BEFORE THE OIL CONSERVATION COMMISSION OF THE STATE OF NEW MEXICO

Canton ( 1962 - 20, 1962 -Q. P.

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

> CASE No. 2510 Order No. R-2204

APPLICATION OF TEXACO INC. FOR AN EXCEPTION TO RULE 107 (e), LEA COUNTY, NEW MEXICO.

## ORDER OF THE COMMISSION

## BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on March 28, 1962, 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>4th</u> day of April, 1962, 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, Texaco Inc., is the owner and operator of the K. F. Quail-Federal Well No. 1 located 2086 feet from the South line and 556 feet from the West line of Section 1, Township 20 South, Range 34 East, NMPM, Lea County, New Mexico.

(3) That the applicant seeks an exception to Rule 107 (e) of the Commission Rules and Regulations authorizing completion of said K. F. Quail-Federal Well No. 1 in an undesignated Bone Springs pool as a 2 7/8-inch tubingless completion below the depth of 5000 feet.

(4) That the applicant has equipped the well with 2 7/8inch casing to a depth of 9721 feet in the Bone Springs formation, and that said casing was cemented with a sufficient volume of cement to come back to a minimum of 401 feet above the top of the Bone Springs formation.

(5) That no productive zone exists between the bottom of the intermediate string of casing set at a depth of 5490 feet and the top of the cement on the aforesaid 2 7/8-inch casing.

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(6) That denial of the subject application would result in undue hardship to the applicant.

## IT IS THEREFORE ORDERED:

(1) That the applicant, Texaco Inc., is hereby granted an exception to Rule 107 (e) of the Commission Rules and Regulations to permit the completion of the K. F. Quail-Federal Well No. 1 located 2086 feet from the South line and 556 feet from the West line of Section 1, Township 20 South, Range 34 East, NMPM, Lea County, New Mexico, as a 2 7/8-inch tubingless completion in an undesignated Bone Springs pool below the depth of 5000 feet.

(2) That an allowable shall be assigned to said K. F. Quail-Federal Well No. 1 as of the date of this order provided all other applicable rules and regulations of the Commission have been complied with.

(3) 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

all and a Member WALKER,

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

SEAL

esr/