CASE 6783: McCLELLAN OIL COPPORATION FOR AN UNORTHODOX OIL WELL LOCATION, CHAVES

CASE NO.

6783

APPlication, Transcripts, Small Exhibits,

ETC.

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

STATE OF NEW MEXICO ENERGY AND MINERALS DEPARTMENT OIL CONSERVATION DIVISION STATE LAND OFFICE BLDG. SANTA FE, NEW MEXICO 3 January 1980

EXAMINER HEARING

IN THE MATTER OF:

Application of McClellan Oil Cor-) poration for an unorthodox oil well location, Chaves County, New) Mexico.

CASE 6783

BEFORE: Richard L. Stamets

TRANSCRIPT OF HEARING

APPEARANCES

For the Oil Conservation Division:

Ernest L. Padilla, 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

25

11

12

13

14

15

16

17

18

20

21

EXHIBITS

Applicant Exhibit One, Cross Section Applicant Exhibit Two, Cross Section Applicant Exhibit Three, Contour Maps Applicant Exhibit Four, Plat Applicant Exhibit Five, Plat Applicant Exhibit Six, Log

I N D E X

JACK L . McCLELLAN

Direct Examination by Mr. Kellahin

25

 MR. STAMETS: We'll call next Case 6783.

MR PADILLA: Application of McClellan Oil Corporation for an unorthodox oil well location, Chaves

County, New Mexico.

MR. KELLAHIN: Tom Kellahin of Santa

Fe, New Mexico, appearing on behalf of the applicant and

I have one witness.

(Witness sworn.)

JACK L MCCLELLAN

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

DIRECT EXAMINATION

BY MR., KELLAHIN:

Q Will you please state your name and occupation?

A Jack L. McClellan, geologist, president of McClellan Oil Corporation.

Mr. McClellan, have you previously testified as a geologist before the Oil Conservation Division and had your qualifications accepted and made a matter of record?

A Yes, I have.

LI.Y W. BOYD, C.S. Rt. 1 Box 193-B Sa 11a Fc, New Mexico 87501

A. 9 10 11 12 13 plish. 14 A. 15 16 well? 18

Q.

2

3

4

5

6

7

îĝ

20

21

22

23

MR. KELLAHIN: We tender Mr. McClellan as an expert geologist. MR. STAMETS: He is considered and so qualified. Would you please refer to what we've marked as Applicant Exhibit Number One and identify that for us? Exhibit Number One is cross section A-A' as depicted on Exhibit Four. All right, let's look at Exhibit Four for a moment and have you identify the proposed location and explain to the Examiner what you're seeking to accom-Exhibit Four indicates the proposed location of the unorthodox well applied for in this request. What acreage would be dedicated to the It would be the northeast quarter northwest quarter of Section 24, 14 South, .29 East. Exhibit Number Four is broken out into 40-acre tracts, is it not? Yes. And this would be a 40-acre oil well? Yes. (What is this other test in this 40-acre

11 12

13

14

15

17

16

18

20

21

22 23

24

tract?

This was a test that we had previously asked for an unorthodox location and were granted the unorthodox location, and subsequently drilled a dry hole.

MR .KELLAHIN: If the Examiner please, that is Commission Order R-5946, entered on February 28th, 1979, which approved the unorthodox location for which a dry hole was drilled.

What is the proposed location of this well?

This well is to be situated 1155 from the north line, 2475 feet from the west line.

In what way is this an uncrthodox loca-Q. tion?

It's closer than the 330 allowed by the present State regulation.

Is McClellan Oil Corporation the owner and operator of the offsetting acreage?

Yes,

All right, sir, would you go ahead and explain then your cross section on Exhibit Number One?

This cross section depicts the absence or tightness of the Queen Sand on the northern part of the cross section up towards the A part of the cross section. On the lefthand side of the cross section the Marlisue A-1,

10

11 12

13

14 15

16

17 18

19

20

21

22 23

24

25

and as you go south, this cross section was done prior to the drilling of the Marlisue No. 3, the other unorthodox location, which had the same situation that exists in the Marlisue A-1. Then it depicts the development of the sand as we moved south through the Marlisue 2 and the Marathon State No. 1.

a dry hole, indicating there was no sand developed in there,

All right, would you identify Exhibit Number Two for us?

Exhibit Two is a cross section B-R', as indicated on Exhibit Four. This is to again exhibit the lack of development of the Queen Sand on the northern portion of the tract presented in Exhibit Four.

All right, if you'll turn to Exhibit Number Three now and describe the information contained on that exhibit.

Exhibit Number Three is a contour structure map on top of the Queen Sand indicating a nosing to the north or more to the east, a little bit to the north, and in color on that exhibit is what I propose to be a depositional facies change, indicated by the three dry holes within that colored area, contending that the proposed unorthodox location would be sufficiently south and east of that facies change to exhibit the presence of clean sand.

All right, Exhibit Number Three-A.

11

12

13

14 15

16 17

18

19

20

22

21

23

25

24

Three-A is the same information only it has the depositional area in color.

In your opinion, Mr. McClellan, is the proposed unorthodox location the optimum location in which to drain this 40-acre tract?

Yes, sir.

Would you turn to Exhibit Number Five and identify that for us?

This is a land plat of the area, indicating the ownership of adjoining acreage, and the acreage in consideration.

All right, sir, and Exhibit Number Six.

Exhibit Number Six is a gamma ray neutron log of the last - well, I used it as a -- I really don't know why I put it in there, except it shows that a well developed sand in the Queen is what we're hoping will develop up in the unorthodox location.

The Marlisue 5, we were unable to log it because only -- these were all cable tool holes and I only drilled 1 foot into the Queen Sand and stopped and completed it open hole, so we're unable to have any log on it. It turned out to be as Exhibit Four, produced one hour natural test and made 33 gallons of oil. We subsequently fraced the well open hole, producing about 20 barrels of oil a day and about 45 barrels of water.

R. 1 Box 193-B
R. New Mexico 87501

11

12

13

14

15

10

17

18

19

20

21

22

23

24

We feel that the proposed location would be up dip and the reason for the unorthodox location is to get it sufficiently away from this tight zone that apparently runs east and west across there.

Were Exhibits One through Six prepared

by you or compiled under your direction and supervision?

A. They were.

And in your opinion, Mr. McClellan, will approval of this application be in the best interests of conservation, the prevention of waste, and the protection of correlative rights?

A It will.

MP KELLAHIN: Move the introduction of Exhibits One through Six.

MR. STAMETS: These exhibits will be admitted.

Any questions of the witness? He may be excused.

Anything further in this case? The case will be taken under advisement.

(Hearing concluded.)

REPORTER'S CERTIFICATE

I, SALLY W. BOYD, a Certified Shorthand Reporter, DO HEREBY CERTIFY that the foregoing and attached Transcript of Hearing before the Oil Conservation 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 from my notes taken at the time of the hearing.

Sally W. Boyd, C.S.R.

! do hereby certify that the foregoing is a complete record of the proceedings in the Examiner hearing of Case Co. 6783 heard by me on Concervation Divisio

STATE OF NEW MEXICO ENERGY AND MINERALS DEPARTMENT OIL CONSERVATION DIVISION STATE LAND OFFICE BLDG. SANTA FE, NEW MEXICO 3 January 1980

EXAMINER HEARING

IN THE MATTER OF:

Application of McClellan Oil Cor-) poration for an unorthodox oil) well location, Chaves County, New) Mexico.

CASE 6783

BEFORE: Richard L. Stamets

TRANSCRIPT OF HEARING

APPEARANCES

For the Gil Conservation Division:

Ernest L. Padilla, 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

10

11

13

14

15

16

17

18

19

20

21

22

23

11

12

13

15

14

16

17

18

20

INDEX

JACK L . McCLELLAN

Direct Examination by Mr. Kellahin

EXHIBITS

Applicant Exhibit One, Cross Section Applicant Exhibit Two, Cross Section Applicant Exhibit Three, Contour Maps Applicant Exhibit Four, Plat Applicant Exhibit Five, Plat Applicant Exhibit Six, Log

23

21

MR. STAMETS: We'll call next Case 6783.

