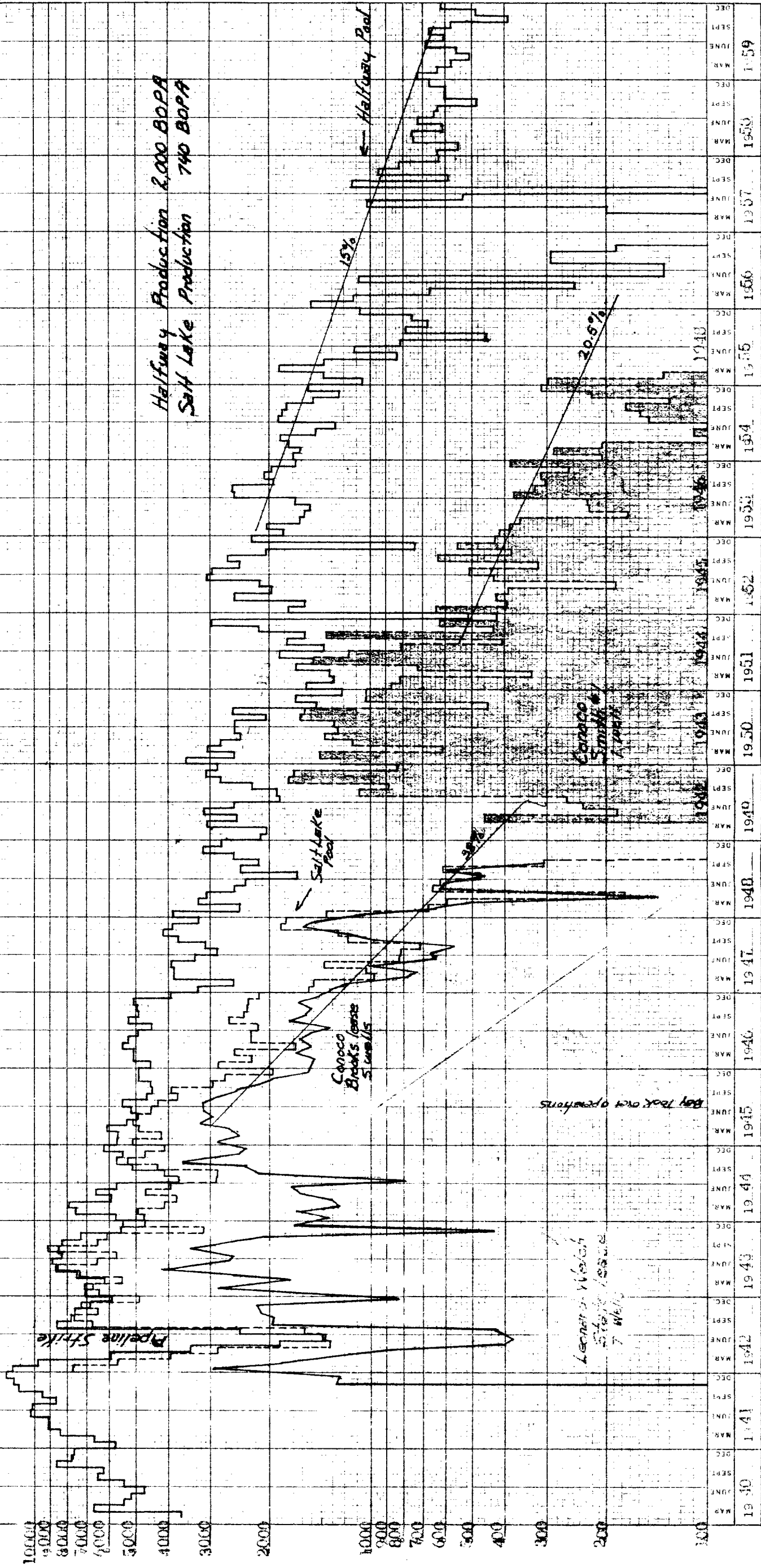


BEFORE EXAMINER NUTTER
OIL CONSERVATION COMMISSION
EXHIBIT NO. 257
CASE NO. 257

NEW MEXICO OIL CONSERVATION COMMISSION
CASE 2577
EXHIBIT NO. 1

Halfway Production 2,000 BOPD
Salt Lake Production 740 BOPD



LARGE FORMAT
EXHIBIT HAS
BEEN REMOVED
AND IS LOCATED
IN THE NEXT FILE

GOVERNOR
EDWIN L. MECHEM
CHAIRMAN

State of New Mexico
Oil Conservation Commission

LAND COMMISSIONER
E. S. JOHNNY WALKER
MEMBER



STATE GEOLOGIST
A. L. PORTER, JR.
SECRETARY - DIRECTOR

P. O. BOX 871
SANTA FE

June 15, 1962

Mr. Randall F. Montgomery
P. O. Box 2414
Hobbs, New Mexico

Re: Case No. 2571
Order No. R-2261
Applicant:

