

Entered December 29, 1978
JWR

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
DIVISION FOR THE PURPOSE OF
CONSIDERING:

CASE NO. 6405
Order No. R-5888

APPLICATION OF LARUE AND MUNCY FOR
EXCEPTION TO ORDER NO. R-111-A,
EDDY COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on December 7, 1978, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 29th day of December, 1978, the Division Director, 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 Division has jurisdiction of this cause and the subject matter thereof.
- (2) That the applicant, LaRue and Muncy, seeks an exception to the casing/cementing rules for the Oil-Potash Area as promulgated by Order No. R-111-A to permit its Federal FR Well No. 1 located in Unit I of Section 15, Township 18 South, Range 30 East, Eddy County, New Mexico, to be completed with a string of surface casing set and circulated with cement at a depth of approximately 550 feet and a production casing string set at a depth of approximately 3500 feet with a volume of cement calculated to be sufficient to circulate.
- (3) That the evidence presented indicates that there are no potash mining operations nor deposits of commercial potash ore in proximity to the proposed well and that the proposed method of completion will not result in endangerment of potash resources nor operations.

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(4) That the applicant should report the following both to the district office of the Division and the U.S.G.S. and may be required to circulate cement to the surface around the production casing:

- (a) Any water flows encountered;
- (b) The top of the cement around the production casing as determined by temperature survey if such cement does not circulate.

(5) That approval of the subject application will protect correlative rights, will prevent waste and will not cause the waste of potash.

(6) The application should be approved.

IT IS THEREFORE ORDERED:

(1) That the applicant, LaRue and Muncy, is hereby authorized an exception to the casing/cementing rules for the Oil-Potash Area as promulgated by Order No. R-111-A to permit its Federal FR Well No. 1 located in Unit I of Section 15, Township 18 South, Range 30 East, Eddy County, New Mexico, to be completed with a string of surface casing set and circulated with cement at a depth of approximately 550 feet and a production casing string set at a depth of approximately 3500 feet with a volume of cement calculated to be sufficient to circulate.

PROVIDED HOWEVER, that the applicant shall report the following, both to the district office of the Division and the U.S.G.S:

- (a) Any water flows encountered; and
- (b) The top of the cement around the production casing as determined by temperature survey if such cement does not circulate.

PROVIDED FURTHER, that the applicant may be required to re-cement the production casing to the surface if cement on said casing did circulate to the surface.

(2) That jurisdiction of this cause is retained for the entry of such further orders as the Division may deem necessary.

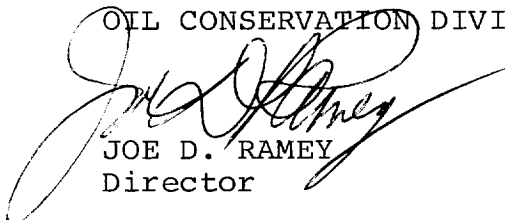
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DONE at Santa Fe, New Mexico, on the day and year herein-
above designated.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION



JOE D. RAMEY
Director

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