

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

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

CASE NO. 1326
Order No. R-1078

APPLICATION OF SOUTHERN CALIFORNIA
PRODUCTION CORPORATION FOR AN ORDER
PROMULGATING SPECIAL RULES AND
REGULATIONS FOR THE TEAS POOL IN THE
POTASH-OIL AREA OF LEA COUNTY, NEW
MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on October 17, 1957, at Santa Fe, New Mexico, before the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission."

NOW, on this 29th day of October, 1957, the Commission, a quorum being present, having considered the application and the evidence adduced 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 Teas Pool, as presently defined, lies entirely within the boundaries of the Potash-Oil Area as established by Order No. R-111-A.

(3) That the applicant seeks an order of the Commission establishing Special Rules and Regulations for the Teas Pool authorizing the casing program hereinafter set forth in lieu of the shallow zone casing program prescribed by Order No. R-111-A:

CABLE TOOLS CASING PROGRAM

Surface Casing to be set in the top of the
"Red Beds" and mudded in.

Cave Casing to be set in the Chinle formation,
if necessary, and mudded in.

Water Shut-Off Casing to be set through the
Santa Rosa formation and into the Dewey
Lake formation and cemented to the surface
in which case all upper strings of casing
may be pulled.

Production Casing to be set below the base of the Tansill Dolomite and if a show of oil in the Yates formation is to be evaluated, this casing is to be tacked with cement. If it is determined that commercial production has been obtained, said production casing shall be cemented at least 50 feet up into the water shut-off casing.

(4) That all other provisions of Order No. R-111-A not specifically excepted by this order should be strictly followed for subsequent wells drilled in the Teas Pool.

(5) That no rotary tools casing exception should be made to the program prescribed by Order R-111-A since no rotary tools drilling is presently anticipated in the Teas Pool.

(6) That any exception in the Teas Pool to the casing program prescribed by Order R-111-A should be made subject to approval by the U. S. Geological Survey, since all of the acreage in the Teas Pool, as presently defined, is owned by the United States of America.

(7) That at present there are no potash operators in the immediate area of the Teas Pool; however, Potash Company of America does have potash prospecting permits from the United States of America covering a major portion of the area.

(8) That Potash Company of America should be considered as a "potash operator" in the area of the Teas Pool for purposes of notice and rights of inspection accorded potash operators by Order R-111-A.

IT IS THEREFORE ORDERED:

(1) That Special Rules and Regulations for the Teas Pool be and the same are hereby promulgated as follows:

SPECIAL RULES AND REGULATIONS FOR THE TEAS POOL

RULE 1. All wells commenced in the Teas Pool within the boundaries of the Potash-Oil Area, as defined by Order R-111-A, shall be drilled and operated in accordance with the provisions of Order No. R-111-A, provided however, that the operator of any such well shall have the option of following the casing program hereinafter set forth in lieu of the shallow-zone casing program prescribed by Order R-111-A, subject to approval of said casing program by the United States Geological Survey:

CABLE TOOLS CASING PROGRAM

Surface Casing to be set in the top of the "Red Beds" and mudded in.

Cave Casing to be set in the Chinle formation, if necessary, and mudded in.

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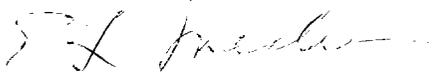
Water Shut-Off Casing to be set through the Santa Rosa formation and into the Dewey Lake formation and cemented to the surface, in which case all upper strings of casing may be pulled.

Production Casing to be set below the base of the Tansill Dolomite and if a show of oil in the Yates formation is to be evaluated, this casing is to be tacked with cement. If it is determined that commercial production has been obtained, said production casing shall be cemented at least 50 feet up into the water shut-off casing.

RULE 2. That Potash Company of America shall be considered as a "potash operator" in the area of the Teas Pool for purposes of notice and rights of inspection accorded potash operators by Order No. R-111-A.

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION



EDWIN L. MECHEM, Chairman



MURRAY E. MORGAN, Member



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



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