

Entered March 16, 1979
JLR

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. 6462
Order No. R-5946

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

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on February 28, 1979, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 16th day of March, 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, McClellan Oil Corporation, seeks approval of an unorthodox location for its Marlisue State Well No. 3 located 1155 feet from the North line and 1485 feet from the West line of Section 24, Township 14 South, Range 29 East, NMPM, 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 gas underlying the proration unit.
- (5) That no offset operator objected to the proposed unorthodox location.

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

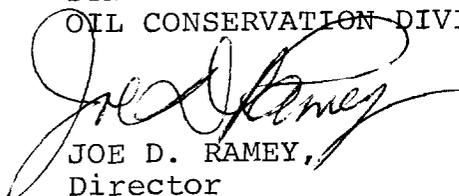
(1) That an unorthodox well location is hereby approved for the McClellan Oil Corporation Marlisue State Well No. 3 located at a point 1155 feet from the North line and 1485 feet from the West line of Section 24, Township 14 South, Range 29 East, NMPM, Double "L"-Queen Associated Pool, Chaves County, 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, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION



JOE D. RAMEY,
Director

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