MR PADILLA: Application of McClellan
Oil Corporation for an unorthodox oil well location, Chaves
County, New Mexico.

MR. KELLAHIN: Tom Kellahin of Santa

Fe, New Mexico, appearing on behalf of the applicant and

I have one witness.

(Witness sworn.)

JACK L . McCLELLAN

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

DIRECT EXAMINATION

BY MR. KELLAHIN:

Q will you please state your name and occupation?

A Jack L. McClellan, geologist, president of McClellan Oil Corporation.

Mr. McClellan, have you previously testified as a geologist before the Oil Conservation Division and had your qualifications accepted and made a matter of record?

A Yes, I have.

2

3

5

6

9

10

22

23

MR. KELLAHIN: We tender Mr. McClellan as an expert geologist.

MR. STAMETS: He is considered and so qualified.

Would you please refer to what we've Ω. marked as Applicant Exhibit Number One and identify that for us?

Exhibit Number One is cross section A-A' as depicted on Exhibit Four.

All right, let's look at Exhibit Four for a moment and have you identify the proposed location and explain to the Examiner what you're seeking to accomplish.

Exhibit Four indicates the proposed location of the unorthodox well applied for in this request.

What acreage would be dedicated to the <u> 117 aw</u>

It would be the northeast quarter northwest quarter of Section 24, 14 South, 29 East.

Exhibit Number Four is broken out into 40-acre tracts, is it not?

Yes.

And this would be a 40-acre oil well?

Yes.

What is this other test in this 40-acre 0

8

10

11 12

13

14 15

16

17 18

19

20 21

Z2 23

24

25

tract?

This was a test that we had previously asked for an unorthodox location and were granted the unorthodox location, and subsequently drilled a dry hole.

MR . KELLAHIN: If the Examiner please, that is Commission Order R-5946, entered on February 28th, 1979, which approved the unorthodox location for which a dry hole was drilled.

What is the proposed location of this well?

This well is to be situated 1155 from the north line, 2475 feet from the west line.

In what way is this an unorthodox loca-Q. tion?

It's closer than the 330 allowed by the A. present State regulation.

Is McClellan Oil Corporation the owner Q. and operator of the offsetting acreage?

Yes.

All right, sir, would you go ahead and explain then your cross section on Exhibit Number One?

This cross section depicts the absence or tightness of the Queen Sand on the northern part of the cross section up towards the A part of the cross section. On the lefthand side of the cross section the Marlisus A-1,

2

3

7

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

State No. 1.

a dry hole, indicating there was no sand developed in there, and as you go south, this cross section was done prior to the drilling of the Marlisue No. 3, the other unorthodox location, which had the same situation that exists in the Marlisue A-1. Then it depicts the development of the sand

All right, would you identify Exhibit Number Two for us?

as we moved south through the Marlisue 2 and the Marathon

Exhibit Two is a cross section B-B', as indicated on Exhibit Four. This is to again exhibit the lack of development of the Queen Sand on the northern portion of the tract presented in Exhibit Four.

All right, if you'll turn to Exhibit Number Three now and describe the information contained on that exhibit.

Exhibit Number Three is a contour structure map on top of the Queen Sand indicating a nosing to the north or more to the east, a little bit to the north, and in color on that exhibit is what I propose to be a depositional facies change, indicated by the three dry holes within that colored area, contending that the proposed unorthodox location would be sufficiently south and east of that facies change to exhibit the presence of clean sand.

All right, Exhibit Number Three-A.

A. Three-A is the same information only it has the depositional area in color.

In your opinion, Mr. McClellan, is the proposed unorthodox location the optimum location in which to drain this 40-acre tract?

A Yes, sir.

Q Would you turn to Exhibit Number Five and identify that for us?

A. This is a land plat of the area, indicating the ownership of adjoining acreage, and the acreage in consideration.

All right, sir, and Exhibit Number Six.

Log of the last -- well, I used it as a -- I really don't know why I put it in ther except it shows that a well developed sand in the Queen is what we're hoping will develop up in the unorthodox location.

it because only — these were all cable tool holes and I only drilled 1 foot into the Queen Sand and stopped and completed it open hole, so we're unable to have any log on it. It turned out to be as Exhibit Four, produced one hour natural test and made 33 gallons of oil. We subsequently fraced the well open hole, producing about 20 barrels of oil a day and about 45 barrels of water.

10

11

12

13

14

15

16

17

19

20

21

22

23

We feel that the proposed location would be up dip and the reason for the unorthodox location is to get it sufficiently away from this tight zone that apparently

Were Exhibits One through Six prepared by you or compiled under your direction and supervision?

They were.

runs east and west across there.

And in your opinion, Mr. McClellan, will approval of this application be in the best interests of conservation, the prevention of waste, and the protection of correlative rights?

It will.

MR. KELLAHIN: Move the introduction of Exhibits One through Six.

MR. STAMETS: These exhibits will be admitted.

Any questions of the witness? He may be excused.

Anything further in this case? The case will be taken under advisement.

(Hearing concluded.)

_	9
Page	

REPORTER'S CERTIFICATE

I, SALLY W. BOYD, a Certified Shorthand Reporter, DO HEREBY CERTIFY that the foregoing and attached Transcript of Hearing before the Oil Conservation 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 from my notes taken at the time of the hearing.

Sally W. Boyd, C.S.R.

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

LARRY KEHOE

STATE OF NEW MEXICO ENERGY AND MINERALS DEPARTMENT OIL CONSERVATION DIVISION

POST OFFICE BOX 2088 STATE LAND OFFICE BUILDING BANTA FE, NEW MEXICO 97501 (505) 827-2434

6733

January 18, 1980

Mr. Thomas Kellahin Kellahin & Kellahin Attorneys at Law Post Office Box 1769 Santa Fe, New Mexico	: CASE NO. 6733 ORDER NO. R-6253 Applicant: McClellan Oil Corporation
Dear Sir: Enclosed herewith are two copies of the property of	es of the above-referenced in the subject case.
JDR/fd Copy of order also sent to: Hobbs OCDx Artesia OCDx Aztec OCD	

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. 6783 Order No. R-6253

APPLICATION OF MCCLELLAN OIL CORPORATION FOR AN UNORTHODOX OIL WELL LOCATION, CHAVES COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on January 3, 1980, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 16th day of January, 1980, 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 an unorthodox oil well location for its Marlisue State Well No. 6 to be drilled at a point 1155 feet from the North line and 2475 feet from the West line of Section 24. Township 14 South, Range 29 East, NORM, to test the Queen formation, Double "L"-Queen Associated Pool, Chaves County, New Mexico.
- (3) That the NE/4 NW/4 of said Section 24 is to be dedicated to the well.
- (4) That a well at said unorthodox location will better enable applicant to produce the oil underlying the proration unit.
- (5) That no offset operator objected to the proposed unorthodox location.

