

Entered January 16, 1979  
JHR

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. 6410  
Order No. R-5907

APPLICATION OF CARL A. SCHELLINGER  
FOR AN UNORTHODOX LOCATION, EDDY  
COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on December 20, 1978, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 16th day of January, 1979, 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, Carl A. Schellinger, seeks approval of an unorthodox gas well location for a proposed Pennsylvanian test to be drilled 660 feet from the South line and 1650 feet from the West line of Section 1, Township 22 South, Range 24 East, NMPM, to test the Upper Pennsylvanian formation, McKittrick Hills Field, Eddy County, New Mexico.
- (3) That the S/2 of said Section 1 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

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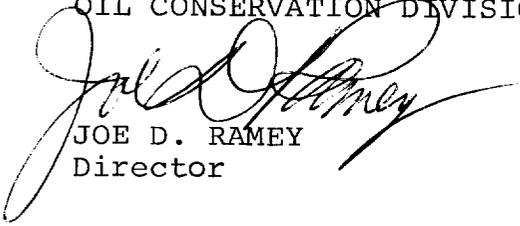
loss caused by the drilling of unnecessary wells, avoid the augmentation of risk arising from the drilling of an excessive number of wells, and will otherwise prevent waste and protect correlative rights.

IT IS THEREFORE ORDERED:

- (1) That an unorthodox gas well location for the Upper Pennsylvanian formation is hereby approved for the Carl A. Schellinger McClelland-Holly Federal Well No. 1 to be located at a point 660 feet from the South line and 1650 feet from the West line of Section 1, Township 22 South, Range 24 East, NMPM, McKittrick Hills Field, Eddy County, New Mexico.
- (2) That the S/2 of said Section 1 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  
Director

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