

exception to
country.

Case No.

2571

Application, Transcript,
and Exhibits, Etc.

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 671
SANTA FE

June 15, 1962

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

Re: Case No. 2271

Order No. 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.

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. Mutter, 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. Mutter, 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

-2-

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.

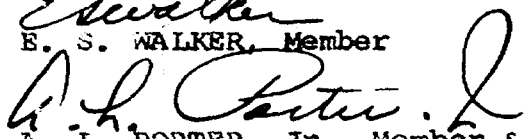
(4) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

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/

MAIL OFFICE 000
1962 MAY 13 AM 8:20

RANDALL F. MONTGOMERY

GEOLOGIST

HOBBS, NEW MEXICO

May 17, 1962

*Case
2571*

Mr. Richard Morris, Chief Counsel
New Mexico Oil Conservation Commission
P. O. Box 871
Santa Fe, New Mexico

Dear Mr. Morris:

I submit herewith, in triplicate, my request for a hearing, at the earliest practicable date, to consider an exception to the provisions of Order R-111-A insofar as it pertains to the re-entry and casing program on the following plugged and abandoned wells located in the Salt Lake Pool, Lea County, New Mexico:

<u>Well</u>	<u>Location</u>
Smith-18 No. 1	NWNE Sec. 18, T-20-S, R-33-E
Brooks-7 No. 1	SWSW Sec. 7, T-20-S, R-33-E
Brooks-7 No. 2	SESW Sec. 7, T-20-S, R-33-E
Brooks-7 No. 3	SWSE Sec. 7, T-20-S, R-33-E
Brooks-7 No. 4	NESW Sec. 7, T-20-S, R-33-E

*drilled in
42 P4A
in 48*

Basically the requested hearing seeks relief from the provisions of R-111-A pertaining to the running of casing to the Top of the Anhydrite. This is necessary, if the subject wells are re-entered, due to the mechanical conditions as is indicated on the enclosed diagrammatic sketch.

The subject wells were drilled, produced and plugged prior to the designation of an oil-potash area, and therefore, were not completed nor plugged in accordance with regulations presently in effect.

Applicant suggests that the requested program of cleaning out to total depth and the running of a 4½" liner from surface to total depth, with cement circulated to the surface, under supervision of the U.S.G.S. and the potash lessees, will more adequately protect the potash and oil deposits that may underlie the area. Further, that if applicant is successful in re-entering the subject wells, that the abandonment will be in accordance with existing regulations.

*Revised
Mailed
5/28/62
JL*

Page 2 - Mr. Morris

In the event it is determined that the requested program is inadvisable, applicant requests permission to drill new wells in strict compliance with R-111-A but at unorthodox locations as follows:

Brooks - 7 No. 6	10' from South & 2310' from East line Sec. 7-20-33
Brooks - 7 No. 7	330' from South & 1320' from West line Sec. 7-20-33
Brooks - 7 No. 8	1320' from South & 1980' from West line Sec. 7-20-33

A carbon copy of this application has been forwarded to all interested parties known to applicant as follows:

Mr. James A. Knauf, U.S.G.S., Box 187, Artesia, New Mexico
Mr. R. Fulton, U.S.G.S., Box 829, Carlsbad, New Mexico
Mr. Robert Lane, International Minerals & Chemical Corporation,
Carlsbad, New Mexico
Mr. Thomas Gamble, U. S. Borax & Chemical Corporation,
Carlsbad, New Mexico.

Respectfully requested,

R. F. Montgomery
RANDALL F. MONTGOMERY

RFM:1b
Enclosure

OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO

Date 4/11/62

CASE 2571

Hearing Date 9 am 4/7/62
DSN @ SF

My recommendations for an order in the above numbered cases are as follows:

Enter an order authorizing applicant
to re-enter

Smith-18	no 1	B	18 - 205 - 33E
Brooks- 7	no 1	M	7 " "
" "	no 2	N	" " "
" "	no 3	O	" " "
" "	no 4	K	" " "

and to clean out said wells to total
depth, ~~set~~ run 4 1/2" liners ^{from the surface down} into or through
~~the~~ the pay at approximately 2900 ft and
~~circulate~~ cement same w/ sufficient cement
to circulate to the surface.

Provide that upon re-entering the wells
applicant shall plug them in ^{any} acceptable manner, whether ^{now} if
recompletion is ~~un~~successful or later
upon depletion if the recompletion is
successful.

Include among findings that these wells
were P & A prior to the effective date of R-111
and the wells were therefore
not plugged in accordance
w/ said order.

No. 17-62

DOCKET: EXAMINER HEARING - THURSDAY - JUNE 7, 1962

9 A.M. - OIL CONSERVATION COMMISSION CONFERENCE ROOM,
STATE LAND OFFICE BUILDING, SANTA FE, NEW MEXICO

The following cases will be heard before Daniel S. Nutter, Examiner, or
Elvis A. Utz, as Alternate Examiner:

CASE 2571:

Application of Randall F. Montgomery for an exception to Order R-111-A, or in the alternative for three unorthodox oil well locations, Lea County, New Mexico. Applicant, in the above-styled cause, seeks exception to the provisions of Order R-111-A, insofar as it pertains to the re-entry and casing program on five plugged and abandoned wells in the Salt Lake Pool, four of which are located in Section 7, and one of which is located in Section 18, all in Township 20 South, Range 33 East, Lea County, New Mexico. Applicant further seeks permission, as an alternative request, to drill three new wells at unorthodox locations in the Salt Lake Pool as follows:

- (1) Brooks - 7 Well No. 6, to be located 10 feet from the South line and 2310 feet from the East line;
- (2) Brooks - 7 Well No. 7, to be located 330 feet from the South line and 1320 feet from the West line;
- (3) Brooks - 7 Well No. 8, to be located 1320 feet from the South line and 1980 feet from the West line;

all in Section 7, Township 20 South, Range 33 East, Lea County, New Mexico.

