BEFORE THE OIL CONSERVATION COMMISSION OF THE STATE OF NEW MEXICO

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IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION COMMISSION OF NEW MEXICO FOR THE PURPOSE OF CONSIDERING:

> CASE No. 1949 Order No. R-1662

APPLICATION OF TRICE PRODUCTION COMPANY FOR AN EXCEPTION TO RULE 107 (e) OF THE COMMISSION RULES AND REGULATIONS FOR ONE WELL IN LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on April 27, 1960, at Santa Fe, New Mexico, before Elvis A. Utz, 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 <u>9th</u> day of May, 1960, the Commission, a quorum being present, having considered the application, the evidence adduced, and the recommendations of the Examiner, Elvis A. Utz, 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 is the owner and operator of the Four Lakes State Well No. 1, located in the NE/4 NW/4 of Section 11, Township 12 South, Range 34 East, NMPM, Lea County, New Mexico.

(3) That the subject well was originally drilled to a depth in excess of 12,000 feet and was subsequently plugged back to a depth of approximately 10,500 feet.

(4) That the applicant proposes to recomplete the subject well as a "slim-hole" completion in either the Pennsylvanian or Wolfcamp formation with 2 7/8-inch OD tubing set at 10,500 feet, which completion method requires an exception to Rule 107 (e) of the Commission Rules and Regulations.

(5) That the application should be approved in order to permit the applicant to utilize the presently drilled 10,500 foot hole, provided the casing centralizers are installed in the

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9500-10,500 foot interval, and provided further that this interval is cemented.

(6) That according to the applicant's testimony, there are no known pressure or corrosion problems anticipated in the subject area which cannot be adequately controlled.

(7) That all formations from 4200 feet to the surface are adequately protected under the proposed installation.

IT IS THEREFORE ORDERED:

That the applicant, Trice Production Company, be and the same is hereby authorized to recomplete its Four Lakes State Well No. 1, located in the NE/4 NW/4 of Section 11, Township 12 South, Range 34 East, NMPM, Lea County, New Mexico, as a "slim-hole" completion in either the Pennsylvanian or Wolfcamp formation with a total depth of approximately 10,500 feet, using a string of 2 7/8-inch OD tubing as casing.

<u>PROVIDED HOWEVER</u>, That casing centralizers shall be set in the 9500-10,500 foot interval, and provided further that the 2 7/8-inch OD tubing in this interval shall be cemented.

<u>PROVIDED FURTHER</u>, That the applicant shall take whatever measures are necessary to properly control any pressure or corrosion problems which may be encountered in completing or producing the subject well.

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

> STATE OF NEW MEXICO OIL CONSERVATION COMMISSION

JOHN BURROUGHS, Chairman

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MURRAY E. MORGAN, Member

Jr., Member & Secretary PORTER.

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