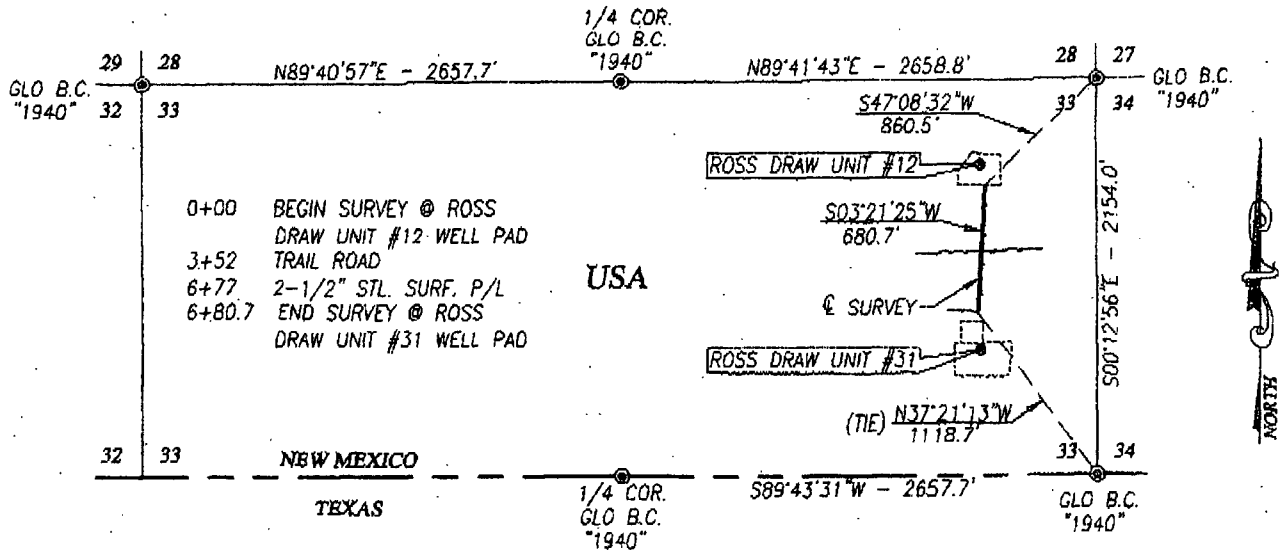
NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

				OPERATOR CERTIFICATION <i>I hereby certify that the information herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</i> Signature: <i>[Signature]</i> Date: <i>10/27/10</i> Printed Name: <i>DAVEY FOIMAR</i>	
				SURVEYOR CERTIFICATION <i>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</i> Date Surveyed: <i>JANUARY 5/10/2010</i> Signature & Seal of Professional Surveyor: <i>[Signature]</i> 3239 Certificate No. <i>3239</i>	
GEODETIC COORDINATES NAD 27 NME Y=364713.6 N X=640747.3 E LAT.=32.001899' N LONG.=103.879295' W				DETAIL 	

BLM



SECTION 33, TOWNSHIP 26 SOUTH, RANGE 30 EAST, N.M.P.M.
EDDY COUNTY **NEW MEXICO**



DESCRIPTION

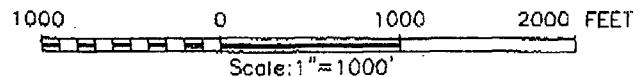
A STRIP OF LAND 50.0 FEET WIDE AND 680.7 FEET OR 0.129 MILES IN LENGTH CROSSING USA LAND IN SECTION 33, TOWNSHIP 26 SOUTH, RANGE 30 EAST, NMPM, EDDY COUNTY, NEW MEXICO AND BEING 25.0 FEET LEFT AND 25.0 FEET RIGHT OF THE ABOVE PLATTED CENTERLINE SURVEY.

