

Subscribed and sworn to before me at Santa Fe, N.M., Dec 29, 1964
D.H.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. 3167
Order No. R-2856

APPLICATION OF IMC DRILLING MUD,
A DIVISION OF INTERNATIONAL MINERALS
AND CHEMICAL CORPORATION FOR AN
AMENDMENT OF RULE 107.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m., on December 15, 1964, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 29th day of December, 1964, the Commission, a quorum being present, having considered the testimony, the record, and the recommendations of the Examiner, 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 certain oil-base casing packing materials have been developed and are available to the oil and gas industry for use in cementing oil and gas well casing in the wellbore.

(3) That it appears that the use of such materials in lieu of conventional-type hard-setting cements is, under certain conditions, particularly effective in sealing off water producing zones and preventing casing corrosion.

(4) That under such conditions the use of such materials will prevent waste; that such materials should be authorized for use in cementing intermediate and production casing strings.

IT IS THEREFORE ORDERED:

(1) That Section (a) of RULE 107, CASING AND TUBING REQUIREMENTS, of the Commission Rules and Regulations be amended

Page -2-
Case No. 3167
Order No. R-2856

to read in its entirety as follows:

"(a) Any well drilled for oil or natural gas shall be equipped with such surface and intermediate casing strings and cement as may be necessary to effectively seal off and isolate all water-, oil-, and gas-bearing strata and other strata encountered in the well down to the casing point. In addition thereto, any well completed for the production of oil or natural gas shall be equipped with a string of properly cemented production casing at sufficient depth to ensure protection of all oil- and gas-bearing strata encountered in the well, including the one(s) to be produced.

Sufficient cement shall be used on surface casing to fill the annular space behind the casing to the top of the hole, provided however, that authorized field personnel of the Commission may, at their discretion, allow exceptions to the foregoing requirement when known conditions in a given area render compliance impracticable.

All cementing shall be by pump and plug method unless some other method is expressly authorized by the Commission.

All cementing shall be with conventional-type hard-setting cements to which such additives (lighteners, densifiers, extenders, accelerators, retarders, etc.) have been added to suit conditions in the well.

Authorized field personnel of the Commission may, when conditions warrant, allow exceptions to the above paragraph and permit the use of oil-base casing packing material in lieu of hard-setting cements on intermediate and production casing strings; provided however, that when such materials are used on the intermediate casing string, conventional-type hard-setting cements shall be placed throughout all oil- and gas-bearing zones and throughout at least the lowermost 300 feet of the intermediate casing string. When such materials are used on the production casing string, conventional-type hard-setting cements shall be placed throughout all oil- and gas-bearing zones and shall extend upward a minimum of 500 feet above the uppermost perforation or, in the case of an open-hole completion, 500 feet above the production casing shoe.


All casing strings shall be tested and proved satisfactory as provided in paragraph (c) below."

Page -3-
Case No. 3167
Order No. R-2856


(2) 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


JACK M. CAMPBELL, Chairman


E. S. WALKER, Member


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

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