-2-Case No. 6783 Order No. R-6253

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

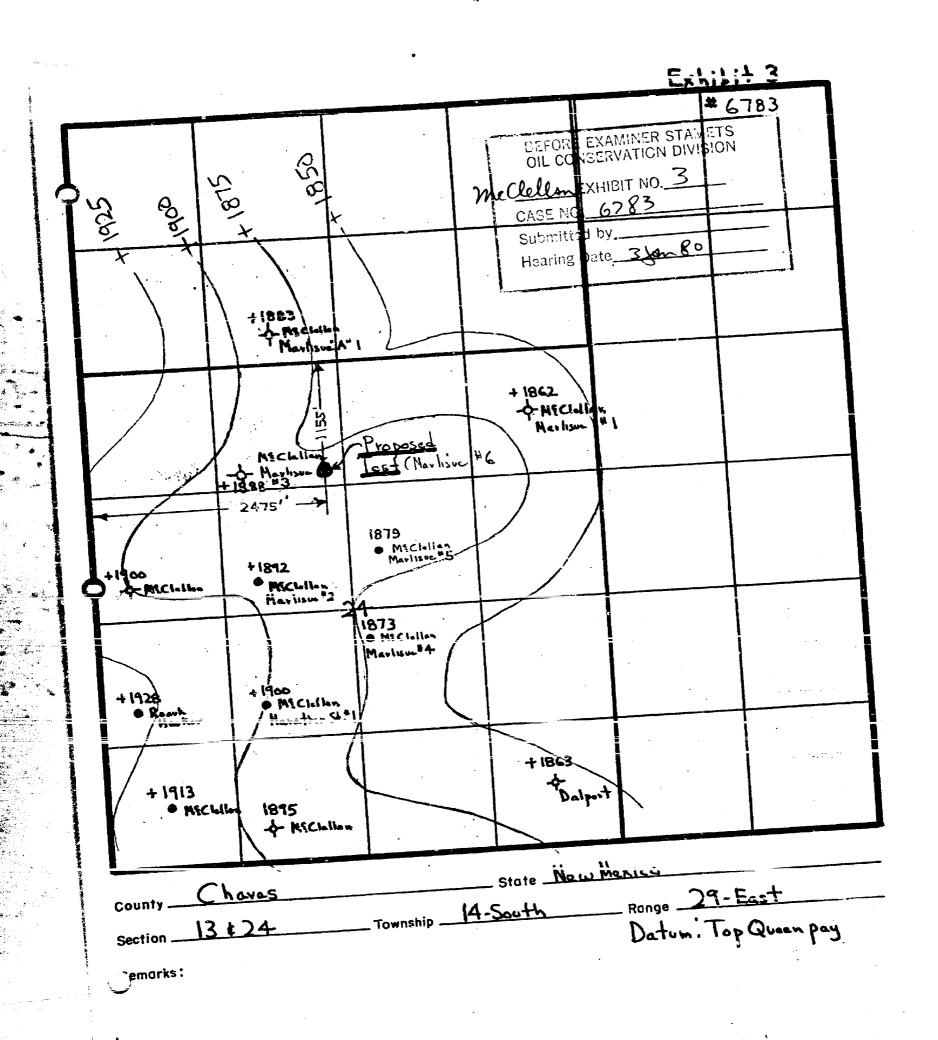
- (1) That an unorthodox oil well location for the Queen formation is hereby approved for the McClellan Oil Corporation Marlisue State Well No. 6 to be drilled at a point 1155 feet from the North line and 2475 feet from the West line of Section 24, Township 14 South, Range 29 East, NMPM, Double "L"-Queen Associated Pool, Chaves County, New Mexico.
- (2) That the NE/4 NW/4 of said Section 24 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, Mem Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

JOE D. RAMEY Director

BEFURE EXAMINER STAMETS OIL CONSERVATION DIVISION Sub sitted by Hearing Date 2 2 2 2	Gamma-Ray Neutron Ley
CROSS SECTION B-B'	WIRELINE WIRELINE WINE SERVICES TOTAL TOTAL COLORS TOTAL COLORS TOTAL TOTAL COLORS TOTAL





-					Ē	xhilit 4
				BEFORE OIL CON	EXAMINER STAME SERVATION DIVISI	# 6783 TS
		B Msclallan Maulissa Ma Mi A A No Fluid		CASE NO Submitted	HIRIT NO. 4 6783	
		My Civilian maritime = 3	Proposed lest	Michallan Marlisua#1 Wafluid B Gohr. SI	initially Rec.75 wder	
	Michellan Sunst.*3 Hoffluid ar gas - tight	Maclellan Marlisue 12 Tasted 14 hvs Rec. foogebooth	Marlisue # 6) Marlisue # 5 Tasted thus. Rec. 33 gals ail			
	Danible Harbar Sun St. * 1	Mechillen Minimistry Tested 2 his. Rec. 73 galzoil	Michilas Martisuc#4 Tostad Lhv Rac.40gala wtv. 13gala.ail			
	MSCIellen Sunst ^e l	Michellan Tasted thus. No fluid av ge	•	Delpoot -		

County Chaves	State Now Mexico	·
Section 24	Township 14. South Ronge 29-East	

emarks:

المحمد الاستحما

Exhibit 3-A # 6783-A CEPON EXAMINER STAINETS OIL CO SERVATION DIVISION McClellan XHIBIT NO. 3-A Submitted by_ Hearing Date: 3 Jan 80 Harbon YA L est (Marhine 1879 Marlisoe 5 +1892 Michillan ... 1873 • Michillan Marisu 44 + 1900 MICHIAN Harathan St." + 1913 · HECLILL -o- NSChillan County Chaves Store Now Mexico Section 13 £ 24 14-South

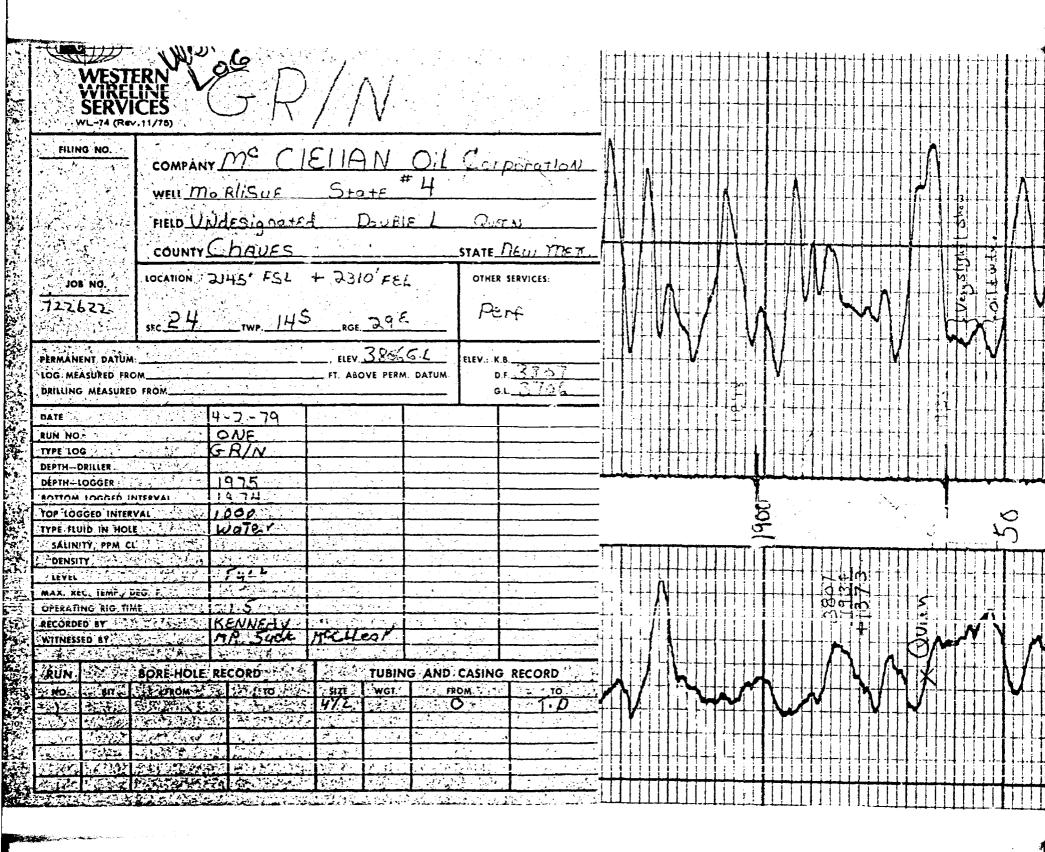
: murks

				Ę	whilit 4
ļ					4 6783
			REFORE OIL CON McClellan E	EXAMINER STAMI SERVATION DIVIS	TS DN
	B Msclallan Mavlisse A * * A No flui ov sas	,	CASE NO Submitted Hearing Da	6783 by	
	History Michilan	Proposed	Micheller Marlique # 1 Wafluid R 60 hv. 5:	Initially Rec. 75 weder	
	Marlison #3 52hv. tast	. (Mar(Isve + 6)			
Miclellan Sunst."3 - Hoffvider gas. tight	Machalles Marlisee #2 Tested Ithus Rec. foogals oil	Machallan S Marlisee 5 Tested the Roc. 33 gals at 1	•		
Reark t Hooker Sun St 1	Mecivilan Harathur St "I A Tastad 2 hos. Rec. 73 galzail	Michilan #4. Michilan #4. Tostad Lhr Ruc. 4 ogals whr. [3 gals. oi]			
Michillen Sun St.*1	Mt Chillen		Delpoot Somice St		
	Tasted 4 hrs. No fluid avg	•			

