

*Entered November 19, 1958
G.F.P.*

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. 1543
Order No. R-1282

APPLICATION OF DRILLING & EXPLORATION
COMPANY, INC., FOR AN EXCEPTION TO THE
SHALLOW ZONE CASING REQUIREMENTS IN THE
POTASH-OIL AREA AS ESTABLISHED BY ORDER
NO. R-111-A.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on November 6, 1958, 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 6th day of November, 1958, 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 applicant, Drilling & Exploration, Inc., proposes to drill an exploratory well with cable tools to an approximate depth of 3700 feet at a point 1980 feet from the North line and 1980 feet from the West line of Section 27, Township 20 South, Range 34 East, NMPM, Lea County, New Mexico, to be known as applicant's Ballard No. 1 Well, and that said location is within the Potash-Oil Area as defined by Commission Order R-111-A.

(3) That the applicant proposes to case the above-described well as follows rather than in the manner prescribed by Order No. R-111-A:

- a. 13 3/8-inch casing to be landed at approximately 70 feet and cemented to the surface.
- b. 10 3/4-inch casing to be landed at approximately 700 feet.

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- c. 8 5/8-inch casing to be landed at approximately 1250 feet.
- d. 5 1/2-inch casing to be cemented at the top of the producing formation with no less than 50 sacks cement for testing purposes.
- e. In the event commercial production is obtained 10 3/4-inch casing and 8 5/8-inch casing to be pulled and 5 1/2-inch casing to be perforated and cemented to the surface.

(4) That the aforementioned casing program will confine the water, oil, and gas to the strata in which they naturally occur and will afford adequate protection for the potash deposits in the area, and that the proposed casing program will result in a considerable economic savings to the applicant.

(5) That the subject application should be approved.

(6) That the applicant should be required to comply with all of the provisions of Order No. R-111-A not specifically excepted by this order.

IT IS THEREFORE ORDERED:

1. That the applicant, Drilling & Exploration, Inc., be and the same is hereby authorized to drill its proposed Ballard No. 1 Well with cable tools at a point 1980 feet from the North line and 1980 feet from the West line of Section 27, Township 20 South, Range 34 East, NMPM, Lea County, New Mexico, and to case said well in the following-described manner:

- a. 13 3/8-inch casing to be landed at approximately 70 feet and cemented to the surface.
- b. 10 3/4-inch casing to be landed at approximately 700 feet.
- c. 8 5/8-inch casing to be landed at approximately 1250 feet.
- d. 5 1/2-inch casing to be cemented at the top of the producing formation with no less than 50 sacks of cement for testing purposes.

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- e. In the event commercial production is obtained 10 3/4-inch casing and 8 5/8-inch casing may be pulled provided 5 1/2-inch casing is perforated and cemented to the surface.

2. That the applicant shall comply strictly with all the provisions of Order R-111-A not specifically excepted herein.

3. That, notwithstanding the foregoing, the applicant shall make adequate provisions for the protection of all potash-bearing strata in the area regardless of the conditions encountered in drilling said well.

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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