

NEW MEXICO OIL CONSERVATION COMMISSION

SANTA FE, NEW MEXICO

APPLICATION OF THE ATLANTIC REFINING
COMPANY FOR AN AMENDMENT OF RULE 115
OF THE RULES AND REGULATIONS OF THE
NEW MEXICO OIL CONSERVATION COMMISSION
ENTITLED "WELL AND LEASE EQUIPMENT"

To the New Mexico Oil Conservation Commission
Santa Fe, New Mexico

Comes The Atlantic Refining Company and hereby makes application for an amendment of Rule 115 of the Rules and Regulations of the New Mexico Oil Conservation Commission entitled "Well and Lease Equipment" and respectfully requests that a hearing thereon be called on the motion of the Commission at the request of applicant and in support thereof shows:

1. That Rule 115 now in effect is as follows:

"RULE 115: WELL AND LEASE EQUIPMENT

Christmas tree fittings or wellhead connections with a working pressure equivalent to at least 150% of the calculated or known pressure in the reservoir from which production is expected shall be installed and maintained in first class condition so that on flowing wells, gas-oil ratio, static bottom hole or other pressure tests may be easily made. Valves shall be installed and maintained in good working order to permit pressures to be obtained on both casing and tubing. Each flowing well shall be equipped to control properly the flowing of each well, and in case of an oil well, shall be produced into an oil and gas separator of a type generally used in the industry."

2. That applicant requests that said Rule 115 be amended to read as follows:

"RULE 115: WELL AND LEASE EQUIPMENT

Christmas tree fittings or wellhead connections shall be installed and maintained in first class condition so that on flowing wells, gas-oil ratio, static bottom hole or other pressure tests may be easily made. For oil wells the Christmas tree shall have a test pressure rating at least equivalent to the calculated or known pressure in the reservoir from which production is expected, and for gas wells the Christmas tree shall have a test pressure equivalent to at least 150% of the calculated or known pressure in the reservoir from which production is expected. Valves shall be installed and maintained in good working order to permit

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pressures to be obtained on both casing and tubing. Each flowing well shall be equipped to control properly the flowing of each well, and in the case of an oil well, shall be produced into an oil and gas separator of a type generally used in the industry."

3. That applicant believes that it is in the interest of economy that said rule be amended substantially as above suggested in that the present rule requires the installation in some instances of much more expensive equipment than is actually necessary or in the interest of safety. As an illustration, if a well is being completed in a reservoir which has a pressure of 3,500 psi under the present rule the Christmas tree needed for this well must have a working pressure of at least 5,250 psi. API Christmas trees are manufactured in working pressures of 960 psi, 2,000 psi, 3,000 psi, 5,000 psi and 10,000 psi; therefore, to meet the existing rule requirement, it would be necessary to use a 10,000 psi working pressure Christmas tree to complete the well. Actually, even if the well was completed in a gas reservoir, a 3,000 psi working pressure tree would be adequate. It would, therefore, appear that the present rule requires the installation of wellhead equipment rated greatly in excess of what would actually be necessary to safely control the well at all times.

Respectfully submitted,

THE ATLANTIC REFINING COMPANY

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