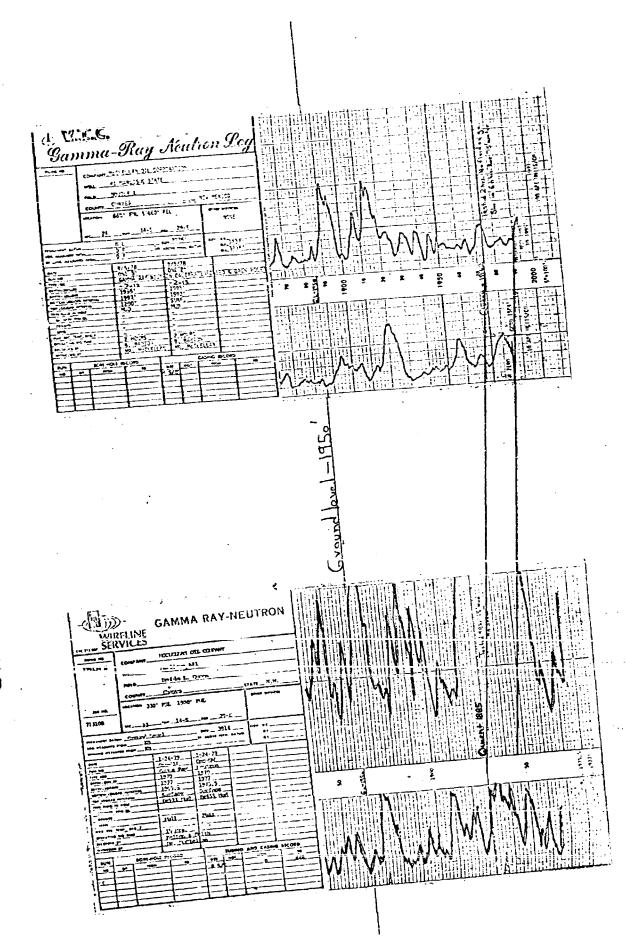
County Chaves	State New Mexico
Section 24	Township 14. South Ronge 29-East
žmarks:	

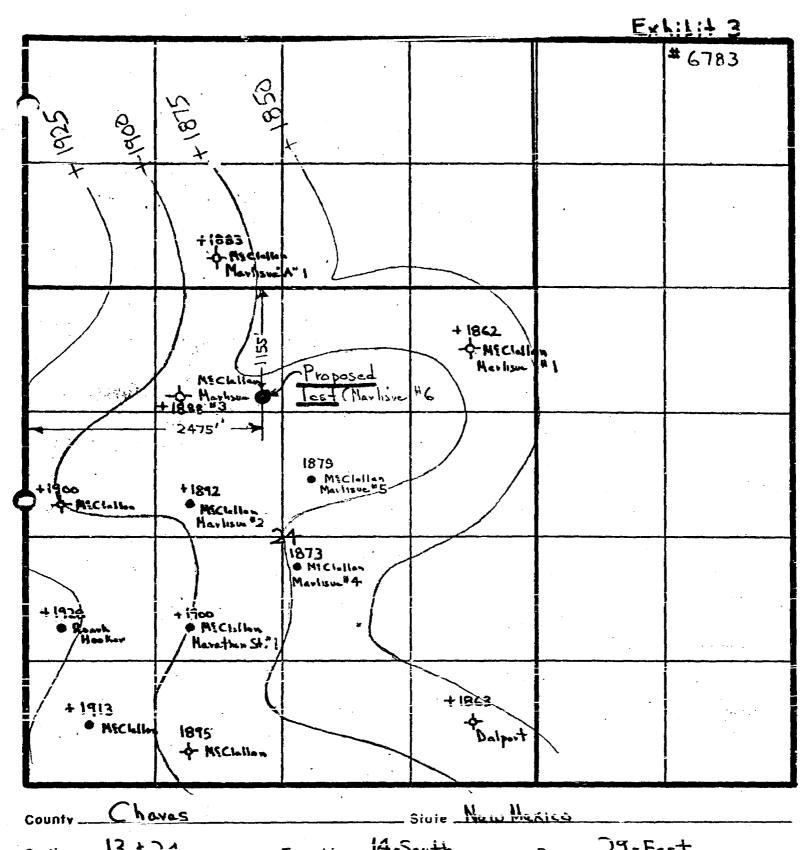
martin it intoonel.