CASE 2572:

Application of Tenneco Oil Company for an exception to Rule 21-a of Order No. R-1670, Basin-Dakota Gas Pool, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks permission to commingle the gas production from two wells in the Basin-Dakota Gas Pool located on the H. O. Watson Lease in Section 22, Township 27 North, Range 12 West, San Juan County, New Mexico, as an exception to the provisions of Rule 21-a of the Rules for the prorated gas pools of Northwestern New Mexico, Order No. R-1670. Applicant proposes to install one common tank battery and separating facility and to allocate monthly gas production to each well on the basis of deliverability tests and average flowing tubing pressures.

- CASE 2573: Application of Phillips Petroleum Company for approval of an unorthodox oil well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval to locate its Santa Fe Well No. 68 at an unorthodox oil well location in the Vacuum-Abo Pool, 1650 feet from the North line and 1090 feet from the East line of Section 34, Township 17 South, Range 35 East, Lea County, New Mexico.
- CASE 2574: Application of J. Gregory Merrion and Associates for compulsory pooling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks an order of the Commission force pooling all interests in the Basin-Dakota Pool in the W/2 of Section 35, Township 25 North, Range 6 West, Rio Arriba County, New Mexico.
- CASE 2575: Application of Val R. Reese & Associates, Inc. for the creation of a new oil pool and for special pool rules, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks the creation of a new oil pool for Gallup production in Township 23 North, Range 7 West, Rio Arriba County, New Mexico, and further seeks the adoption of special rules and regulations for said pool similar to the special rules presently governing the Escrito-Gallup Oil Pool which provide for 320-acre gas proration units and 80-acre oil proration units (Order No. R-1793-A).
- CASE 2576: Application of Sinclair Oil & Gas Company for approval of a waterflood project, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval of a waterflood project in the Grayburg-Jackson Pool, Eddy County, New Mexico, with the injection of water to be through seven wells located on the H. E. West "A" and "B" leases in Sections 3 and 4, Township 17 South, Range 31 East; applicant proposes to operate the waterflood project under the provisions of Rule 701.
- CASE 2577: Application of Newmont Oil Company for approval to drill a water injection well, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks permission to drill the State "A" Well No. 3, to be located 1295 feet from the South line and 2615 feet from the East line of Section 36, Township 17 South, Range 29 East, Eddy County, New Mexico, for use as a water injection well in the Loco Hills Pool Waterflood Project.
- CASE 2578: Application of Newmont Oil Company for approval of a development plan for the Loco Hills Waterflood Project, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval of a plan of development for the Loco Hills Waterflood Project, Eddy County, New Mexico, which would permit

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Docket No. 17-62

CASE 2578: (Continued)

the conversion of wells to water injection by stages. The applicant proposes to operate said waterflood project under the terms and conditions of Order No. R-2178 which established a buffer zone in a portion of the project area.

CASE 2579:

Application of Neil E. Salsich for approval of a waterflood project, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval of a waterflood project in the Square Lake Pool with the injection of water into the Grayburg formation of the Square Lake Pool through five wells located in Section 36, Township 16 South, Range 29 East, Eddy County, New Mexico. Applicant requests that the waterflood be governed by Rule 701 except that administrative approval is sought to allow expansion of the waterflood by the conversion of one additional well in Unit H of Section 35 prior to response from water injection.

CASE 2580:

Application of Waterflood Associates, Inc., for approval of a waterflood project, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval of a waterflood project in the Robinson Pool with the injection of water to be through six wells located in Section 35, Township 16 South, Range 31 East, Eddy County, New Mexico; applicant requests that the waterflood project be governed by Rule 701.

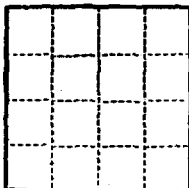
CASE 2581:

Application of Waterflood Associates, Inc. for approval of a waterflood project, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval of a waterflood project in the Square Lake Pool by the injection of water to be through two wells located in the NE/4 of Section 3, Township 17 South, Range 30 East, Eddy County, New Mexico; applicant requests that the waterflood project be governed by Rule 701.

CASE 2582:

Applicant of Waterflood Associates, Inc., for approval of a waterflood project, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval of a waterflood project in the Artesia Pool by the injection of water to be through one well located in the W/2 NW/4 of Section 21, Township 18 South, Range 28 East, Eddy County, New Mexico; applicant requests that the waterflood project be governed by Rule 701.

Form 9-331a
(Feb. 1961)



(SUBMIT IN TRIPPLICATE)
UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

Budget Bureau No. 42-R358.4.
Form Approved.

Land Office New Mexico
Lease No. NE 014967
Unit Little Eddy

SUNDRY NOTICES AND REPORTS ON WELLS

NOTICE OF INTENTION TO DRILL		SUBSEQUENT REPORT OF WATER SHUT-OFF	
NOTICE OF INTENTION TO CHANGE PLANS		SUBSEQUENT REPORT OF SHOOTING OR ACIDIZING	
NOTICE OF INTENTION TO TEST WATER SHUT-OFF		SUBSEQUENT REPORT OF ALTERING CASING	
NOTICE OF INTENTION TO RE-DRILL OR REPAIR WELL	<input checked="" type="checkbox"/>	SUBSEQUENT REPORT OF RE-DRILLING OR REPAIR	
NOTICE OF INTENTION TO SHOOT OR ACIDIZE		SUBSEQUENT REPORT OF ABANDONMENT	
NOTICE OF INTENTION TO PULL OR ALTER CASING		SUPPLEMENTARY WELL HISTORY	
NOTICE OF INTENTION TO ABANDON WELL			

(INDICATE ABOVE BY CHECK MARK NATURE OF REPORT, NOTICE, OR OTHER DATA)

May 10, 1962

Smith-18
Well No. 1 is located 660 ft. from N line and 1900 ft. from E line of sec. 18
NE 1/4 16 20 S 39 E NM
(1/4 Sec. and Sec. No.) (Twp.) (Range) (Meridian)
Salt Lake 1 New Mexico
(Field) (County or Subdivision) (State or Territory)

The elevation of the derrick floor above sea level is 3300 ft.

DETAILS OF WORK

(State names of and expected depths to objective sands; show sizes, weights, and lengths of proposed casings; indicate mudding jobs, cementing points, and all other important proposed work.)

