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## Oil well at Expo more a cash kitty than cash cow

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by Jason Collins

07.31.11 - 04:14 pm



Money from the oil well adjacent to the Expo Center property likely won't be the cash cow that will solve all the budgetary woes.

But, as county officials joked earlier this week, it will be more of a cash kitty.

Clark Welder, general counsel with Welder Exploration, couldn't say how much money the county would receive when the well begins producing.

"First of all, the county's share will be 50 percent of the royalty, sharing the other 50 percent with the landowner, who is being burdened with the well," he said. "Only the good Lord above knows what is down there. It could be a dry hole."

Despite the uncertainty of the production amount, County Judge David Silva was noticeably excited to have the extra revenue for the county.

"Right now the county, we have zero dollars," he said. "Anything this well brings in will be tremendous."

The county, Welder added, won't see its first check for about three months, as it takes time to ship the oil, sell it and generate the necessary paperwork during the entire process.

With so much uncertainty surrounding future oil checks, Silva said that the commissioners won't be able to use the money in the budgetary calculations.

In fact, Welder said, losing his normally cheerful tone, one in 30 wells produce nothing.

"It isn't common, but it does happen," he said. "It is not a get-rich quick industry. It is not how many eggs you have but how many baskets."

Silva said, "I think it will be great for the county — no matter how long it lasts."

Interestingly enough, the well seen from the parking lot isn't drilling straight down.

"The largest reservoir is directly under the Expo Center — probably underneath us as we speak," said Welder, sitting inside the office building of the Expo Center.

The spot adjacent to the county's property was chosen primarily to ensure that the center could continue to function while drilling was occurring.

"Obviously, we didn't want to put the rig in the parking lot," Welder said.

Welder said that they will construct a high fence around the site to keep the curious from getting close to the well and getting hurt.

Drilling on another well across the road is expected this coming week.

This first rig, Welder added, holds significance beyond just the financial gain for the county.

"It shows that Bee County is welcoming of the oil and gas industry," Welder said. "I think it is something Beeville and Bee County can point to and say, 'We are welcoming to the oil industry.'"

Welder said that the county's resources put it in a good spot to benefit from recent shale drilling.

"Bee County has an extensive existing infrastructure, stable political climate and good workforce," Welder said. "Bee County should be well positioned to benefit from this boom."

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