



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON
Governor
Betty Rivera
Cabinet Secretary

February 27, 2002

Lori Wrotenbery
Director
Oil Conservation Division

Mr. Carl A. Schellinger
P.O.Box 447
Roswell, NM 88202

Re: OCD Case No. 12733

Dear Mr. Schellinger:

Your letter of February 22, 2002 requesting *de novo* review of the order entered requiring you to bring two wells into compliance with OCD Rule 201 and imposing a civil penalty has been referred to my attention.

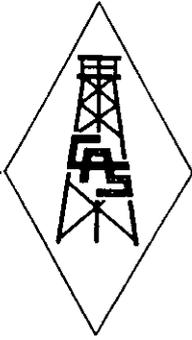
I regret to inform you that your request for review of this order by the Oil Conservation Commission is not timely. The order in question was issued on January 15, 2002, and you were notified thereof by letter dated January 16. Pursuant to NMSA 70-2-13, appeals for review of Division orders by the Commission must be filed within thirty (30) from the time such decision is rendered. The last day for filing an appeal from the referenced order was February 14, 2002.

Should you have any questions, please call me at (505)-476-3450.

Very truly yours,

David K. Brooks
Assistant General Counsel

cc: Lori Wrotenbery, OCD Director
Steve Ross, OCC Counsel
Tim Gum, OCD District II Supervisor



CARL A. SCHELLINGER

BUS. (505) 623-2328
FAX. (505) 623-8456

Oil Properties

February 22, 2002

Lori Wrotenbery, Director
New Mexico Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, NM 87505

Re: OCD Order Case No. 12733

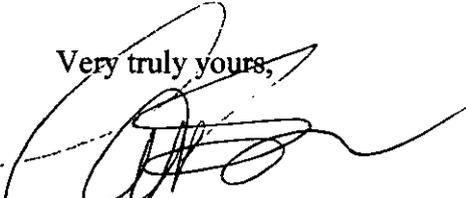
Dear Ms. Wrotenbery:

As discussed with the NMOCD Artesia office prior to the October 4th hearing we have plugged the Mahun State Well #1 as evidenced by the enclosed C-103. We had to pay a premium in order to hire a pulling unit for the project; the lack of same has been a problem for some time.

Insofar as the well situated on Federal (Exxon Fed.) lands is concerned it is our intention to place the well back on production as soon as practical; in the event we are unable to produce sufficient marketable gas within the next 60 days, the well will be plugged.

We trust the foregoing will be sufficient to serve as our request for de-novo review by the NM Oil Conservation Commission of the assessed penalty. In the event you require something additional, please advise.

Very truly yours,



Carl A. Schellinger

CAS/cs
Enclosure

OIL CONSERVATION DIV.
02 FEB 27 PM 1:12

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

OIL CONSERVATION DIVISION
P.O. Box 2088
Santa Fe, New Mexico 87504-2088

WELL API NO.	30-015-20138
5. Indicate Type of Lease	STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No.	L-185

<p align="center">SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE 'APPLICATION FOR PERMIT' (FORM C-101) FOR SUCH PROPOSALS.)</p>			
1. Type of Well: OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER		7. Lease Name or Unit Agreement Name Mahun State	
2. Name of Operator CARL A. SCHELLINGER		8. Well No. 1	
3. Address of Operator P. O. Box 447, Roswell, NM 88202-0447		9. Pool name or Wildcat Rocky Arroyo WFC	
4. Well Location Unit Letter <u>F</u> : <u>1800</u> Feet From The <u>North</u> Line and <u>1980</u> Feet From The <u>West</u> Line Section <u>16</u> Township <u>22 South</u> Range <u>22 East</u> NMPM <u>EDDY</u> County			
10. Elevation (Show whether DF, RKB, RT, GR, etc.) 4347 GL			

11. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data

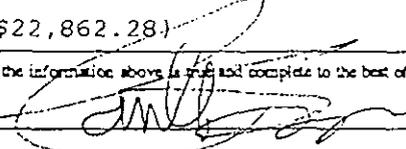
NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	PLUG AND ABANDONMENT <input checked="" type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>		CASING TEST AND CEMENT JOB <input type="checkbox"/>	
OTHER: <input type="checkbox"/>		OTHER: <input type="checkbox"/>	

12. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work) SEE RULE 1103.

- 10-11-01 RU Unseat Pkr, Pulled 198 jts 2 7/8' tbg & Pkr.
- 10-12-10 RU Wireline, Ran CIBP set at 6400'; TOH w/tbg open end; Circ. hole w/salt gel; Spotted 30' cement plug on CIBP; Set cement plugs as follows:
 - a) 50 sx plug at 5050' (Wfc)
 - b) 30 sx plug at 3350' (BS)
 - c) 30 sx plug at 1850' (8 5/8" shoe)
 - d) 10 sx plug at surface
- 10-13-01 Lay down tbg, installed dry hole marker;
- 10-14-01 Cleaned up location, ready for inspection.

(Cost: \$22,862.28)

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE  TITLE Operator DATE Nov. 2, 2001

TYPE OR PRINT NAME CARL A. SCHELLINGER TELEPHONE NO. 623-2328

(This space for State Use)

APPROVED BY _____ TITLE _____ DATE _____

CONDITIONS OF APPROVAL, IF ANY: