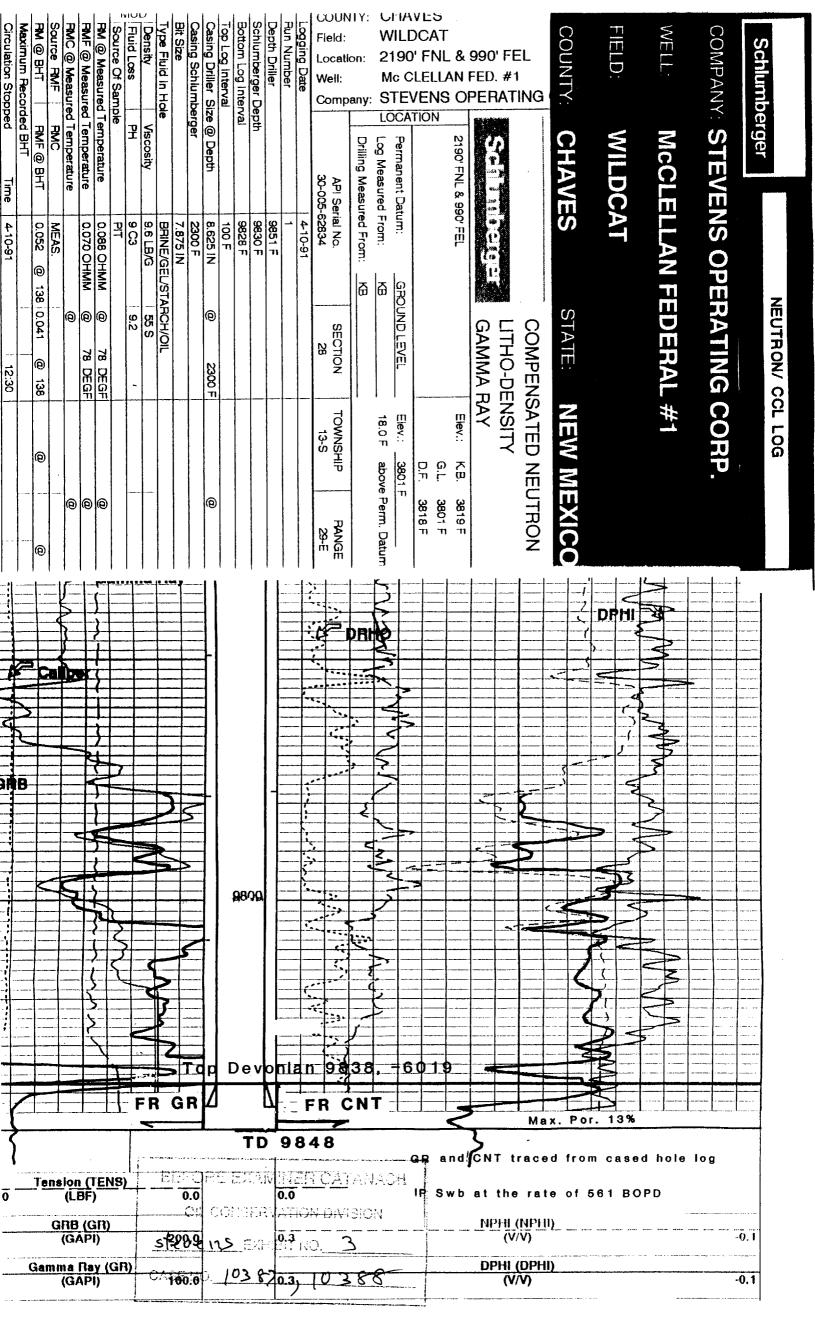


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3D Seismic Control





September 18, 1991

Oil Conservation Division New Mexico Oil Department of Energy, Minerals and Natural Resources State Land Office Building Santa Fe, New Mexico 87503

Re: Case # 10388 Unorthodox Location Lone Wolf, South Devonian Township 13 South, Range 29 East

Gentlemen:

McClellan Oil Corporation, an overriding royalty and lease owner and offsetting operator in Section 22 (and offsetting operator in Sections 21 and 28 subject to a farmout agreement with Stevens Oil Company) in the immediate area of the Stevens Operating Corporation #6 McClellan well, hereby supports the proposed Application of Stevens Operating Corporation for the unorthodox location under the 660' lease setback rules of Order No. R-9514. The unorthodox location is necessary to secure maximum structural position without impairing correlative rights.

McClellan Oil Corporation supports Stevens Oil Company's request for a preferred location of 660 feet from the north line and 100 feet from the west line of Section 27. However, we understand there are some archeological concerns with regard to this location. Therefore, we also support the request for an alternative location (in the event archeological concerns cannot be resolved with regard to the preferred location) of 500 feet from the north line and 330 feet from the west line

Additionally, McClellan Oil Corporation, as offset operator, agrees to waive notice of this hearing.

Your granting of the application as presented without reduction in allowable will work to the best interest of all concerned in the development of this newly discovered pool.

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Very Truly Yours, McCLELLAN OIL CORPORATION

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Mark McClellan, Vice President



September 18, 1991

Oil Conservation Division New Mexico Oil Department of Energy, Minerals and Natural Resources State Land Office Building Santa Fe, New Mexico 87503

Re: Case # 10387 Unorthodox Location Lone Wolf, South Devonian Township 13 South, Range 29 East

Gentlemen:

McClellan Oil Corporation, an overriding royalty and lease owner (and offsetting operator of Section 28 lands subject to a farmout agreement with Stevens Oil Company) in the immediate area of the Stevens Operating Corporation #5 McClellan well, hereby supports the proposed Application of Stevens Operating Corporation for the unorthodox location under the 660' lease setback rules of Order No. R-9514. The unorthodox location is necessary to secure maximum structural position without impairing correlative rights.

McClellan Oil Corporation supports a location of 1700 feet from the South line and 280 feet or more from the west line of Section 27. We understand that there are potential archeological concerns in regard to the original location that have necessitated the movement of the location from the originally proposed location.

Additionally, McClellan Oil Corporation, as offset operator, agrees to waive required notice of this hearing.

Your granting of the application as presented without reduction in allowable will work to the best interest of all concerned in the development of this newly discovered pool.

> Very Truly yours, McCLELLAN OIL CORPORATION

Mark M: Cellan

Mark McClellan, Vice president

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