NOTE

BEARINGS SHOWN HEREON ARE MERCATOR GRID AND CONFORM TO THE NEW MEXICO COORDINATE SYSTEM "NEW MEXICO EAST ZONE" NORTH AMERICAN DATUM 1983. DISTANCES ARE SURFACE VALUES.

LEGEND

⊙ DENOTES FOUND CORNER AS NOTED



I HEREBY CERTIFY THAT I DIRECTED AND AM RESPONSIBLE FOR THIS ACTUAL ON THE GROUND SURVEY, THAT THIS SURVEY IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF, AND THAT THE SURVEY AND PLAT MEET THE MINIMUM STANDARDS FOR SURVEYING IN NEW MEXICO.

5/09/2011
 G. J. EIDSON, N.M. P.S. No. 12641
 ROBERT J. ENOSON, N.M. P.S. No. 3239

PROVIDING SURVEYING SERVICES
 SINCE 1946
JOHN WEST SURVEYING COMPANY
 412 N. DAL PASO
 HOBBS, N.M. 88240
 (575) 393-3117

J.C. WILLIAMSON

**SURVEY OF AN ELECTRIC LINE CROSSING
 SECTION 33, TOWNSHIP 26 SOUTH,
 RANGE 30 EAST, N.M.P.M.,
 EDDY COUNTY, NEW MEXICO**

Survey Date: 4/26/11	Sheet 1 of 1 Sheets
W.O. Number: 11.11.0968	Drawn By: LA
Date: 5/6/11	CAD File: 11110968

30E

28

27

26E

Unit C

Unit B

Unit A

Unit D

Ross Draw Unit 12

33

34

Ross Draw Unit 31

660'

687'

Lot 4

Lot 3

Lot 2

Lot 1

Texas State Line



Tracts with Common Working Interest Ownership



Boundary of the Ross Draw Unit
J. C. Williamson-Operator

**Application for Non-Standard Proration Unit &
Unorthodox Well Location
J. C. Williamson
Ross Draw Unit No. 31**

October 24, 2011

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

TO: OFFSET WORKING INTEREST OWNERS-SEE ATTACHED LIST

Re: J. C. Williamson
Application for Non-Standard Proration Unit & Unorthodox Well Location
Ross Draw Unit No. 31
687' FSL & 660' FEL (Lot 1)
Section 33, T-26 South, R-30 East, NMPM,
Ross Draw-Delaware Pool
Eddy County, New Mexico

Ladies and Gentlemen:

Enclosed please find a copy of the application filed by J. C. Williamson for approval of a 24.80 acre non-standard oil spacing and proration unit in the Ross Draw-Delaware Pool comprising Lot 1 of Section 33, Township 26 South, Range 30 East, NMPM, Eddy County, New Mexico. This unit is to be dedicated to J. C. Williamson's Ross Draw Unit Well No. 31 which has been drilled at an unorthodox oil well location 687 feet from the South line and 660 feet from the East line (Lot 1) of Section 33. The proposed 24.80-acre non-standard oil spacing and proration unit is necessary due to a variation in the legal subdivision of the United States Public Lands Survey.

As the owner of an interest that may be affected by the proposed non-standard spacing unit and/or unorthodox oil well location, you are being provided notice as per Division rules and regulations. Objections must be filed in writing at the Division's Santa Fe office within 20 days from the date this notice was sent to you. If no objection is received within twenty days after the filing of this application and proof of notice with the Division, the application may be approved.

If you should have any questions, please call me at (505) 690-9453.

