

*Entered July 7, 1959
A.L.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. 1691
Order No. R-1429

APPLICATION OF THE OIL CONSERVA-
TION COMMISSION ON ITS OWN MOTION
TO CONSIDER AN AMENDMENT OF
RULE 107 TO PROVIDE THAT UNDER
CERTAIN CONDITIONS "SLIM-HOLE"
COMPLETIONS MAY BE APPROVED BY
DISTRICT SUPERVISORS

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on June 9, 1959, at Santa Fe, New Mexico, before the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission."

NOW, on this 26th day of June, 1959, the Commission, a quorum being present, having considered the testimony presented and the exhibits received at said hearing, 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 evidence presented indicates that under certain conditions the "slim-hole" method of completion is efficient and may result in a greater ultimate recovery of oil.

(3) That Rule 107 of the Commission Rules and Regulations should be amended to provide that if certain conditions hereinafter set forth exist, District Supervisors should be authorized to approve "slim-hole" completions without the necessity for administrative approval or notice and hearing.

(4) That the authority of District Supervisors to approve "slim-hole" completions should be limited to instances where the following conditions exist:

(a) The well is to be completed with a total depth of 5,000 feet or less;

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(b) The well is not a wildcat (It is not more than one mile from an existing well producing from the same common source of supply to which it is projected);

(c) No known corrosive or pressure problems exist which might make the "slim-hole" method of completion undesirable;

(d) The well will not be a dual completion;

(e) The tubing used as a substitute for casing will be either 2-3/8 inch OD or 2-7/8 inch OD.

IT IS THEREFORE ORDERED:

That paragraph (d) of Rule 107 of the Commission Rules and Regulations be and the same is hereby amended to read as hereinafter set forth, and that said Rule 107 be and the same is hereby further amended by the addition of paragraph (e) as hereinafter set forth:

(d) (1) All flowing oil wells equipped with casing larger in size than 2-7/8 inch OD shall be tubed.

(2) All gas wells equipped with casing larger in size than 2-7/8 inch OD shall be tubed.

(3) Tubing shall be set as near the bottom as practical and tubing perforations shall not be more than 250 feet above the top of the pay.

(4) The Secretary-Director of the Commission may, upon proper application, grant administrative exceptions to the provisions of sub-paragraphs (2) and (3) above, without notice and hearing, provided waste will not be caused thereby.

(e) The Commission's District Supervisors or their representatives shall have authority to approve "slim-hole" completions without the necessity for administrative approval or notice and hearing when the following conditions exist:

(1) The well is to be completed with a total depth of 5,000 feet or less.

(2) The well is not a wildcat (It is not more than one mile from an existing well producing from the same common source of supply to which it is projected).

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- (3) No known corrosive or pressure problems exist which might make the "slim-hole" method of completion undesirable,
- (4) The well will not be a dual completion,
- (5) The tubing used as a substitute for casing will be either 2-3/8 inch OD or 2-7/8 inch OD.

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION


JOHN BURROUGHS, Chairman


MURRAY E. MORGAN, Member


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

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