This well was originally completed by The Continental Oil Co. as their Smith-18 No. 1 on 3-11-42 for 182 DD in 18 hrs. from the Yates-Grove Rivers Reef pay producing from the open hole interval 2900-3034 with the following casing program: 10-3/4" #617 mudded, 8-5/8" #1115 with 50 sacks cement and 5 1/2" #2908 with 100 sacks cement. The 10-3/4" was pulled. On July 27, 1948, the well was plugged and abandoned as follows: 20 sack plug on bottom 3034 to 2980, shot 5 1/2" casing at the following intervals: 1800', 1700', 1600', 1500', 1400', 1300', 1200', 1100', 1000', no pipe recovered. Shot off 5 1/2" casing #900' and recovered 900', shot off 8-5/8" casing #540' and recovered 540' 8-5/8" casing. Ran 25 sacks cement plug at 900' and 15 sack cement plug in top. We now request permission to workover and repair this well in the following manner: Attempt to clean out to TD. Run electric and gamma ray logs, check for collapsed casing with tools & logs run 4 1/2" J-55 5/8" casing from TD to surface and cement with sufficient volume to circulate. In the event the well is non-commercial place solid cement plug thru salt section and across

Company Randall F. Montgomery

Address P. O. Box 2414

Hobbs, New Mexico

By R. F. Montgomery

Title Lessee

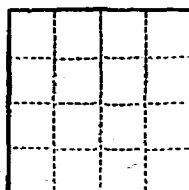
known water zones -1120', 420' & 420' and 50' plug = top. All state and Federal regulations will be complied with.

Estimated tops:

Top Anhydrite	1094
Top Salt	1220
Base Salt	2393
TD	2804

Cumulative production to date 40,999 bbls. oil and 32,442 bbls. water.

Form 9-551a
(Feb. 1961)



(SUBMIT IN TRIPLICATE)

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

Budget Bureau No. 42-R352.4.
Form Approved.

Land Office New Mexico

Lease No. NM 0149957

Unit Little Eddy

Jan 23 71

SUNDRY NOTICES AND REPORTS ON WELLS

NOTICE OF INTENTION TO DRILL.....	SUBSEQUENT REPORT OF WATER SHUT-OFF.....
NOTICE OF INTENTION TO CHANGE PLANS.....	SUBSEQUENT REPORT OF SHOOTING OR ACIDIZING.....
NOTICE OF INTENTION TO TEST WATER SHUT-OFF.....	SUBSEQUENT REPORT OF ALTERING CASING.....
NOTICE OF INTENTION TO RE-DRILL OR REPAIR WELL.....	SUBSEQUENT REPORT OF RE-DRILLING OR REPAIR.....
NOTICE OF INTENTION TO SHOOT OR ACIDIZE.....	SUBSEQUENT REPORT OF ABANDONMENT.....
NOTICE OF INTENTION TO PULL OR ALTER CASING.....	SUPPLEMENTARY WELL HISTORY.....
NOTICE OF INTENTION TO ABANDON WELL.....	

(INDICATE ABOVE BY CHECK MARK NATURE OF REPORT, NOTICE, OR OTHER DATA)

May 10, 1962

Well No. Brooks-7 1 is located 660 ft. from S line and 660 ft. from W line of sec. 7
34 7 25 35 NM
 (N Sec. and Sec. No.) (Twp.) (Range) (Meridian)
Salt Lake Lee New Mexico
 (Field) (County or Subdivision) (State or Territory)

The elevation of the derrick floor above sea level is 3635 ft.

DETAILS OF WORK

(State names of and expected depths to objective sands; show sizes, weights, and lengths of proposed casings; indicate mudlogging jobs, cementing points, and all other important proposed work)

This well was originally completed by The Continental Oil Co. as their Brooks-7 No. 1 on 10-31-61 for 204 BOPD from the Yates-Summers River Reef pay producing from the open hole interval 2906-3110 with the following casing program. 10-3/4" x 4.20' mudded, 8-5/8" x 1120' cemented with 180 sacks, 7" x 2906 cemented with 180 sacks, 10-3/4" was pulled. In November 1961 the well was plugged and abandoned as follows: Cement plug 3110 to 3000 7" shot off - 1700' cement plug 1660-1700 and cement plug 1200-1100. 8-5/8" casing shot off - 820' with cement plug 470-570, and top 30' filled with cement. We request permission to workover and repair this well in the following manner: Attempt to clean out to TD, run electric and gamma ray logs, check for collapsed casing with tools and logs run 6-5/8" 3-65 9% casing from surface to TD and cement with sufficient volume to circulate. In the event the well is determined to be non-commercial place solid cement plug thru salt section in accordance with oil-rental regulations, also across known water zones @ 1180', 510' & 430'. All state and Federal regulations will be complied with. (over)

Company Randall F. Montgomery

Address P. O. Box 2414

Hobbs, New Mexico

By R. F. Montgomery

Title Leasee

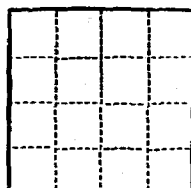
Estimated Tops:

Top Anhydrite
Top Salt
Base Salt
TD
Show Oil

1104
1276
2438
2519
2666-70
2700-02

Cumulative Production to date 39,337 bbls. oil, 20,760 bbls. water.

Form 9-551a
(Feb. 1961)



(SUBMIT IN TRIPLICATE)

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

Budget Bureau No. 42-R358.4.
Form Approved.

Land Office New Mexico
Lease No. NM 0149957
Unit Little Eddy

SUNDRY NOTICES AND REPORTS ON WELLS

NOTICE OF INTENTION TO DRILL.....	SUBSEQUENT REPORT OF WATER SHUT-OFF.....
NOTICE OF INTENTION TO CHANGE PLANS.....	SUBSEQUENT REPORT OF SHOOTING OR ACIDIZING.....
NOTICE OF INTENTION TO TEST WATER SHUT-OFF.....	SUBSEQUENT REPORT OF ALTERING CASING.....
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NOTICE OF INTENTION TO SHOOT OR ACIDIZE.....	SUBSEQUENT REPORT OF ABANDONMENT.....
NOTICE OF INTENTION TO PULL OR ALTER CASING.....	SUPPLEMENTARY WELL HISTORY.....
NOTICE OF INTENTION TO ABANDON WELL.....	

