

Entered May 24, 1977
JAP

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. 5866
Order No. R-5434

APPLICATION OF UNION TEXAS PETROLEUM
FOR AN EXCEPTION TO CASING AND
CEMENTING REQUIREMENTS OF 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 March 9, 1977,
at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 24th day of May, 1977, 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, Union Texas Petroleum, proposes to
drill a well to test the Yates-Seven Rivers formations in Unit
D of Section 33, Township 20 South, Range 34 East, NMPM, Lynch
Yates-Seven Rivers Pool, Lea County, New Mexico.

(3) That said well would be located in the Potash-Oil Area
as defined by Commission Order No. R-111-A, as amended, and
therefore would be subject to the casing and cementing require-
ments promulgated by said order for wells drilled within said
area.

(4) That the applicant seeks approval for an exception to
the aforesaid casing and cementing requirements to permit drilling
and completing said well utilizing a short surface casing string
and no salt protection string.

(5) That applicant's proposed exception to the surface
casing requirement appears to afford adequate protection to the
known water sands in the area and should be approved.

-2-

Case No. 5866
Order No. R-5434

(6) That the proposed exception to the salt protection string requirement will not afford adequate protection to the potash in the subject area, could result in waste, and should be denied.

(7) That as an alternate to the casing and cementing program proposed by the applicant, the Commission should approve a program that will require the permanent installation of a minimum of casing, thereby resulting in substantial savings to the applicant, but will yet provide adequate protection to the salt section in the subject well, and will not cause waste nor impair correlative rights.

IT IS THEREFORE ORDERED:

(1) That the application of Union Texas Petroleum for an exception to the casing and cementing requirements of the Potash-Oil Area as promulgated by Order No. R-111-A, to permit the drilling of a proposed well in the NW/4 NW/4 of Section 33, Township 20 South, Range 34 East, NMPM, Lynch Yates-Seven Rivers Pool, Lea County, New Mexico, without utilizing a salt protection string is hereby denied.

(2) That the applicant, in lieu of his proposed casing and cementing program, is hereby authorized to case and cement the above-described well in the following manner, in exception to the provisions of Order No. R-111-A:

- (a) Set surface casing at 350 feet or such greater depth as may be necessary to case off any known water-bearing strata in the vicinity of said well, circulating cement on said casing back to the surface.
- (b) Set and mud-in a salt protection casing string not less than 100 feet below the base of the salt section.
- (c) If the well is to be completed as a producer, production casing shall be set on top of or through the Seven Rivers formation at an approximate depth of 3750 feet, after the reservoir has been evaluated by logging or testing. The salt protection string may be pulled after the production casing has been run.

The production casing shall be cemented with sufficient cement to protect any pay zone and the salt section and fill the annular space behind the pipe to the surface.

-3-

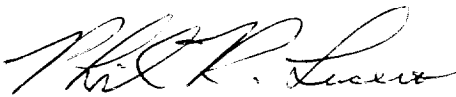
Case No. 5866


Order No. R-5434

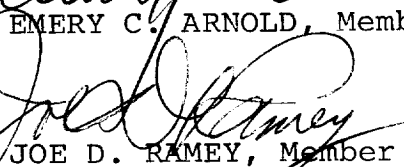
- (d) All cement mixtures, cement waiting times, and testing procedures shall be in accordance with the applicable provisions of Order No. R-111-A insofar as said provisions are not inconsistent with this order.
- (e) Upon abandonment, the well shall be plugged in accordance with the provisions of Order No. R-111-A.
- (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


PHIL R. LUCERO, Chairman


EMERY C. ARNOLD, Member


JOE D. RAMEY, Member & Secretary

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