Sincerely,



David Catanach
Agent-J. C. Williamson
P.O. Box 16
Midland, Texas 79702

Enclosure

Notice List
J. C. Williamson
Application for Non-Standard Proration Unit &
Unorthodox Well Location
Ross Draw Unit No. 31
687' FSL & 660' FEL (Lot 1)
Section 33, T-26 South, R-30 East, NMPM, Eddy County, New Mexico

ICA Energy, Inc.
P.O. Box 233
Odessa, Texas 79760-0233

Kerry Liquidating Trust
F/K/A Kerry Petroleum Company, Inc.
KP Acquisition Corporation
c/o Margret P. Ryan, CPA
P.O. Box 9460
Midland, Texas 79708-9460

Khody Land and Minerals Company
Attn: Cody Reid, Landman
3817 NW Expressway, Suite 950
Oklahoma City, Oklahoma 73112

CRW Corporation Plan Committee
Ralph E. Williamson Family Trust
Ralph E. Williamson Estate
P.O. Box 994
Midland, Texas 79702

Charlotte Amalie Williamson
Elizabeth Anne Williamson
8202 IH-35 North, Suite 490
San Antonio, Texas 78239

J.C. Williamson Family Trust
Lois G. Williamson Estate
P.O. Box 16
Midland, Texas 79702

Charlotte W. Williamson
P.O. Box 50410
Austin, Texas 78763

7011 0110 0001 2606 3546

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Return Receipt Fee (Endorsement Required)	\$2.30	OCT 24 2011
Restricted Delivery Fee (Endorsement Required)	\$0.00	Postmark Here
Total Postage & Fees	\$6.43	10/24/2011

Kerry Liquidating Trust
F/K/A Kerry Petroleum Company, Inc
KP Acquisition Corporation
 Sent To **c/o Margret P. Ryan, CPA**
P.O. Box 9460
Midland, Texas 79708-9460

PS Form 3800, August 2006 See Reverse for Instructions

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Total Postage & Fees	\$6.43	10/24/2011

Charlotte Amalie Williamson
Elizabeth Anne Williamson
 Sent To **8202 IH-35 North, Suite 490**
San Antonio, Texas 78239

PS Form 3800, August 2006 See Reverse for Instructions

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Restricted Delivery Fee (Endorsement Required)	\$0.00	Postmark Here
Total Postage & Fees	\$6.43	10/24/2011

Charlotte W. Williamson
P.O. Box 50410
 Sent To **Austin, Texas 78763**

PS Form 3800, August 2006 See Reverse for Instructions

6552 9092 1000 2606 3532

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Restricted Delivery Fee (Endorsement Required)	\$0.00	Postmark Here
Total Postage & Fees	\$6.43	10/24/2011

Khody Land and Minerals Co.
 Sent To **Attn: Cody Reid, Landman**
3817 NW Expressway, Suite 950
Oklahoma City, Oklahoma 73112

PS Form 3800, August 2006 See Reverse for Instructions

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Restricted Delivery Fee (Endorsement Required)	\$0.00	Postmark Here
Total Postage & Fees	\$6.43	10/24/2011

CRW Corporation Plan Committee
 Sent To **Ralph E. Williamson Family Trust**
Ralph E. Williamson Estate
P.O. Box 994
Midland, Texas 79702

PS Form 3800, August 2006 See Reverse for Instructions

7011 0110 0001 2606 3508

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Certified Fee	\$2.85	10
Return Receipt Fee (Endorsement Required)	\$2.30	OCT 24 2011
Restricted Delivery Fee (Endorsement Required)	\$0.00	Postmark Here
Total Postage & Fees	\$6.43	10/24/2011

J.C. Williamson Family Trust
Lois G. Williamson Estate
 Sent To **P.O. Box 16**
Midland, Texas 79702

PS Form 3800, August 2006 See Reverse for Instructions

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Certified Fee	\$2.85
Return Receipt Fee (Endorsement Required)	\$2.30
Restricted Delivery Fee (Endorsement Required)	\$0.00
Total Postage & Fees	\$ 6.43

Postmark: 10 OCT 24 2011

Sent To: ICA Energy, Inc.
Street, Apt. or PO Box No.: P.O. Box 233
City, State, ZIP+4: Odessa, Texas 79760-0233

PS Form 3800, August 2008 See Reverse for Instructions