1.78 (ите́ 3030 U. \$. Сият и-13	0351227 1 S.	v. s. '	22.536.2°C2 (· -
McCieitanOil, etal	McChelton Diletal	(McClellon Oil) Holly Energy 0333227	ACCEPTED NCCE SHIP DILETON DECENT OF STATE OF ST	9 9.1.94, 21769	EXHIBIT 5
02:16-40	**************************************	No. fing Comp	E 647 1 Electricity Chilon		# 6733
· \\ 33	34 /	McClellon Oil, etu	Comma Mr.Clellim Diletal		
		O343464 (CA EF Inc)	Comp Unit TO Bes GAT 20 71 State Constitution Constitution	Beele Farms E Willems U.S.	
•	U. S	Total TERRON Carnel ERRON	121 22 1	Amoce (1.1-83	19 61 619 6 11 86 611 55 13 60 5 . 11 Value Drig 18 cod C. Stevens C. Martin Yolkill 4 16 19 6 8 - 1 - 02
Rend & Stevens 1 1.83 1 12.434 1 Kingary	Pennscil Mare non n. h		Gulf 8-1-84 LG-1931	T. D. P.	15309
Kingdy funk i.s. (Marathan 3-10-15	2 Abo Pet, etul, M	The state of the s	Dolport) Spirk R	
3-202 350 5herondooh	Penniculii Marethon	DAL 20	Glenn Shell	U.5	M. M. Boster Amerada - Gad - party - Galicia-La
(s) of a signal	Pronzoi!	State Gulf 9-1-95	9-124-18-15 Gulf \	31.32 Dalport 72 Burk Rey /2	merrie Dolport
N.E. Writes 2-31-01 24150	Gulf 1-15-13 9-1184 1-24-60 10-154	Hotily Engineers Late 2502 L.C.Horris 5513 4-1-84 L.C-1775 41-92	16 1715 5322	15:26 M.H.	Ameroda 6.52525 61
siltes 9	10		FE MSY 12	17 93 I Crown	
⊕ 70 3094 Garc 3615 Also 3005 Bern 7775 Str 9630	LG-SOIS COM		(I Sustainers)	15.29 Montel 15.4273 Depositor Louis 55.54 Find Worter In Beosley Find, V	1 14 40 A 10 22 20
Swisser	Siele :	State Gulf Mirchell Energy 1 184 (15.23484)	Cooning	MitchellEnerg	y B.S. 17050 Amore On Harris ILC
Harris 11.C-207 L-22-22	Mitchell Energy 10	37 23 Gulf	12: 1 · 63 : G · 1442 / - 16 23 (8 · 1 · 67 15 · 423 75 ≥ 75 ≥	Midwest Int. Ca. 1960 Dobort in L.E. Williams 1980 In 1981 In September 1980 In 1981 I
i6 \ c	15	Gulf a star	Cogging-St. TDP932	3179 JI 18 Michelli Crown I	17 19 19 19 19 19 19 19
Exton Map	Brower Origietal		Dolport NBP	Michell Carrol Energy Centrol B. 1-87 Morue! G-4-27 E Louis 17,73 4 Welter. P. 75-27 H899/ B-10-417	1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1
Stof. 14	29 51.11	Michell Energy	McCiellan	37.67 / Amoco Tex.P	nc. Crown Amerodd J.J. issastruda
369 1-3-65 2-1-63 369	15,45	Corinne Grace Amaca 10 1 - 78	McCiellon Aforiaus	McClellanQil 1 5-1-86	State 170561 Cities Serv.
Kern C ld. Yates Brit And Fed. Pet. 10310 (1 0116	, ,	0 1 5 town 1 (Cachus) 2 3 town 2 1 1 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2	10 10 10 Marriage A Mariage PAN PAN Marriage Machine	L-5 24 20 55 1 65 25 3	- McL 20 Diotes
95 Amere Gulf 16321		Cactus Amoca-	Fed Roork 1 19749 Dalport	Menuel H.B.P. SE Louis T. 5988 Monter 12 4 MBP 18-10417	Tex.Pot. BAM 102776
Americal 125	Votes Pat 19670 8-1-82 19670 U.S. X6S	Ameto Felgeut-Fe	Trol Az Tour	State	State U.S.
15 301 Dolport 2 Lea 15 301 Dolport 2 Lea 15 301 Dolport 2 Lea 16 301 Pet 18 721 2371	Part Office Services	Gulf (Dalpert 1/2) 7:1-80 (Burk Roy) 25460 Cames KGS 105 79 31253	PIIO PAMOCO (Nitt) N-5652 Spu P31 HB	rek P	Crown Confinental Control PBP Menuti 0343765 Wolferty
NE Taits	See HETADII	★ ²	₩ 162020 \ efc	Bogie Farmijne.	B1047-4 29
28- Fart Reu		Our la Roy (Carrier of Carrier o	# 1 KH 6 K 2 K	72 1 10774	* <u>.</u>
Yotes 9-1-00 King 9-1-00 Cempto	J.C. McCretian To 1918 U.S.		. IER! Spurches!	Federal	Work Je
Delpart Burk hay te	Delper vourk frog	(Burk Ray 1/2) 1 to 2050' Dalperf 1/2 (Burk Roy	72)	Octoors Sizes	ton etal a 5053 letol
	Burk Roy 19-1-79 L.C. Hork		DOUBLE "L"	Disc. 10.51 F	+ = -3237
C Horris	TO TO G.R. GIA	Mill Sed 35 BURK	37.7.	Tr.5 to 1018 vol res r	From Hard St. Her Pac Her Pac Her Fac
Delport	Burk Reu, /z J. K. We ell	Christian St. Folgout	. A Sperce	A B 11 5 9/	19 1
13 Mar 26 2 42 19 31-2	14 1 15 35 glat 24 . 1163 in Blat	Andrew of the state of	SAL THATSETE	22 19 15 16 16 16 16 16 16 16 16 16 16 16 16 16	S.A SICities Sery) Cries
S	5-16 4 9-1-69 9-1-67	Grace Grace Control of	CH3 K 4327 (Do	Iports 2 Wester Fes Oil Fingenes Lusk	K-4194 Featherstone Ded 12273 11 12 12 12 12 12 12 12 12 12 12 12 12
U.S & 921-24 Dalgori	1:15 514:5 3 U.5 1:72 (Smenandooh) Guif y.172 (Contier U. 1322 3	Collier	(A)	13 11 11 12 12 10 17 702 10 10 11 10 10	CW Hickseton (Amer Chem)
State State	Water Loc	ler.	T(Me O He man Tr	18 18 18 19 Lusk Iport 2 Wester Fies Did Isom Figure 1 Lusk Iso	inerode Cor fed to 3
y, s		816-6	₹ 15±11	19 (49) (73) NacCollan E	Sabon G. A chase of Control Control



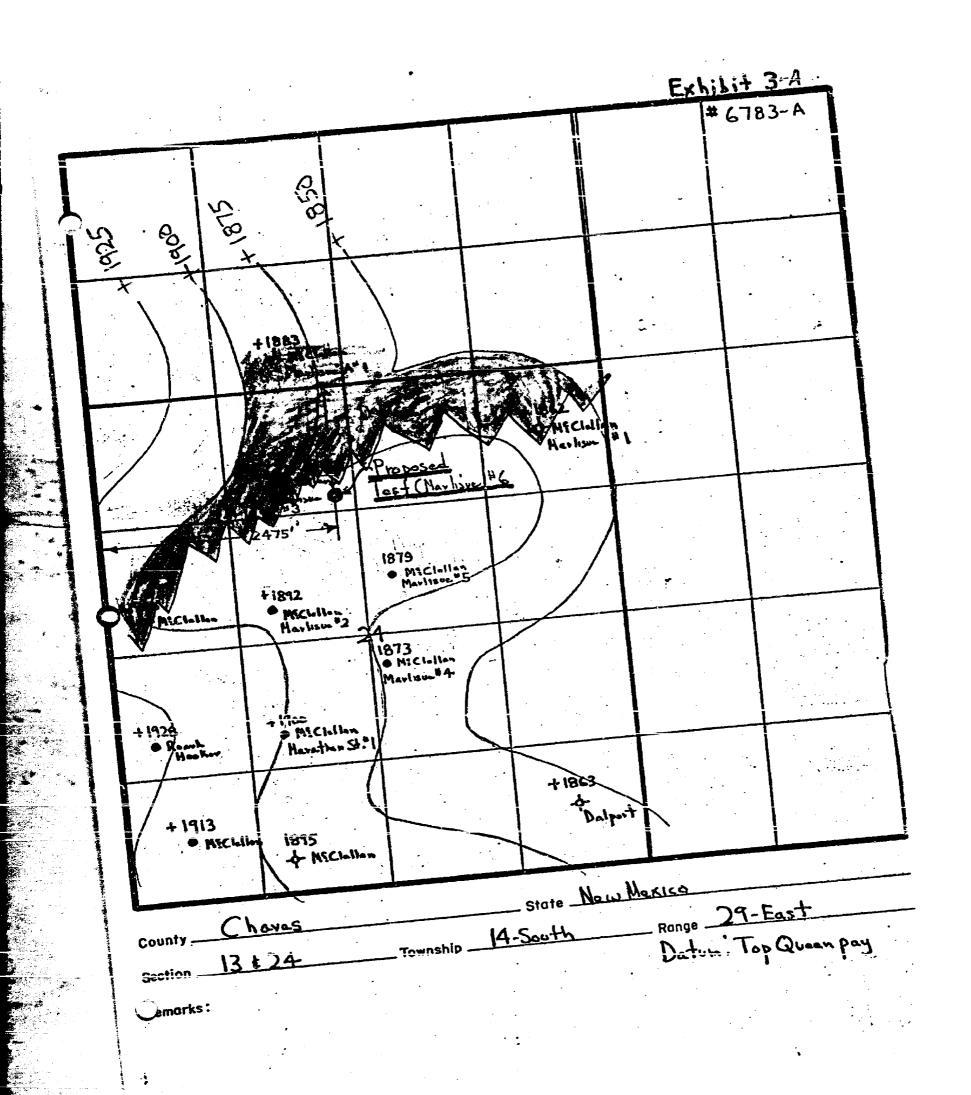
Choss Section B-B'





County Chavas	Sivie Me	w Mexica
Section 13 + 24	Township 14-South	Range 29-East
emarks:		Datum: Top Quaen pay
		5T Rue Jung

Seeder the ADDA!

