Entered Duly 7, 1966 QLP.

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. 3412 Order No. R-3085

APPLICATION OF SEC OPERATING FOR AN EXCEPTION TO COMMISSION ORDER NO. R-111-A, LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on June 8, 1966, at Santa Fe, New Mexico, before Examiner Elvis A. Utz.

NOW, on this 7th day of July, 1966, 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 the applicant, SEC Operating, seeks approval of a special cementing and casing program for a well to be drilled in Unit D of Section 14, Township 20 South, Range 33 East, NMPM, Teas Pool, Lea County, New Mexico, as an exception to the casing and cementing rules prescribed for the Potash-Oil Area by Order No. R-111-A.
- (3) That the proposed drilling, casing, cementing, and abandonment program should prevent waste of oil, gas, water, and commercial potash deposits by the subject well.
- (4) That approval of the subject application will relieve the applicant of unnecessary operating expenses, and will otherwise prevent waste and protect correlative rights.

-2-CASE No. 3412 Order No. R-3085

IT IS THEREFORE ORDERED:

(1) That the applicant, SEC Operating, is hereby granted an exception to the casing and cementing requirements of the rules and regulations governing the Potash-Oil Area, promulgated by Order No. R-111-A, to drill, case, cement, and abandon a well to be drilled in Unit D of Section 14, Township 20 South, Range 33 East, NMPM, Teas Pool, Lea County, New Mexico, in accordance with the following program:

CASING, CEMENTING, AND ABANDONMENT PROCEDURE

- 1. Surface Casing String:
 - (a) Applicant shall set 9 5/8-inch, 10 3/4-inch, or 13 3/8-inch new or used oil field casing in good condition at a depth of 950 feet below the surface or deeper if necessary to protect any potable water. Cement shall be circulated back to the surface.
 - (b) Cement shall set a minimum of 12 hours before drilling the plug or instituting tests.
- 2. Salt Protection Casing String:

In lieu of the salt protection casing string, prior to drilling into the uppermost pay zone, the hole shall be filled with mud and the level of mud maintained to the surface during drilling and testing of pay zones.

- 3. Production Casing String:
 - (a) If production is encountered, applicant shall set a production string of 4 1/2-inch 5 1/2-inch, or 7-inch casing on top of or through the Seven Rivers formation.
 - (b) The production casing string shall be cemented with sufficient cement to circulate back into the surface casing string.

-3-CASE No. 3412 Order No. R-3085

- 4. If commercial production is not obtained, or upon plugging the well subsequent to depletion, plug and abandon in accordance with the program as set forth and described in Commission Order No. R-111-A.
- 5. Applicant shall notify the Hobbs District Office of the date and hour casing is to be run and cemented and the date and hour the well is to be plugged.
- (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

QIL CONSERVATION COMMISSION

ACK M. CAMPBELL, Chairman

Guster B. Hoy -

GUYTON B. HAYS, Member

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

SEAL