

October 3, 1957

New Mexico Oil Conservation Commission
P. O. Box 871
Santa Fe, New Mexico

CASE NO. 1326

Re: Application of Southern California Petroleum Corporation for hearing at the regular monthly meeting of the Commission October 17, 1957, at Santa Fe, New Mexico, for an order to establish special pool rules for the Teas Pool, Lea County, New Mexico; said order to provide a casing program for wells to be drilled in said pool involving exceptions to the shallow-zone casing requirements of Commission Order R-111-A.

1. Southern California Petroleum Corporation operates seven of the fifteen wells presently producing from the Yates formation in the Teas Pool. The discovery well was completed in March 1951. Recent completion of Southern California Petroleum Corporation Federal-Bobb "C" No. 1 indicates further drilling will probably extend the pool east of the present limits.
2. Commission Order R-111-A dated October 13, 1955, sets forth certain strict casing requirements for shallow-zone wells which Southern California Petroleum Corporation considers an economic hardship on operators in this shallow pool. Only two wells have been drilled in the Teas Pool since the effective date of Order R-111-A. The productive area of the Teas Pool lies wholly within the horizontal and vertical limits of the shallow-zone Potash-Oil Area as set forth by Order R-111-A.
3. The following casing programs are proposed which require an order in exception to Order R-111-A Surface Casing IV - 2 (a) & Salt Protection String IV - 3 (a) & IV - 3 (b):

ROTARY TOOLS

Surface Casing into the top of the "Red Beds". Cemented to surface.

Production Casing to be set below the base of the Tansill formation and tacked until it has been determined that commercial production has been obtained, in which event said production string shall be cemented to the surface.

CABLE TOOLS

Surface Casing to be set into the top of the "Red Beds". Mudded in or cemented to surface.

Cave Casing String to be set in the Chinle formation and mudded in.

Water Shut-off Casing to be set through the Santa Rosa formation and into the Dewey Lake formation and mudded in.

Production Casing to be set below the base of the Tansill formation and tacked until it has been determined that commercial production has been obtained, in which event all upper strings of casing mudded in may be pulled and said production casing shall be cemented to the surface.

4. All requirements of Commission Order R-111-A not specifically excepted shall be strictly followed for subsequent wells drilled in the Teas Pool.
5. The proposed casing programs will permit the economic recovery of oil, gas and potash minerals in the Potash-Oil Area and prevent waste, protect correlative rights and assure maximum conservation of the oil, gas and potash resources of New Mexico.

6. All productive acreage in the Teas Pool is on Federal Government land.
7. This application to confirm telegram to the Commission September 26, 1957, requesting said hearing. Case No. 1326 has been assigned this application.
8. Copies of this application, together with attached area plat, have this date been sent to:
 - 1 - Potash Company of America
Attention of Mr. D. E. Protz
Box 31
Carlsbad, New Mexico
 - 3 - U.S.G.S.
Box 187
Artesia, New Mexico
 - 3 - New Mexico Oil Conservation Commission
Santa Fe, New Mexico
 - 1 - New Mexico Oil Conservation Commission
Hobbs, New Mexico
 - 2 - Anderson-Prichard Oil Corporation
Box 196
Midland, Texas
 - 1 - W. H. Black
Box 174
Midland, Texas

SOUTHERN CALIFORNIA PETROLEUM CORP.



Division Engineer