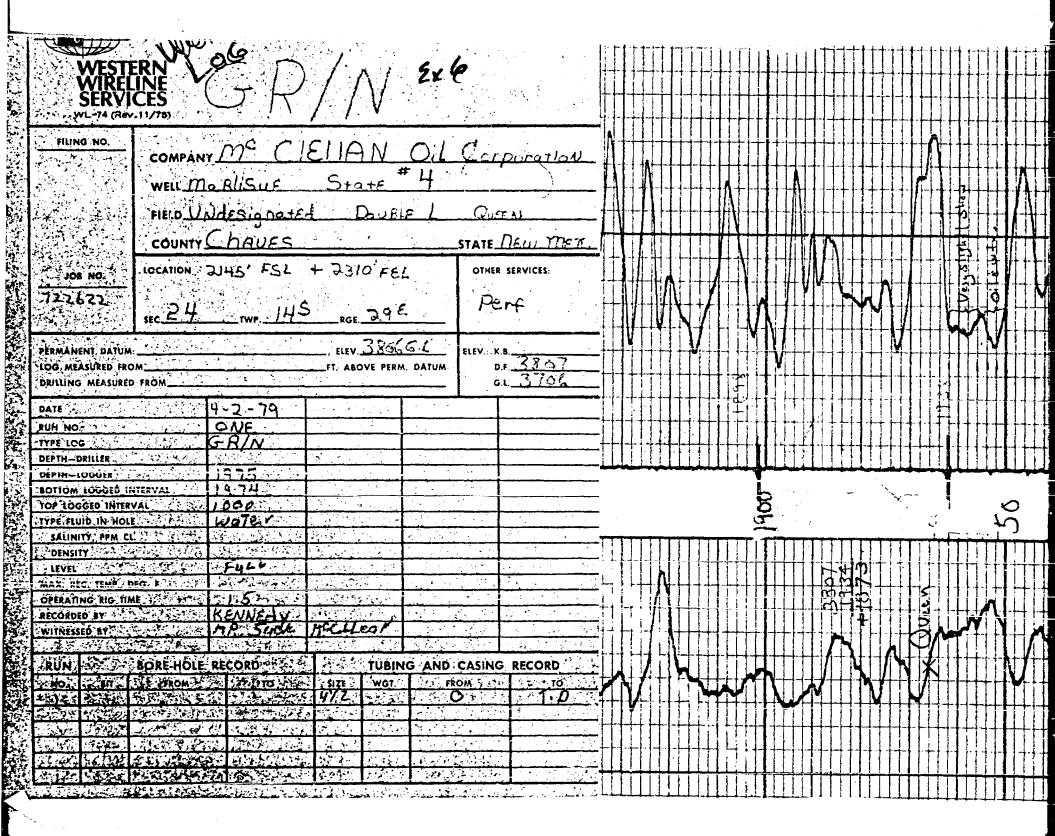


•						Enisit 4
ا ا ام						~ 6783 _.
	·	Mechalian Mechalian Mechalian Mechalian Nofivia A Poyana History			•	
		Mg Ciellan Martison 3	Proposed Last (Marlisva 46)	MECIALIAN Martisuz #1 Nafluid B Anno Arr. S1	mitially Rec.75'cuder	
	Michellan Sunst. 13 Mar Ho fleid ev- gas - Fight	Bagala.oileut mud. Me Clallea Mavlisua #2 Tastad Ithus Rec.toogals oil	Mechallan Marlisoc # 5 Tasted lbr. Roc. 33gala ail			
	Result Hoskor Sun St. # I	Mechillan Mechillan Mechillan Mec. 73 galsoil	Michilas Martisuc#4 Partisuc#4 Prosted Lhr Rec. Fogals with. 13 yals. ail			
·	Michellen Sunsi.#í	Mt Challin Sun St. #2 - Tosted 4 hvs. No fluid av ge		Dalport Sonice St		

County Chaves	State Nau	Mexico	
Section 24	Township 14. South	Range 29-East	
Gemarks:			

warte it readal

	t + 75 i \$1.5 5 7 3 7 7 J. 5	17.2 5030 U.S. Cray H-73	1 033337 y 5.	y.s.! \	<u>, 12.818-4, 1</u> €	i	1
	McCieilanOil, etal 2 J - 76 0353078	McClellanOil,c+ol 2 1 75 0333010 ((McClellan Oil) Hally Energy 0353227	AcCeinn McCletten Oilerst McCleton Oilerst 1-17-77 St 76 KBU 1 KCG45 ILC47 LG47 I McCleton III Major	19,17 12 Galf 1	ЕХНІВІТ 5	<u>.</u> 1
	\133	34 /	Fronklin stol	Charleton A to asset to a to	/ 3	# 6733	
		34	0343484 (CA EE Inc.) No firm Camp.	Coquing 1 2 20 78 /	11- 1- 60 12-272		1
	1: \ 1 . U.S.	U. 8.	U C () 1 1 4 ((())	No King 172 Comp 1172 Comp 172	Begleforms 1. E. Willerus U.S.		
	Rend & Stevens 1 / 12430/ 1		79 : 7 : 21 1 Marie 2 Yotes Exxon Cernel Exxon US 10 : 10 : 1 1 1 1 1 1 1 1 1 1	1000	21 65 al33 81 3125 22 2133 66 1 Amoco 1 1 1 1 23	is a direct thing this is a to a second the second the second to a second to	er Per
!	Kingery - Lynny Fed - TO SHE U.S. / DIR 8-8-9 A	Pannzci Werg'non w.f. F	MWJ 1 Yotes Pet 19:20:50 19:20:50 19:30:7 19:30:7 19:30:7 26:30:7 26:30:7 19:3	Gulf 1.194 2.1931 51.25	1.81 5	15300	
1	3-202 (2-202 (2-202 (Morothon Pennam 9: 5:00 2:16:78 1:4510 1:2440	From the stall	Beil Per Shell St. TO 2000 BAID TO 11	Delport // Bunk Rou 17: 92 U.S & 16:126	/ WH. Baster	
	Sherondoon La tot	Penereill Marathon 2-18-29 Exxort 9-15-80 1-16-80 1-4-613 8-25 8-	State	Glenns Sur Sr Tedson To 3000 HBP Don 8-9-18	Jr. 38 V /	4-meraso-fee 1-26155-5-56 U.S.	
1	N.E Yeles 2-11-05 84150	Gulf 2 - 10 - 12 - 13 - 11 - 12 - 15 - 12 - 15 - 12 - 15 - 15	Gulf 9 1 95 Helly Engetal LE 2222 LC: Herris 538	Gulf 4 - 1 - 8 5 Le 21 7 5 53 22	Dalport /2 Burk Roy /2 7 - s - 82 16:28	Horris Dolport	(4, Do
1	ilter g	361 Guirl 4-1-65 1 G2770 5527	4: 04 16:1725 4142	J. L. McCletlon 8:4:57 10/4:23-73	7737 P M.H. Boxfer; 12-20-76 U.S.	Amerodo 9 - 1 - 72(3) 0103848 8	•
Ť	61 1773 (4) 18 9994 Glec herb Abor 5005	GUNF 10-1 - 65 15-3018 5023	Gulf Frank in Aston 9:1-05 Fair Comp-St LG-2982 Full S-10-78	* 1 ,	17:53 J Committee Total Young State Total		54 F 14 d
9 	Pron 1775 Sev 9039 Swift 29-61 U. 3	Stota	State /	Bell Pet Shell-1254	State Sun ap-St.	[5-ynberg] 12-1-62] 0-17-658	McCiellar Lois Food TD2220 DIAB-7-1
4	Horris Horris 1 LG20N L 220N	Mitchell Energy to 1 - 84 15 2248 55 M	Gulf Mirchell Energy 162344 LG-M63 1 462344 37 23 601f	Coquina 12-1 - 83 LG-1442 / IS-23 (17.51 r 1 Mitchell Energy 8 r 1 · 07 · 07 1	() [2]	ece 1231 414 16 14 1 c
-	i6 \	15	LG-1463	Tohorous 4 Cogning-St. 100932	18	Begle Fame Ine Bon 16	port Ds
	Exxon HBP to MAIS	Brewer Drig, etol . State	Gulf Entroys 1-1-84 Entroys 4-4-465 (1-1-224) 3723 4782	[Doiport]	Michells Crown 1 Energy Centrel 1 6.1-87 Monuel 154-823 (Licuis 1 31.73 AWC/ser.7) 7527 HBO/ 1 8-10417 (Burk Ray /2 Gourley Roy /2 4 7 1 67 A - 1 - 88 12 - 6 - 77 Dolpert 16126 325 pa 3611 / Ect	1
5	14	29 51.16	Mitchell Energy	Delport HBP Monlave B' Oate B' Oate B' McClellon B' Oate B' McClellon McClellon	7527 HbD/ B-10417 	348-975 U.S. 1 Bur	2.7
2		217.63 9.83 2-1-83 57.64 2-1-83	Corinne Groce Amaco 10-1-75 31262 10-466 Dalport	Sun) McCletian Morious 15 800?	9: 1: 82 16635 0:5	B-10417 0109849 12 1-874 1170541	
) i	Kern C. I.d., Yates -Brit And Feed. Pct. 70310 (1 	22 {	1 1 1	San St.	MCLIEHUNUH 5-1-06	1000000 PT	1445 1445 1556 18682 8-12
•	12 Amore Gulf	KING CAM	Cactus 7	Sun'd ego Dalport	NB 36 J Crown Tex Pocific Oil Morphel H.B.P 15 Louis \$5588 3821 4 HBP 16 Louis 15588	McClellan	gene∂i 2776 St
• •	6-62 U.S.	Totes Pet Gulf 8-1-82 196-76 16-335 U.S. KGS	U.S. Folgouf-Fed	Tr.21 1.22-13/937	19:10417 State	MBP TO 2/26 C	♦ ^{1 ਜੋਤੇ}
15	1 - 82	59:20 0:03152. 6007 (12:1-79 (Gulf (Delport 72) 7-1-80 (Burk Roy) 25-80 (Comex 31263	Prio Amoco Million N. 56.52 Spurek MBP	1	Central Control Contro	CEC Opi
	1 E. Voltes 2:1-65 24-56 28- 6-1	B.T.A.Dil	26 (403) (1516) (1516)	PSZ 25 (etal	30	Wefferty 1886 8:240-4 29	
	Calport /2 Burk Rey, /2 Yoles Sign Rey, /2 Yoles Sign Rey, /2 Yoles	H.E. Yotes Co. Inc. Heest St. 1 . 05 . 1 . 05 . 1 . 05 . 1 . 05 . 1 . 05 . 1 . 05 . 1 . 05 . 1 . 05 . 1 . 05 . 1 . 05 . 1 . 05 . 1 . 05 . 1 . 05 . 1 . 05 . 05	(Burk Roul) (00/2:17-53)	1 10418 12 KFC52	M.J. Morvey, Jr. , 9 - 1 - 63 (18994		Ď _{S.I.}
	0.4. T	Headley Fed (4)	Ocidos Folgout	Sipic=018	36.45	State (MGC) U.S.	-,4-11
-	Delpd-† Burk 100; Pt 9 -1 -24	Delper to Durk Four 3 1-85 41-55 24-68 in apport	(Burk Roy 1/2) to 2050 Dalport 1/2 & (Palport 1/2) 5-1 77(3) (Burk Roy)	William Spurck) 7 780761 William Spurck) 7	Dalport Amerado Dissorio Sizno HBP Free Pool M.	K-10-75 HID BC K-10-94 K-10-94 HIZ JOCK	
	igit 33 siete	10215 74 10 10 12	жила 35 рада 90 00. ф. ј	UBLE "L" OF EEN UNIT 136 TE 16 PT		32 St. 11 Peac	tt ²
3	Horris 19814 Delport	G.R. Gibryn A.C. Toylate Dalpert vs Burn Roy /2 5. 1. 2. 2. 3. 4. 4. 4. 4. 4. 4. 4. 4. 4. 4. 4. 4. 4.	76 (334 (0'A \$ 27 59)	Dalpart 10.430-31)=	5 to 2125 Wolfson	McCiellon C-1988 To 222 ALC McCielor	. •
**	24492	16331 Macan	ALLES (MO)U.S. Fed.	DIAT 19-63 Spurck Et.	Amcorred (Fed." April 1	K \$053	\$. 5° 31. 5es 54
	McCaphross	Arcieties Burk Rey, Vz Dolport, Vi Arma F. F. Strand Sepole 18 4-19-70 Self B	Chair district of the first of	Corinne Graces TIANS6TC22 K-4321	TO LUSK	lon etal Chase 1 Palacri 10 Page 1 To 22001 to 2217 Carnaba 2 Carn	47645 2011-1 243' gill
U	S E SIL'S A Doleset Va	F# site 3 U.S	100 Lent haron trains 209 Lent HBC 1272	(440) 146647	Tigging Lust	State 12 3 5	(Amer Organi
-	State Sirk Hou, Fr	D.C. Collier 15 d22 32 11 Co d2	lands collier	State (R.L. Sum F(Me O 1/8 IPhotonicamon att 10:0	Tr. 10 McCarlon Wolf sor	Sizes C W Hicks etal	902 902
L	d.:	Day on one Control	sife.	16.5 St. 16.5 St. 16.5 St. 16.5 St.	B A . C Y . A Y . I f f f A F Y	Fed Trust	rest morte



