

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. 7985  
Order No. R-7399

APPLICATION OF McCLELLAN OIL  
CORPORATION FOR A UNIT AGREEMENT,  
CHAVES COUNTY, NEW MEXICO

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 8 a.m. on November 22, 1983, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 14th day of December, 1983, 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, McClellan Oil Corporation, seeks approval of the Marlisue Queen Unit Agreement covering 440 acres, more or less, of State land described as follows:

CHAVES COUNTY, NEW MEXICO

TOWNSHIP 14 SOUTH, RANGE 29 EAST, NMPM  
Section 24: N/2, N/2 SE/4 and NE/4 SW/4

(3) That all plans of development and operation and creations, expansions, or contractions of participating areas or expansions or contractions of the unit area, should be submitted to the Director of the Division for approval.

(4) That approval of the proposed unit agreement should promote the prevention of waste and the protection of correlative rights within the unit area.

IT IS THEREFORE ORDERED:

(1) That the Marlisue Queen Unit Agreement is hereby approved.

(2) That the plan contained in said unit agreement for the development and operation of the unit area is hereby approved in principle as a proper conservation measure; provided, however, that notwithstanding any of the provisions contained in said unit agreement, this approval shall not be considered as waiving or relinquishing, in any manner, any right, duty, or obligation which is now, or may hereafter be, vested in the Division to supervise and control operations for the exploration and development of any lands committed to unit and production of oil or gas therefrom.

(3) That the unit operator shall file with the Division an executed original or executed counterpart of the unit agreement within 30 days after the effective date thereof; that in the event of subsequent joinder by any party or expansion or contraction of the unit area, the unit operator shall file with the Division within 30 days thereafter counterparts of the unit agreement reflecting the subscription of those interests having joined or ratified.

(4) That all plans of development and operation, all unit participating areas and expansions and contractions thereof, and all expansions or contractions of the unit area, shall be submitted to the Director of the Oil Conservation Division for approval.

(5) That this order shall become effective upon the approval of said unit agreement by the Commissioner of Public Lands for the State of New Mexico and shall terminate ipso facto upon the termination of said unit agreement; and that the last unit operator shall notify the Division immediately in writing of such termination.

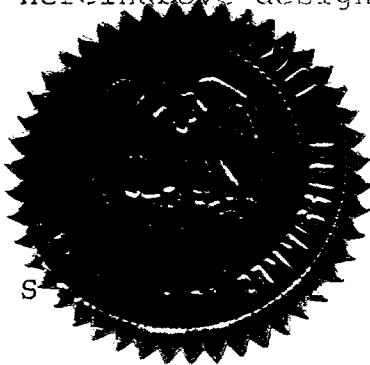
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Case No. 7985

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(6) 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

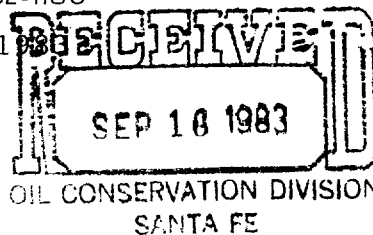
*Joe D. Ramey*  
JOE D. RAMEY,  
Director

JAMES T. JENNINGS  
SIM B. CHRISTY IV  
K. DOUGLAS PERRIN  
PHIL T. BREWER

LAW OFFICES OF  
JENNINGS & CHRISTY  
1012 SECURITY NATIONAL BANK BUILDING  
P.O. BOX 1180  
ROSWELL, NEW MEXICO 88202-1180

TELEPHONE 622-8432  
AREA CODE 505

September 14, 1983



Oil Conservation Division  
P. O. Box 2088  
Santa Fe, New Mexico 87501

Attention: Mr. Joe Ramey

*Case 7985*

Re: McClellan Oil Corporation  
Application for Approval  
of Marlisue Queen Unit

Dear Mr. Ramey:

Enclosed herewith is application, with attachments, in connection with the captioned.


