

Entered January 16, 1980
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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. 6765
Order No. R-6238

APPLICATION OF MESA PETROLEUM COMPANY
FOR TWO EXCEPTIONS TO ORDER NO. R-111-A
AND AN UNORTHODOX OIL WELL LOCATION,
EDDY COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on December 12, 1979, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 16th day of January, 1980, 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, Mesa Petroleum Company, seeks an exception to the casing/cementing rules for the Oil-Potash Area as promulgated by Order No. R-111-A to permit two proposed wells, its Bass Federal Wells Nos. 2 and 3, to be located in Units F and D, respectively, of Section 6, Township 20 South, Range 31 East, NMPM, Eddy County, New Mexico, to be completed with a string of surface casing set at approximately 500 feet with cement circulated to the surface, and a production casing string set at total depth in the Delaware formation at approximately 2300 feet with cement circulated to the surface.

(3) That the applicant further requests approval for the unorthodox location of the aforesaid Bass Federal Well No. 2, which would be drilled at a point 1450 feet from the North line and 1850 feet from the West line of said Section 6.

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(4) That the aforesaid Bass Federal Well No. 3, being located in the NW/4 NW/4 of Section 6, Township 20 South, Range 31 East, NMPM, is not within the Potash-Oil Area as defined by Division Order No. R-111-A, as amended, and that therefore no exception to the casing/cementing rules of said Order is necessary for said well.

(5) That the evidence presented indicates that the proposed Bass Federal Well No. 2, by being at the proposed unorthodox location, will be at least 1000 feet lateral distance from the nearest potash ore body, and that the approval of the proposed casing/cementing exception for said well will have no adverse effect on known potash reserves.

(6) That the unorthodox location for the aforesaid Bass Federal Well No. 2 will not impair the correlative rights of any owner of oil and gas rights in the area.

(7) That for any well drilled pursuant to this order, the applicant should 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.

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

(9) That the application should be approved.

IT IS THEREFORE ORDERED:

(1) That the applicant, Mesa Petroleum Company, is hereby authorized an exception to the casing/cementing rules for the Potash-Oil Area as promulgated by Order No. R-111-A to permit its Bass Federal Well No. 2 which will be drilled at an unorthodox location 1450 feet from the North line and 1850 feet from the West line of Section 6, Township 20 South, Range 31 East, NMPM, Eddy County, New Mexico, to be completed with a string of surface casing set at approximately 500 feet with cement circulated to the surface, and a production casing string set at total depth in the Delaware formation at approximately 2300 feet with cement circulated to the surface.

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(2) That the above-described unorthodox location for said Bass Federal Well No. 2 is hereby approved.

(3) That for any well drilled pursuant to this order, 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.

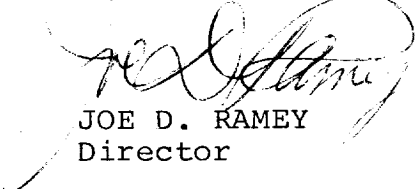
PROVIDED HOWEVER, that on any such well, the applicant may be required to re-cement the production casing to the surface if cement on said casing did not circulate to the surface.

(4) That that portion of this case relating to a casing/cementing exception for applicant's proposed Bass Federal Well No. 3 is hereby dismissed.

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

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION



JOE D. RAMEY
Director

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