

OIL CONSERVATION COMMISSION

P. O. BOX 2088

SANTA FE, NEW MEXICO 87501

July 1, 1976

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

Attention: Mr. Jack L. McClellan

Administrative Order NSL-780

Gentlemen:

Reference is made to your application dated June 23, 1976, for administrative approval to drill your Sulimar Queen Unit Tract I Well No. 12 at an unorthodox location 810 feet from the North line and 1490 feet from the West line of Section 24, Township 15 South, Range 29 East, NMPM, Sulimar-Queen Pool, Chaves County, New Mexico.

It is our understanding that depending upon the outcome of test results upon completion, this well may be put on producing status or made into a water injection well. In case of the latter event, approval for conversion to water injection will be sought in accordance with the provisions of Rule 701.

Inasmuch as this is an interior well within the boundaries of the Sulimar Queen Unit Area, and there are no offset operators, approval is hereby given for the unorthodox location described above.

Very truly yours,

JOE D. RAMEY,  
Secretary-Director

JDR/DSN/dr

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