Entered Horander 6, 1970

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. 4445 Order No. R-4055

APPLICATION OF BYRON McKNIGHT FOR AN EXCEPTION TO 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 October 28, 1970, at Santa Fe, New Mexico, before Examiner Elvis A. Utz.

NOW, on this 6th day of November, 1970, 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, Byron McKnight, seeks authority to drill two exploratory wells at standard locations in the NE/4 NE/4 of Section 34 and in the NW/4 NW/4 of Section 35, both in Township 19 South, Range 33 East, NMPM, Lea County, New Mexico, said area being situated in the Potash-Oil Area governed by Order No. R-111-A.
- (3) That the applicant also seeks approval of the special cementing and casing program for the subject wells as an exception to the casing and cementing rules prescribed for the Potash-Oil Area by said Order No. R-111-A.

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- (4) That potash development does not presently exist and is not presently known to be contemplated within the vicinity of the proposed wells.
- (5) That approval of the proposed special casing and cementing program for the subject wells will prevent waste and protect correlative rights.

IT IS THEREFORE ORDERED:

(1) That the applicant, Byron McKnight, is hereby authorized to drill two exploratory wells at standard locations in Township 19 South, Range 33 East, NMPM, East Gem-Yates Pool, Lea County, New Mexico, as follows:

Byron McKnight J. Craig Well No. 1, to be located 330 feet from the North line and 330 feet from the East line of Section 34; and

Byron McKnight Mark Smith Ranch Well No. 1, to be located 330 feet from the North line and 330 feet from the West line of Section 35.

(2) That as an exception to the provisions of Order No. R-111-A, the applicant is hereby authorized to complete and abandon the aforesaid two wells as follows:

CASING, CEMENTING, AND ABANDONMENT PROCEDURE

- 1. Surface Casing String:
 - (a) Applicant shall set 8 5/8-inch new oil field casing at a depth of 300 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 24 hours before drilling the plug or instituting tests.
- 2. Salt Protection Casing String:

In lieu of utilizing a salt protection string the operator shall, while drilling the salt section, employ a drilling fluid consisting of water, to which has been added sufficient salts of a character common to the zone penetrated to completely saturate the mixture. Other admixtures may be added to the fluid by the operator in overcoming any specific problem. This requirement is specifically intended to prevent enlarged drill holes. 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 1/2inch or 5 1/2-inch casing through the productive interval.
- (b) The production casing string shall be cemented with sufficient cement to circulate back to the surface.
- 4. Cementing and Testing Procedure:

All cement mixtures and testing procedures shall be in accordance with the applicable provisions of Order No. R-lll-A.

5. Abandonment Procedure:

Upon abandonment of the well, it shall be plugged and abandoned in accordance with the standard statewide rules and regulations of the New Mexico Oil Conservation Commission. Cement plugs of 25 sacks each (at least 100 feet in length) shall be spotted opposite the pay horizon, below the salt section, above the salt section, and at the base of the shoe of the surface casing, and 10 sacks shall be used at the surface. In addition, 25-sack cement plugs shall be spotted opposite any water bearing horizon encountered while drilling.

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- 6. 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.
- (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

DAVID_F. CARGO, Chairman

ALEX J. ARMIJO, Member

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

SEAL