Docket No. 1-80

)

Dockets Nos. 2-80 and 3-80 are tentatively set for January 16 and 30, 1988. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: EXAMINER HEARING - THURSDAY - JANUARY 3, 1980

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 6770: In the matter of the hearing called by the Oil Conservation Division on its own motion to permit National Perroleum Company and all other interested parties to appear and show cause why its Well No. 1 located 905 feet from the North line and 1155 feet from the West line of Section 22, Township 29 North, Range 11 West, San Juan County, New Mexico, should not be plugged and abandoned in accordance with a Division-approved plugging program.
- CASE 6786: In the matter of the hearing called by the Oil Conservation Division on its own motion to consider the amendment of its administrative procedure for the approval of infill drilling on existing gas proration units as promulgated by Order No. R-6013 to permit the approval of infill wells as new onshore production wells pursuant to the Natural Gas Policy Act of 1978 without notice and hearing even though such wells have been spudded prior to receiving such approval.
- CASE 6771: Application of Cetty Oil Company for a non-standard gas proration unit, Lea County, New Mexico.

 Applicant, in the above-styled cause, seeks approval of a 160-acre non-standard gas proration unit comprising the E/2 SW/4 of Section 31, Township 24 South, Range 37 East, and the NW/4 NE/4 and NE/4 NW/4 of Section 6, Township 25 South, Range 37 East, Jalmat Gas Pool, to be dedicated to a well to be drilled at a standard location thereon.
- Application of Reading & Bates Petroleum Co. for compulsory pooling, Rio Arriba County, New Mexico.

 Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Dakota formation underlying the SE/4 of Section 17, Township 24 North, Range 3 West, Chacon-Dakota Pool, 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. Also to be considered will be the designation of applicant as operator of the well and a charge for risk involved in drilling said well.
- CASE 6773: 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 Pennsylvanian formation underlying the E/2 of Section 20, 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. Also to be considered will be the designation of applicant as operator of the well and a charge for risk involved in drilling said well.
- CASE 6774: Application of Doyle Hartman for an unorthodox location, non-standard proration unit, and approval of infill drilling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of a 120-acre non-standard proration unit comprising the NM/4 NM/4 of Section 6, Township 25 South, Range 37 East, and the W/2 SW/4 of Section 31, Township 24 South, Range 37 East, to be dedicated to his Federal Jalmat Com Well No. 1 at an unorthodox location 590 feet from the North line and 660 feet from the West line of said Section 6; applicant further seeks a finding that the drilling of said well is necessary to effectively and efficiently drain that portion of an existing proration unit which cannot be so drained by the existing well.
- CASE 6/68: (Continued and Readvertised)

Application of Alpha Twenty-One Production Company for two non-standard gas provation units, compulsory pooling, unorthodox well location, and approval of infill drilling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of a 40-acre non-standard gas proration unit comprising the SW/4 SE/4 of Section 21, Township 24 South, Range 37 East, Jalmat Gas Pool, to be dedicated to the EI Paso Natural Gas Company Shell Black Well No. 2. Applicant also seeks an order pooling all mineral interests in the Jalmat Gas Pool underlying the E/2 SW/4 and NW/4 SE/4 of said Section 21 to form a 120-acre non-standard gas proration unit to be dedicated to a well to be drilled at an unorthodox location 990 feet from the South line and 1650 feet from the West line of said Section 21. 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. Also to be considered will be the designation of applicant as operator of the well and a charge for risk involved in drilling said well. Applicant further seeks a finding that the drilling of said well is necessary to effectively and efficiently drain that portion of the existing proration unit which cannot be so drained by the existing well.

Case 0/0/: (Continued from December 12, 1979, Examiner Hearing)

Application of Alpha Twenty-One Production Company for two non-standard gas proration units, unorthodox well location, and approval of infill drilling, lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of a 40-acre non-standard proration unit comprising the NW/4 NW/4 of Section 27, Township 25 South, Range 37 East, Jalmat Gas Pool, to be dedicated to El Paso Natural Gas Company's Harrison Well No. 2, and also a 200-acre unit comprising the S/2 N/2 and NZ/4 NW/4 of said Section 27 to be dedicated to a well to be drilled at an unorthodox location 1980 feet from the North line and 560 feet from the West line of Section 27. Applicant further seeks a finding that the drilling of the Latter well is necessary to effectively and efficiently drain that portion of an existing proration unit which cannot be so drained by the existing well.

CASE 6487: (Continued from October 17, 1979, Examiner Hearing)

Application of El Paso Natural Gas Company for approval of infill drilling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks a waiver of existing well-spacing requirements and a finding that the drilling of its Shell E State Com Well No. 2 located in Unit N of Section 6, Township 21 South, Range 36 East, Eumont Gas Pool, Lea County, New Mexico, is necessary to effectively and efficiently drain that portion of the proration unit which cannot be so drained by the existing well.

CASE 6732: (Continued from November 28, 1979, Examiner Hearing)

Application of Dorchester Exploration, Inc. for an unorthodox oil well location, Lee County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of its Morton Solid State Unit Well No. 1 located 2156 feet from the North line and 990 feet from the West line of Section 4, Township 15 South, Range 34 East, Tres Papalotes-Pennsylvanian Pool.

- CASE 6775: Application of Harvey E. Yates Company for a unit agreement, Lea County, New Mexico.

 Applicant, in the above-styled cause, seeks approval for the Young Deep Unit Area, comprising 2242 acres, more or less, of Federal lands in Township 18 South, Range 32 East.
- CASE 6776: Application of Harvey E. Yates Company for an unorthodox gas well location, Lea County, New Mexico.

 Applicant, in the above-styled cause, seeks approval for the unorthodox location of its Young Deep
 Unit Well No. 1, a Morrow test to be drilled 660 feet from the North and West lines of Section 10,
 Township 18 South, Range 32 East, the W/2 of said Section 10 to be dedicated to the well.
- CASE 6777: Application of Harvey E. Yates Company for an NGPA determination, Eddy County, New Mexico.

 Applicant, in the above-styled cause, seeks a new onshore reservoir determination for its Amoco
 22 State Well No. 2 located in Unit G of Section 22, Township 23 South, Range 27 East.
- Application of Harvey E. Yates Company for an NGPA determination, Eddy County, New Mexico.

 Applicant, in the above-styled cause, seeks a new onshore reservoir determination for its Loco Hills Welch Well No. 2 located in Unit N of Section 4, Township 18 South, Range 29 East.
- CASE 6745: (Continued from November 28, 1979, Examiner Hearing)

Application of Harvey E. Yates Company 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 W/2 of Section 28, Township 23 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. Also to be considered will be the designation of applicant as operator of the well and a charge for risk involved in drilling said well.

- Application of Tales PetroLeum Corporation for a unit agreement, Lea County, New Mexico.

 Applicant, in the above-styled cause, seeks approval for the Pronghorn Unit Area, comprising 5,120 acres, more or less, of State and Federal lands in Townships 22 and 23 South, Range 33 East.
- CASE 6780: Application of Yates Petroleum Corporation for a unit agreement, Eddy County, New Mexico.

 Applicant, in the above-styled cause, seeks approval for the Serpentine Bends Unit Area, comprising 4,802 acres, more or less, of State and Federal lands in Township 24 South, Ranges 23 and 24 East.
- CASE 6781: Application of Yates Petroleum Corporation for an unorthodox gas well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of a Morrow test well to be drilled 660 feet from the South line and 1980 feet from the East line of Section 1, Township 20 South, Range 28 East, the E/2 of said Section 1 to be dedicated to the well.

CASE 5782: Application of Inexco 011 Company for an exception to Order No. R-3221, Lea County, New Mexico.

Applicant, in the above-styled cause, seeks an exception to Order No. R-3221 to permit disposal of produced brine into an unlined surface pit located in Unit II of Section 7, Township 19 South, Range 33 East.

CASE 6783:

Application of McClellan Oil Corporation for an unorthodox oil well location, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of its Marlisue State Well No. 6 located 1155 feet from the North line and 2475 feet from the West line of Section 24, Township 14 South, Range 29 East, Double "L"-Queen Associated Pool, the NE/4 NW/4 of said Section 24 to be dedicated to the well.

CASE 6784: Application of Merrion & Bayless for a non-standard proration unit and an unorthodox gas well location, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval for a 640-acre non-standard gas proration unit comprising the W/2 of Section 18 and the W/2 of Section 19, Township 32 North, Range 14 West, Barker Creek-Paradox Pool, to be dedicated to its Ute Well No. 7 at an unorthodox location 1685 feet from the South line and 3335 feet from the East line of said Section 19

In the alternative, applicant seeks an order force pooling all of said Section 19 to form a standard 640-acre unit.

Application of The Harlow Corporation for compulsory pooling, Chaves County, New Mexico.

Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the San Andres formation underlying the SW/4 SW/4 of Section 18, Township 8 South, Range 29 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. Also to be considered will be the designation of applicant as operator of the well and a charge for risk involved in drilling said well.



McClellan Oil Corporation

November 27,

OIL CONSERVATION DIVISION

Energy and Minerals Department Oil Conservation Division Post Office Box 2088 Santa Fe, New Mexico 87501

Cuse 6783

Re:

McClellan Oil Corporation Marlisue State No. 6 1155' FNL & 2475' FWL Section 24-T14S-R29E

J.M. Clale

Gentlemen:

This letter is to request a hearing before this Commission for a Non-Standard Location as described in the caption above. This well is located in the Undesignated Double "L" Queen Associated Pool of Chaves County, New Mexico. It is further requested that the hearing be scheduled on the January 3, 1980 Docket in order to determine the feasibility of this Non-Standard Location request. The acreage dedication to this well would be the NE½NW½ of Section 24. Thank you for your cooperation in this matter.

Sincerely,

Jack L. McClellan

President

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:

ORDER NO. R- 6253
APPLICATION OF McCLELLAN OIL CORPORATION
FOR AN UNORTHODOX OLL WELL LOCATION,
HAVES COUNTY, NEW MEXICO.
ORDER OF THE DIVISION
BY THE DIVISION:
This cause came on for hearing at 9 a.m. on January 3
19 80 , at Santa Fe, New Mexico, before Examiner Richard L. Stamets
NOW, on this day of January, 1980, 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 for its Marlisue State Well No. 6 legated to be drilled at a faint seeks approval of an unorthodox oil well location/
feet from the North line and 2475 feet from the
West line of Section 24 , Township 14 South
Range 29 East , NMPM, to test the Queen
formation, Double "L" Queen Associated Pool, Chaves
County, New Mexico.
(3) That the NE/4 NW/4of said Section 24 is to be
dedicated to the well.
(4) That a well at said unorthodox location will better
enable applicant to produce the oil underlying the proration unit.
(5) That no offset operator objected to the proposed unorthod
location.

CASE NO. 6783

-2-	
Case No.	
Order No.	R-

(5) That approval of the subject application will afford the applicant the opportunity to produce its just and equitable share of the oil 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:

(1) That an unorthodox oil well location for the Queen the McClellan Oil Corporation Marlisue State Well No. 6 formation is hereby approved for/** to be drilled at a point 1155
feet from the North line and 2475 feet from the West
line of Section 24 , Township 14 South , Range 29 East
NMPM, Double "L" Queen Associated Pool, Chaves County,
New Mexico.

- (2) That the NE/4 of said Section 24 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.