

*Entered July 11, 1966  
C.L.P.*

BEFORE THE OIL CONSERVATION COMMISSION  
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING  
CALLED BY THE OIL CONSERVATION  
COMMISSION OF NEW MEXICO FOR  
THE PURPOSE OF CONSIDERING:

CASE No. 3421  
Order No. R-3088

APPLICATION OF HANSON OIL COMPANY  
FOR AN EXCEPTION TO COMMISSION ORDER  
NO. R-111-A, LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on June 29, 1966, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 11th day of July, 1966, the Commission, a quorum being present, 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 Commission has jurisdiction of this cause and the subject matter thereof.

(2) That the applicant, Hanson Oil Company, seeks approval of a special cementing and casing program for its Federal "RB" Well No. 2 to be drilled in Unit G of Section 21, Township 20 South, Range 34 East, NMPM, Middle Lynch-Yates Pool, Lea County, New Mexico, as an exception to the casing and cementing rules prescribed for the Potash-Oil Area by Order No. R-111-A.

(3) That the proposed drilling, casing, cementing, and abandonment program should prevent waste of oil, gas, water, and commercial potash deposits by the subject well.

(4) That approval of the subject application will relieve the applicant of unnecessary operating expenses, and will otherwise prevent waste and protect correlative rights.

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IT IS THEREFORE ORDERED:

(1) That the applicant, Hanson Oil Company, is hereby granted an exception to the casing and cementing requirements of the rules and regulations governing the Potash-Oil Area, promulgated by Order No. R-111-A, to drill, case, cement, and abandon its Federal "RB" Well No. 2 to be drilled in Unit G of Section 21, Township 20 South, Range 34 East, NMPM, Middle Lynch-Yates Pool, Lea County, New Mexico, in accordance with the following program:

CASING, CEMENTING, AND ABANDONMENT PROCEDURE

1. Applicant shall drill to approximately 65 feet, set 13 3/8-inch casing, and cement to surface; deepen and mud-in 10 3/4-inch casing to a depth of approximately 800 feet; drill to approximately 1600 feet and mud-in 8 5/8-inch casing; drill into the Seven Rivers formation and set 5 1/2-inch casing.
2. The 5 1/2-inch production casing shall be set below the base of the Tansill formation and tacked with not less than 25 sacks of cement before drilling into the productive formation.
3. In the event production is obtained in commercial quantities, applicant shall pull the 10 3/4-inch and the 8 5/8-inch casing and cement the 5 1/2-inch production casing to the surface.
4. If commercial production is not obtained or upon plugging the well subsequent to depletion, the well shall be plugged and abandoned in accordance with the program as set forth and described in Commission Order No. R-111-A.
5. Applicant shall notify the Hobbs District Office of the date and hour casing is to be run and cemented and the date and hour the well is to be plugged.

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(2) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO  
OIL CONSERVATION COMMISSION

  
JACK M. CAMPBELL, Chairman

  
GUYTON B. HAYS, Member

  
A. L. PORTER, Jr., Member & Secretary

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