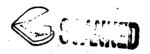


McClellan Oil Corporation





October 30, 1974

New Mexico Oil Conservation Commission Post Office Box 2088 Santa Fe, New Mexico 87501

Unit 17-15-30

Re: Federal 17 No. 1

NM 0554966

Attention: Mr. Don Nutter

Gentlemen:

This letter is to request an exception to Rule 107 - D of the Commission Rules and Regulations. The reasons for this request are as follows:

- 1. 8-5/8" casing is set @ 598' and cemented with 150 sacks.
- 2. $5\frac{1}{2}$ " casing is set @ 2225' and cemented with 150 sacks.
- 3. The GOR of this well is 0.
- 4. The bottom hole pressure is 600 700 lbs.
- 5. The well is capable of producing in excess of 1000 MCF/day.
- 6. To avoid unnecessary waste of running tubing in an excessively inflated market.

It is respectfully requested that this well be excluded from this rule.

Very truly yours,

Nack L. McClellan

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OIL CONSERVATION COMMISSION P. O. BOX 2088

SANTA FE NEW MEXICO 87501

November 15, 1974

McClellan Oil Corporation P. O. Box 848 Roswell, New Mexico 88201

Attention: Mr. Jack L. McClellan

Administrative Order TX-45

Gentlemen:

Reference is made to your letter of October 10, 1974, wherein you request an exception to the provisions of Commission Rule 107 (d) 2 for your Federal 17 Well No. 1, located in Unit A of Section 17, Township 15 South, Range 30 East, Chaves County, New Mexico, to permit the production of gas from the Queen formation through the 5 1/2-inch casing. It is our understanding that 8 5/8-inch casing is set at 598 feet in this well and cemented with 150 sacks of cement. Further, that no liquids are produced with the gas.

Pursuant to the authority granted me by Rule 107 (d) 4, McClellan Oil Corporation is hereby authorized to produce the subject well through the casing, provided however, that the Commission reserves the right to rescind this authority at any time that it appears that waste or reservoir damage may be resulting therefrom.

Very truly yours,

A. L. PORTER, Jr. Secretary-Director

ALP/DSN/oq

cc: Oil Conservation Commission - Artesia
Oil & Gas Engineering Committee - Hobbs
U. S. Geological Survey - Artesia