(INDICATE ABOVE BY CHECK MARK NATURE OF REPORT, NOTICE, OR OTHER DATA)

May 10, 1962

Brooks-7
Well No. 4 is located 1980 ft. from S line and 1980 ft. from E line of sec. 7
SW 7 20 S 33 E NMPM
(Of Sec. and Sec. No.) (Twp.) (Range) (Meridian)
Salt Lake Lee New Mexico
(Field) (County or Subdivision) (State or Territory)

The elevation of the derrick floor above sea level is 3540 ft.

DETAILS OF WORK

(State names of and expected depths to objective sands; show sizes, weights, and lengths of proposed casings; indicate mudlogging jobs, cementing points, and all other important proposed work.)

This well was originally completed by The Continental Oil Co. as their Brooks-7 No. 4 on 1-11-45 for 104 BO & 41 BW in 12 hrs. from the Yates-Seven Rivers Reef pay producing from open hole interval 2907 to 3064 with the following casing program 10" set @661. Pulled & left 59' in hole. Set 8-5/8" @1100 and pulled. Ran 5 1/2" to 2907 and cemented with 1000 sacks which circulated. In November 1949 the well was plugged and abandoned as follows: Cement plug from 3054-2950 and hole filled with mud to 50'. Top 50' of hole was filled with cement.

We now request permission to workover and repair this well in the following manner: Drill out surface plug and reverse circulate to T.D. and clean hole. Run electric & gamma ray logs. Check for collapsed casing with tools and logs run 4 1/2" J-55 9 1/2" casing from surface to T.D. and cement with sufficient volume to circulate. In the event the well is non-commercial place solid cement plug thru salt section also across water zones @ 1160, 460 and 400. Place 50' cement plug to top.

I understand that this plan of work must receive approval in writing by the Geological Survey before operations may be commenced.

(over)

Company Randall F. Montgomery

Address P. O. Box 2414

Hobbs, New Mexico

By R. F. Montgomery

Title Lessee

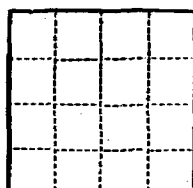
All operations will be in compliance with state regulations.

Taps as reported:

Top Anhydrite	1132
Base Sale	3630
Show Oil	2710-38
Show Oil	3030-39
TD	3064
END	3064

Cumulative Production to date 21,247 bbls. oil and 73,000 bbls. water.

Form 9-321a
(Feb. 1961)



(SUBMIT IN TRIPLICATE)
UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

Budget Bureau No. 42-R358.4.
Form Approved.

Land Office New Mexico

Lease No. NM 0149957

Unit Little Eddy

Page 2571

SUNDRY NOTICES AND REPORTS ON WELLS

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NOTICE OF INTENTION TO SHOOT OR ACIDIZE.....		SUBSEQUENT REPORT OF ABANDONMENT.....	
NOTICE OF INTENTION TO PULL OR ALTER CASING.....		SUPPLEMENTARY WELL HISTORY.....	
NOTICE OF INTENTION TO ABANDON WELL.....			

(INDICATE ABOVE BY CHECK MARK NATURE OF REPORT, NOTICE, OR OTHER DATA)

May 10, 1962

Brooks-7

Well No. 2 is located 660 ft. from S line and 1980 ft. from W line of sec. 7

SW 1/4 7
(Of Sec. and Sec. No.)

20 S
(Twp.)

33 E
(Range)

NMPM
(Meridian)

Salt Lake
(Field)

Lea
(County or Subdivision)

New Mexico
(State or Territory)

The elevation of the derrick floor above sea level is 3535 ft.

DETAILS OF WORK

(State names of and expected depths to objective sands; show sizes, weights, and lengths of proposed casings; indicate mudding jobs, cementing points, and all other important proposed work.)

This well was originally completed by The Continental Oil Co. as their Brooks-7 No. 2 well on 1-9-42 for 233 GPPD from the Yates-Seven Rivers Reef pay producing from the open hole interval 2910-3075 with the following casing program set 10-3/4" @ 631 mudded, 7" @ 1137 cemented with 50 sacks and 5 1/2" @ 2910 cemented with 225 sacks. In November 1948 the well was plugged & abandoned as follows: Cement plug 3075-2950, 5 1/2" casing shot off @ 1520, Cement plug 1570 to 1470 and cement plug from 1200-1100, 7" casing shot off @ 400' cement plug 450 to 350 and 50' to surface. We request permission to workover and repair this well in the following manner: Attempt to clean out to TD. Run electric and gamma ray logs. Check for collapsed casing with tools and logs run 4 1/2" J-55 9 1/2" casing from surface to TD and cement with sufficient volume to circulate. In the event the well is determined to be non-commercial place solid cement plug thru salt section in accordance with oil-potash regulations also across known water zones @ 1160, 509 & 440. All state and federal regulations will be complied with. (over)

Company Randall F. Montgomery

Address P. O. Box 2414

Hobbs, New Mexico

By R. F. Montgomery

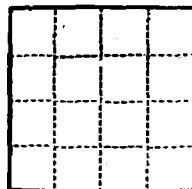
Title Lessee

Estimated Tops:

Top Anhydrite	1110
Top Salt	1273
Base Salt	2619
Show Oil	3045-75
TD	3075

Cumulative Production to date 39,016 bbls. oil and 32,367 bbls. water.

Form 9-531a
(Feb. 1961)



(SUBMIT IN TRIPLICATE)

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

Budget Bureau No. 42-R358.4.
Form Approved.

Land Office New Mexico
Lease No. NM 0149957
Unit Little Eddy

Case 2571

SUNDRY NOTICES AND REPORTS ON WELLS

NOTICE OF INTENTION TO DRILL.....		SUBSEQUENT REPORT OF WATER SHUT-OFF.....	
NOTICE OF INTENTION TO CHANGE PLANS.....		SUBSEQUENT REPORT OF SHOOTING OR ACIDIZING.....	
NOTICE OF INTENTION TO TEST WATER SHUT-OFF.....		SUBSEQUENT REPORT OF ALTERING CASING.....	
NOTICE OF INTENTION TO RE-DRILL OR REPAIR WELL.....	X	SUBSEQUENT REPORT OF RE-DRILLING OR REPAIR.....	
NOTICE OF INTENTION TO SHOOT OR ACIDIZE.....		SUBSEQUENT REPORT OF ABANDONMENT.....	
NOTICE OF INTENTION TO PULL OR ALTER CASING.....		SUPPLEMENTARY WELL HISTORY.....	
NOTICE OF INTENTION TO ABANDON WELL.....			

(INDICATE ABOVE BY CHECK MARK NATURE OF REPORT, NOTICE, OR OTHER DATA)

May 10, 1962

Brooks-7
Well No. 3 is located 660 ft. from N line and 1980 ft. from E line of sec. 7
SE 1/4 7 20 S 33 E NM
(Of Sec. and Sec. No.) (Twp.) (Range) (Meridian)
Salt Lake Lea New Mexico
(Field) (County or Subdivision) (State or Territory)

The elevation of the derrick floor above sea level is 3503 ft.

DETAILS OF WORK

(State names of and expected depths to objective sands; show sizes, weights, and lengths of proposed casings; indicate mudding jobs, cementing points, and all other important proposed work)

This well was originally completed by The Continental Oil Co. as their Brooks-7 No. 3 on 10-14-42 for 288 BOPD for the Yates Seven Rivers Reef pay producing from the open hole interval 2887-3025 with the following casing program 10-3/4" @606 mudded, 8-5/8" @1162' cemented with 350 sacks. 5 1/2" at 2887' cemented with 100 sacks. In November 1948 well was plugged and abandoned in the following manner: Cement plug from 3025 to 2900 5 1/2" casing shot off @1105. A cement plug from 1050-1150. 8-5/8" shot off @250' a cement plug from 300-200' and 50' to surface. We now request permission to workover and repair this well in the following manner: Attempt to clean out to TD. Run electric & gamma ray logs, check for collapsed casing with tools and logs run 4 1/2" J-55 9 1/2# casing from TD to surface and cement with sufficient volume to circulate. In the event the well is non-commercial place solid cement plug thru salt section. Also across water zones at 1162' 458' and 409' place 50' cement plug to top. All state and federal regulations will be complied with.

I understand that this plan of work must receive approval in writing by the Geological Survey before operations may be commenced. (over)

Company Randall F. Montgomery
Address P. O. Box 2414
Hobbs, New Mexico
By R. F. Montgomery
Title Lessee

Estimated Tops:

Top Anhydrite	1120
Top Salt	1280
Base Salt	2620
Show Oil	2975-3025
TD	3025

Cumulative production to date 35,662 bbls. oil and 103,846 bbls. water.

MEMO
FROM
JOE D. RAMEY

Dan Nutter:

File in
Case No. 2571
per

Dan:

Attached is the approval
letter from International
regarding the casing change
on R. F. Montgomery's Brooks
#7 K 7-20-33, Salt Lake Pool.

I'll ask Mr. Montgomery
to run the 3½" as early
as possible.

JDR

INTERNATIONAL MINERALS & CHEMICAL CORPORATION

P. O. Box 71 - Oklahoma City, Oklahoma

August 31, 1962

Mr. J. Huxey
New Mexico Oil Conservation Commission
Albuquerque, New Mexico

Dear Sir:

International Minerals & Chemical Corporation is in agreement to let the operator change the casing schedule from 4 1/2 inch to 3 1/2 inch casing on the Brooks hole in Lea County. Also we are in agreement to let it be at the discretion of the operator as to the necessity of running tubing.

Yours truly,

R. H. Lane
Chief, Mine Engineer

cc: R. F. Montgomery

RHL/lj

BEFORE THE
OIL CONSERVATION COMMISSION
Santa Fe, New Mexico
June 7, 1962

EXAMINER HEARING

IN THE MATTER OF:

Application of Randall F. Montgomery for an exception to Order R-111-A, or in the alternative for three unorthodox oil well locations, Lea County, New Mexico. Applicant, in the above-styled cause, seeks exception to the provisions of Order R-111-A, insofar as it pertains to the re-entry and casing program on five plugged and abandoned wells in the Salt Lake Pool, four of which are located in Section 7, and one of which is located in Section 18, all in Township 20 South, Range 33 East, Lea County, New Mexico. Applicant further seeks permission, as an alternative request, to drill three new wells at unorthodox locations in the Salt Lake Pool as follows:

Case 257

(1) Brooks - 7 Well No. 6, to be located 10 feet from the South line and 2310 feet from the East line;

(2) Brooks - 7 Well No. 7, to be located 330 feet from the South line and 1320 feet from the West Line;

(3) Brooks - 7 Well No. 8, to be located 1320 feet from the South line and 1980 feet from the West line;

all in Section 7, Township 20 South, Range 33 East, Lea County, New Mexico.

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PHONE 243-6691

NEW MEXICO OIL CONSERVATION COMMISSION

EXAMINER HEARING - DANIEL S. NUTTERSANTA FE, NEW MEXICOREGISTERHEARING DATE JUNE 7, 1962TIME: 9 A.M.

NAME:	REPRESENTING:	LOCATION:
<i>John Tracy</i>	<i>Jennings Oil Co.</i>	<i>Durango, Colo.</i>
<i>W.P. Breyer</i>	<i>Humble Oil</i>	<i>Midland, Tex.</i>
<i>W. H. Harnes</i>	<i>El Paso Natural</i>	<i>El Paso</i>
<i>Lothar</i>	<i>U.S. Government Corp.</i>	<i>El Paso</i>
<i>R. A. Montgomery</i>	<i>Self</i>	<i>Hobbs</i>
<i>James H. Harnes</i>	<i>Jennings Oil Co.</i>	<i>Terrell</i>
<i>Al Harnes</i>	<i>U.S.G.S.</i>	<i>Artesia</i>
<i>V. T. Lyon</i>	<i>CONTINENTAL Oil Co.</i>	<i>ROSWELL, N.M.</i>
<i>John Kellah</i>	<i>Kellah & Fox</i>	<i>Santa Fe</i>
<i>Lewis Johnson</i>	<i>Val R. Reese & Assoc.</i>	<i>Albuquerque</i>
<i>William W. Zamora</i>	<i>BCO Inc.</i>	<i>Santa Fe</i>
<i>Ruth H. Harnes</i>		<i>Artesia</i>
<i>R. M. Anderson</i>	<i>Sinclair</i>	<i>Midland</i>
<i>H. L. Atchiff</i>	<i>Great Plains Land Co.</i>	<i>Midland</i>
<i>R. R. Cotton</i>	<i>Franklin, Austin & Fair</i>	<i>Roswell</i>
<i>Douglas W. Cunningham</i>	<i>Sinclair Oil & Gas Co.</i>	<i>Midland, Texas</i>
<i>Booker Kelly</i>	<i>Gulf Oil Corp.</i>	<i>S.T.</i>

NEW MEXICO OIL CONSERVATION COMMISSION

EXAMINER HEARING - DANIEL S. NUTTERSANTA FE, NEW MEXICOREGISTERHEARING DATE JUNE 7, 1962 TIME: 9 A.M.

NAME:	REPRESENTING:	LOCATION:
Frank Darden	NEWMONT OIL CO.	Ft. Worth
Jack M Campbell	Campbell & Russell	Roswell
Q L Loebe	Loebee & Stewart	Artesia
J Gregory Merriam	J Gregory Merriam Assoc	Farmington, N.M.
ARCHIE M. SPEER	Neil E. Salsich	Artesia, N.M.
Hal Fols	Water Dept Assoc. Inc	
Tom J. Foley	J Gregory Merriam	Englewood, N.M.
Frank E. Libby	State Engineer	Santa Fe

BEFORE: Daniel S. Nutter, Examiner.

TRANSCRIPT OF HEARING

MR. NUTTER: The hearing will come to order, please.

The first case this morning will be Case 2571.

MR. MORRIS: Application of Randall F. Montgomery for an exception to Order R-111-A, or in the alternative for three unorthodox oil well locations, Lea County, New Mexico.

(Witness sworn.)

RANDALL F. MONTGOMERY

called as a witness, having been first duly sworn, testified as follows:

DIRECT EXAMINATION

MR. MONTGOMERY: I have filed an application for exception to R-111-A for the purpose of re-entering abandoned wells in the old Salt Lake Pool. These wells were originally drilled, generally in 1942, and plugged and abandoned in 1948. At that time R-111-A was not in effect and the wells were not plugged in accordance with the rule, nor was the casing program in accordance with R-111-A. I have three exhibits I would like to present.

MR. NUTTER: Were all of these wells drilled in '42?

MR. MONTGOMERY: I'll give you the exact dates on each one of them.

(Whereupon, Applicant's Exhibits 1, 2 and 3 were marked for identification.)

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MR. MONTGOMERY: The well designated Brooks A-7 No. 1 was drilled by Continental Oil Company, completed on 10-31-1941; the Brooks-7 No. 2 well was completed on 1-9-1942; and Brooks-7 No. 3 was completed on 10-14-42; Brooks-7 No. 4 was completed on 1-11-1945. The Smith-18 No. 1 was completed on 3-11-1942, and the Brooks-7 No. 5 was completed on 5-30-1945.

All of the wells were plugged and abandoned in 1948, all wells in the entire pool, and based on the decline curve, which is Exhibit No. 2, it's our interpretation that there was oil left in the ground and it would be our opinion that natural resources can be recovered if we're permitted to re-enter these wells, assuming they are successful re-entries.

You'll notice the Halfway Pool has a decline curve of about 15%, whereas the Salt Lake Pool has a decline curve of 40%. The Halfway Pool and the Salt Lake Pool are adjacent pools in Lea and Eddy Counties and produce from the same formation.

There's another pool one and one-half miles to the east, the West Teas Pool, which seems to be an oil reservoir with fairly large reserves for some of the wells. The wells are completed in the Yates and Capitan reef formations and typically have rather large reserves for the area. The purpose for this hearing is on Exhibit No. 1, due to the mechanical completion of the wells after they were plugged and abandoned it's not possible



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to comply to the exact casing requirements of R-111-A due to the manner in which the casing was shut off in the various wells.

Commencing with the Smith No. 1 well located in Section 18, a string of pipe was set at 10-3/4 at 815 feet, and then another string of 8-5/8 set at 1115 and cemented with 50 sacks. The well was drilled to total depth. 5-1/2" was set at 2908 after drilling to a total depth of 3034. After plugging and abandoning the well, the 5-1/2 casing was shot off at approximately 600 feet, and the 10-3/4, which was just set originally, was pulled upon completion of the well initially.

R-111-A requires that a string of casing be set to the top of the anhydrite cement circulated and then a string set up on top of the pay with the cement circulated. This is typical of each one of the wells in the area with the exception of Brooks No. 4, which has a string of 5-1/2 to the surface. However, all other strings were pulled.

The red marks indicated on Exhibit 1 indicate where the casing was shot and pulled, or pulled after just being set, cable tool operation. What we would like to do would be to re-enter these wells, if possible. Of course, there are mechanical hazards involved of actually re-entering the wells, run 4-1/2" casing inside the existing string and circulate cement. In our opinion this will more adequately protect the potash than what the



present wells are probably doing now, since they were not plugged and abandoned in accordance with R-111-A.

I have notified all interested parties known to me, and by registered mail, return receipt requested, and I have received no objection from any of the potash lessees in the area.

At this time I would like to withdraw my request for the drilling of new wells in the event the Commission does not see fit to approve this exception to R-111-A. Exhibit No. 3 is a small plat showing the potash leases in the area, the green representing the International Minerals potash leases, the other the United States Borax & Chemical Corporation leases, and the yellow is unleased portion for potash. The cross hatched area is the lease in question.

I have received permission from Perry R. Bass, the operator of the Little Eddy Unit. I've also received verbal permission from the Potash Company, and with the Commission's permission, where I might continue to go back to the United States Geological Survey, we would like to re-enter these wells. We think we can recover more oil.

MR. MORRIS: Mr. Montgomery, would you identify the exhibits again for the record? There seems to be some confusion.

MR. MONTGOMERY: Exhibit No. 1 is a diagrammatic sketch indicating the mechanical condition of the various wells in

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question, the red color indicating the casing that has been removed from the well, the blue marks indicating the casing still in the well.

Exhibit 3 is a plat depicting the potash leases in the area and the oil lease in question. Exhibit No. 2 is a decline curve on the Halfway Pool and the Salt Lake Pool.

MR. MORRIS: Thank you. Does that complete your presentation?

MR. MONTGOMERY: Yes, sir.

MR. NUTTER: Are there any questions of Mr. Montgomery?

MR. MORRIS: Yes, sir, I have a couple.

CROSS EXAMINATION

BY MR. MORRIS:

Q Mr. Montgomery, have you actually negotiated with the potash companies in the areas with respect to each of these wells and casing programs that you intend to follow, and have you explained to them how your procedure in your opinion will more adequately protect the potash?

A Yes, sir, I have. As I understand it, they are very much in favor of re-entering these wells because of the fact they will have to re-enter themselves in the event they start mining in the area.

Q You anticipate my next question. Is there active mining

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in this area at the present time?

A No, sir, there is not.

Q How far away is the nearest active potash mine?

A Approximately six miles to the west.

Q Do you know whether the various potash companies involved plan to mine in this area within the, say the next five years?

A They have not indicated it in their five-year plan.

Q It is not indicated on their five-year plan?

A No, sir.

Q But is all of the area in question included within the potash oil area as defined by R-111-A?

A Yes, it is.

Q Even the North Half of the Northeast Quarter of Section 18 shown on your plat?

A Yes, it is.

Q Even though it's unleased for potash it is included within the potash oil?

A Yes, sir.

MR. MORRIS: I believe that's all I have.

MR. NUTTER: Any further questions?

BY MR. PORTER:

Q Mr. Montgomery, do you have anything in mind as to



how much additional oil you might recover here?

A Well, my opinion, the pool was probably depleted about 50% under primary methods and another 50% involved. It produced about 720 barrels per acre. I think I can recover in the range of 1500 to 2000 barrels per acre. The wells range from 2000 barrels a well to about 45,000 barrels of oil per well. I believe that I can recover that much more oil from each well.

Q Do you intend to frack these wells?

A Yes, sir.

Q Do you think that's the reason why, one of the contributing reasons why no more oil was recovered in the first place?

A I think that's part of it. The wells were drilled during the war, and due to what I think was probably inadequate supervision at that time due to the times, the lease was not properly produced. It's my understanding that the gentleman that pumped the lease was a water well contractor; during the war, to help in the war situation, his wife actually pumped the wells, and when the big pumping units went down she couldn't start them up again. It is my understanding that one of the wells was making actually 20 barrels a day. There are other factors involved, oil was selling for \$1.40 a barrel at that time, and we did not have the pumping equipment or the completion techniques that we have today.

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MR. PORTER: Thank you. That's all I have.

BY MR. NUTTER:

Q On your Exhibit No. 2 there are several curves shown here, and I'm having difficulty telling exactly which one represents what.

A Well, the upper curve is the decline curve on the Halfway Pool.

Q That's the long curve that runs clear across?

A Yes, sir.

Q It's got a 15% decline? A Yes.

Q Okay.

A Then the dotted line that's just below the Halfway Pool to the left is the decline curve on the Salt Lake Pool. And you'll notice that it zeros out in September of 1948. That has a decline curve of 38%.

Q Okay.

A Then the shaded curve, you will note, starts in 1942. This was a Smith No. 1 well, it was a one-well lease, and all the oil went into the one battery.

Q Is that one of the wells that you are talking about here today?

A Yes, sir. I've indicated about 10½% decline curve. Of course, you can estimate it at about 50% decline curve. Then

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the solid line just beneath the Salt Lake decline curve is the second lease, the Brooks lease, depicting five wells. I think this curve tends to indicate that the wells had an abnormal decline curve and does indicate that the wells were not produced in a steady manner.

Q Now, the Halfway curve and the Conoco-Smith curve and the Salt Lake curve are based on little flat lines across for each month, the jagged lines that comes to points for each month is the Conoco Brooks lease?

A Yes.

Q Then where is the Leonard Well J State lease curve?

A Well, this curve was on the graph, but it confused it even more and it wasn't pertinent to the case.

Q It's not on?

A No, I attempted to erase it and I wasn't successful.

Q This Brooks lease is one of the, are those some of the wells that are being considered here?

A Yes, the Brooks lease, at the time it was drilled, was known as all of Section 7. The Smith lease was known as the Northeast Quarter of Section 18. When I bought the lease from the Federal Government at a competitive sale, well, what was put up for sale was all but the North Half of the North Half of 7 and the North Half of the Northeast Quarter of 18, and I wanted

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to keep from confusing the records, to save confusion I elected to use the same designations.

Q If we take the Smith lease, the Conoco No. 1, how much oil did it produce?

A 41,000 barrels of oil.

Q Each of these wells, with the exception of one, has had the 10-3/4" pipe pulled, is that correct?

A All of them have had the 10-3/4 pulled, or rather the surface actually, No. 5 had 13", that was the technique at the time was to, with the cable tool drillers, the cable tool operation, it's a small water horizon around four to five hundred feet.

Q I see Brooks No. 4 has only a small amount of 10-3/4 left, so for all practical purposes you might say the surface pipe has been pulled in all the wells?

A Yes.

Q The 5 1/2 has been shot off and pulled in each one except the Brooks No. 4?

A That's correct.

Q And it's still in there, is it?

A Yes, sir.

Q And the 8-5/8 has been cut and pulled in most of the wells, hasn't it, or is that all of them?

A It has been cut and pulled in all the wells with the

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exception of Smith No. 1.

Q So all of the 8-5/8" pipe is still in the Smith No. 1?

A Yes, sir.

Q It's your proposal to run 4 1/2" pipe in each of these wells and cement to the surface?

A Yes, sir. I believe this will be more actually, as far as protection of the potash is concerned, than R-111-A would provide for.

Q In plugging the well?

A During the producing period, then when we plug it, it will be two strings of pipe to go through instead of just one under R-111-A when it is plugged.

Q Have your plans gone far enough that you'd know how you would produce the well in the event this application was approved you'd pump them through tubing?

A Yes, through tubing.

Q Would you have packers?

A No, there's little or no gas in the area. We drilled a well about a mile and a half to the east two years ago and there's insufficient gas to run a pump if they had to be pumped by electricity.

MR. NUTTER: Any further questions of Mr. Montgomery?

MR. HEATON: George Heaton of the United States Borax

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& Chemical Corporation.

BY MR. HEATON:

Q Does he propose to use the salt base mud in drilling these out?

A We certainly would be happy to where the salt section is composed, there are only three wells where the salt section is composed, and we would like the liberty of using the best mechanical means available at that time for that particular situation, which very well could be salt base mud. The pipe, in all instances, is covering the potash interval. The Brooks No. 1, the 5½, is shot off at 1700, which is just a hundred feet or so below the top 400 feet below the top of the salt. The Brooks No. 2, the 5½ is shot off at 1520, which is approximately 200 feet below the top of the salt. The Brooks No. 5, the 5½ is shot off at 1437, approximately 200 feet below the top of the salt. So actually there would be very little salt section open.

Q They are all except your wells that are exposed?

A Are not exposed.

Q Not exposed.

BY MR. NUTTER:

Q On Exhibit No. 1 I see the top of the salt is identified in some of the wells and not in others. Would you give us the top of the salt in each of the wells?

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A The logs were inadequate to tell. There was only a mechanical log run on one or two wells and they were only run through the pay section and all the rest of the tops were just driller's logs.

Q As far as you know, is the salt a rather uniform depth in the area?

A For all practical purposes.

Q So you do have it identified at 1250 and 1276 in two wells? Would it be approximately 1250 to 1276 in the others in your opinion?

A Yes, sir, it would be plus or minus 50 feet from 1250.

Q And the base of the salt is approximately 2600 feet, is that correct?

A Yes, sir.

Q Now, when you'd run your 4½" pipe, would you go down into the pay with that and cement it or would you complete open hole?

A Well, again, I would like to have the permission to do whatever the situation at the time calls for. Some of the wells are in the Capitan reef and, as you know, the water level in this area in Capitan reef stands about 1200 feet from the surface. In the event it's a large cavern, for example, the well we drilled a mile and a half to the east, we had a large cavern,



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the drill bit fell right through. I think it would be risky to attempt to set through in an instance of that kind.

Q There isn't a great deal of distance, only 300 feet from the base of the salt to the top of the pay apparently?

A Yes.

Q How far below the base of the salt did you say you had set your 4½" pipe?

A Oh, I would set it at least as deep as they were in the original wells and probably a little deeper in order to get a cement bond. Probably 50 feet. I would like to have the prerogative to complete either open hole or to set through and perforate due to this cavernous situation we could run into.

Q You would set your pipe into at least the top of the pay?

A Yes, sir.

MR. NUTTER: Any further questions?

BY MR. HEATON:

Q Would it be possible to perforate the old 5½" casing and possibly squeeze and drill cement behind it, especially near the top of the salt?

A It would be possible, yes, sir.

Q Say for 300 feet down in the salt, maybe a hundred feet above the salt?

A Yes.



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Q Is that possible? I don't know.

A Well, it's probably possible. However, they reported that the cement circulated originally on that particular well they used a thousand sacks of cement and reported it did circulate.

Q It did circulate?

A Yes, sir.

Q Oh, I didn't know that. In all the wells, it re-circulated in all the wells?

A No, just the one well.

Q Just one?

A Yes.

Q I'm just thinking about giving the salt section a little protection from the possible surface waters behind the 5½ casing.

A We'd be happy to comply with any requirements that the Commission felt necessary to protect the potash.

MR. PORTER: I have a question.

MR. NUTTER: Mr. Porter.

BY MR. PORTER:

Q Mr. Montgomery, how far is this area from the well that you will remember that we had all the difficulty down ^{there with} ~~in~~ plugging?

A It's approximately eight miles to the west.

Q You might encounter the same conditions, you think?



A Yes.

Q Possibility?

A Yes.

MR. NUTTER: And you have withdrawn your entire alternative request?

A Yes.

MR. NUTTER: Any further questions of Mr. Montgomery? He may be excused.

(Witness excused.)

MR. NUTTER: Did you have anything further you wish to offer in the case, Mr. Montgomery?

MR. MONTGOMERY: No.

MR. NUTTER: Does anyone have anything further they wish to offer in Case 2571? We will take the case under advisement and call Case 2572.

DEARNLEY-MEIER REPORTING SERVICE, Inc.

FARMINGTON, N. M.
PHONE 325-1182

ALBUQUERQUE, N. M.
PHONE 243-6691



STATE OF NEW MEXICO)
 : ss
 COUNTY OF BERNALILLO)

I, ADA DEARNLEY, Court Reporter, do hereby certify that the foregoing and attached transcript of proceedings before the New Mexico Oil Conservation Commission at Santa Fe, New Mexico, is a true and correct record to the best of my knowledge, skill and ability.

IN WITNESS WHEREOF I have affixed my hand and notarial seal this 19th day of June, 1962.

Ada Dearnley
 Notary Public-Court Reporter

My commission expires:

June 19, 1963.

I do hereby certify that the foregoing is a complete record of the proceedings in the Examiner hearing of Case No. 2571 heard by me on June 7, 1962.

[Signature], Examiner
 New Mexico Oil Conservation Commission

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