If available, we would appreciate it if the case might be set for hearing before an examiner on October 26, 1983, assuming that this is one of the hearing dates.

Your advice in the matter is sincerely appreciated.

Respectfully,

JENNINGS & CHRISTY

By

  
S. B. Christy IV

SBC/vs

Enclosure

cc: McClellan Oil Corporation

STATE OF NEW MEXICO  
ENERGY AND MINERALS DEPARTMENT  
OIL CONSERVATION DIVISION

IN THE MATTER OF THE APPLICATION OF:

McCLELLAN OIL CORPORATION  
FOR APPROVAL OF THE  
MARLISUE QUEEN UNIT,  
CHAVES COUNTY, NEW MEXICO

Case No. 7985

APPLICATION

COMES NOW McClellan Oil Corporation and seeks approval of a Unit Agreement for the Marlisue Queen Unit in Chaves County, New Mexico and states:

1. The proposed unit is a secondary recovery operation covering the following described lands in Chaves County, New Mexico:

Township 14 South, Range 29 East, N.M.P.M.  
Section 24:  $N\frac{1}{2}$ ,  $NE\frac{1}{4}SW\frac{1}{4}$ ,  $N\frac{1}{2}SE\frac{1}{4}$

containing 440 acres, more or less, for depths from the top to 75 feet below the top of the Queen formation.

2. All of the lands embraced in the proposed unit are owned by the State of New Mexico who has given preliminary approval to the Unit Agreement. A true copy of the proposed Unit Agreement and initial plan of operation is attached hereto.

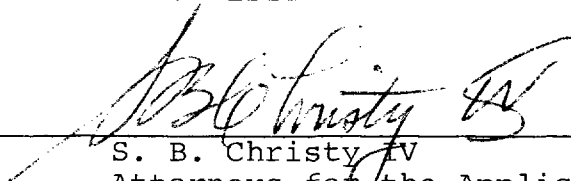
3. Applicant has obtained approval or ratifications of the Unit Agreement by sufficient parties to give effective control of operations under the Unit Agreement.

WHEREFORE, applicant prays that the operations under a Unit Agreement for the Marlisue Queen Unit, Chaves County, New Mexico,

after notice and hearing, be approved by the Oil Conservation Division,  
and for all proper relief.

JENNINGS & CHRISTY

By

  
S. B. Christy IV

Attorneys for the Applicant,  
McClellan Oil Corporation

cc: McClellan Oil Corporation

June 29, 1983

INITIAL PLAN OF OPERATION

MARLISUE QUEEN UNIT

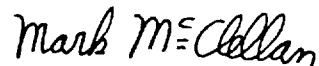
CHAVES COUNTY, N.M.

The initial plan of operation for the proposed Marlisue Queen Unit includes installment of a waterflood plant and associated equipment as well as the drilling of 4 water injection wells, the conversion of the Marlisue No. 7 well, and the drilling of a producing well at a later date in the program. The remaining producing wells that are producing within the proposed unit boundary will remain as producing wells in the future.

It is our opinion that the installation of a waterflood program in the proposed Marlisue Queen Unit will enhance the recovery of additional oil within the unit boundary.