RANDALL F. MONTGOMERY

Dear Sir:

Enclosed herewith are two copies of the above-referenced Commission order recently entered in the subject case.

Very truly yours,

A. L. PORTER, Jr.
Secretary-Director

ir/

Carbon copy of order also sent to:

Hobbs OCC x

Artesia OCC

Aztec OCC

OTHER

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. 2571
Order No. R-2261

APPLICATION OF RANDALL F. MONTGOMERY
FOR AN EXCEPTION TO ORDER NO. R-111-A,
LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on June 7, 1962, at Santa Fe, New Mexico, before Daniel S. Nutter, Examiner duly appointed by the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission," in accordance with Rule 1214 of the Commission Rules and Regulations.

NOW, on this 14th day of June, 1962, the Commission, a quorum being present, having considered the application, the evidence adduced, and the recommendations of the Examiner, Daniel S. Nutter, 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 following-described wells located in the Salt Lake Pool, Lea County, New Mexico, were drilled and produced, and later plugged and abandoned, prior to the establishment of the rules governing the Potash Oil Area under Order No. R-111-A:

Smith-18 Well No. 1, located in Unit B of Section 18;
Brooks-7 Well No. 1, located in Unit M of Section 7;
Brooks-7 Well No. 2, located in Unit N of Section 7;
Brooks-7 Well No. 3, located in Unit O of Section 7;
Brooks-7 Well No. 4, located in Unit K of Section 7;

all in Township 20 South, Range 33 East.

(3) That the applicant, Randall F. Montgomery, seeks exception to the provisions of Order No. R-111-A, insofar as it pertains to the re-entry and casing program on the five above-described wells.

(4) That the applicant proposes to clean out said wells to total depth, to run 4 1/2-inch liners from the surface into or

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CASE No. 2571
Order No. R-2261

through the producing horizon of the Salt Lake Pool, and to circulate cement behind the liners to the surface.

(5) That inasmuch as the subject wells in all probability are improperly plugged, the proposal of the applicant should serve to protect the potash deposits in the area more adequately than they are protected at the present time.

(6) That at such time as the subject wells are again to be plugged and abandoned, the applicant should be required to comply with the provisions of Order No. R-111-A.

IT IS THEREFORE ORDERED:

(1) That the applicant, Randall F. Montgomery, is hereby authorized to re-enter the following-described wells, located in the Salt Lake Pool, Lea County, New Mexico:

Smith-18 Well No. 1, located in Unit B of Section 18;
Brooks-7 Well No. 1, located in Unit M of Section 7;
Brooks-7 Well No. 2, located in Unit N of Section 7;
Brooks-7 Well No. 3, located in Unit O of Section 7;
Brooks-7 Well No. 4, located in Unit K of Section 7;

all in Township 20 South, Range 33 East.

(2) That the applicant shall clean out said wells to total depth, run 4 1/2-inch liners from the surface into or through the producing horizons of the Salt Lake Pool, and circulate cement behind the liners to the surface.

(3) That at such time as the subject wells are again to be plugged and abandoned, the provisions of Order No. R-111-A must be complied with.

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

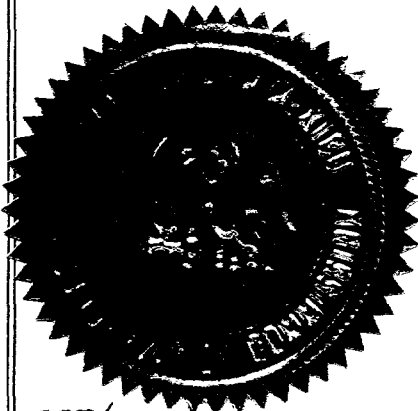
DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION


EDWIN L. MECHEM, Chairman


E. S. WALKER, Member


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



esr/