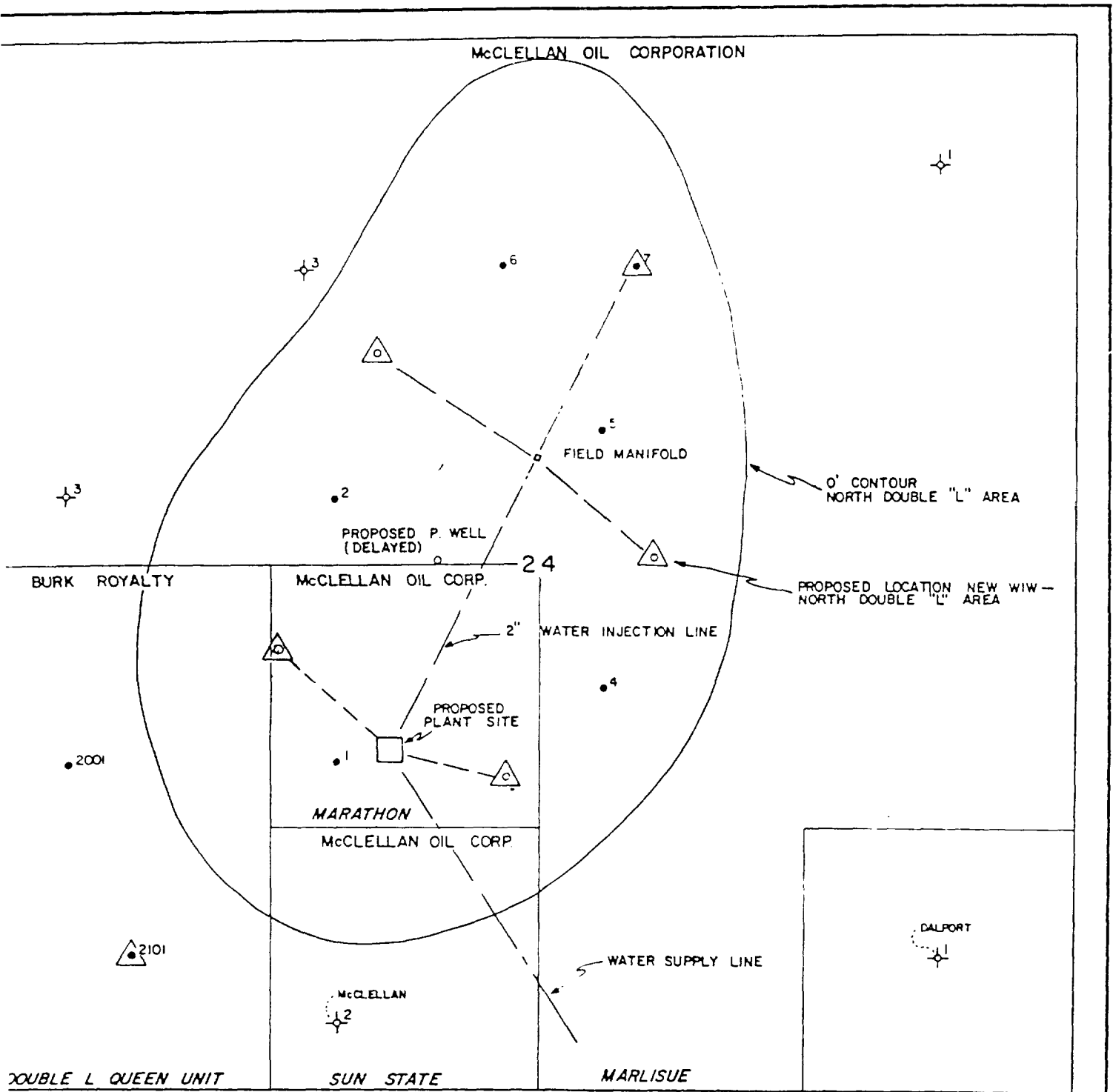
A plan of development will be updated from time to time as additional production history is achieved that might significantly alter the above described plans.

Sincerely yours,

A handwritten signature in black ink that reads "Mark McClellan". The signature is written in a cursive, slightly slanted style.

Mark McClellan  
Geologist

# MARLISUE QUEEN AREA



## —LEGEND—

- Producing Well
- ✕ Dry Hole
- △● Converted PW to WIW
- △○ New Drilled WIW
- Proposed New PW (Delayed)

## PRELIMINARY WATER FLOOD ANALYSIS McCLELLAN OIL CORPORATION NORTH DOUBLE L AREA CHAVES COUNTY, NEW MEXICO

### RECOMMENDED WATER FLOOD PROGRAM FIELD MAP

## —SCALE—

