ENERGY AND MINERALS DEPARTMENT OIL CONSERVATION DIVISION P. O. BOX 2088 Santa Fe, New Mexico 87501

Coquina Oil Corporation P. O. Drawer 2960 Midland, Texas 79702

Attention: Ron Gilbreath

## Administrative Order TX-81

## Gentlemen:

Reference is made to your request for an exception to the tubing setting requirements as contained in Division Rule 107(d)(3) for the below-named well.

Pursuant to the authority granted me by Rule 107(d)(4), you are hereby authorized to set tubing at 9540 feet in the following well:

## LEASE NAME

WELL NO. UNIT S-T-R

J

4-23S-28E

Swearinger

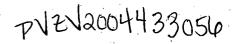
The Division reserves the right to rescind this authority in the event that waste appears to be resulting therefrom.

Very truly yours JOE D. RAMEY, Division Director

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JDR/DSN/dr

cc: Oil Conservation Division - Artesia
Oil & Gas Engineering Committee - Hobbs



OIL CONSERVATION DIVISION

SANTA FE

(915) 682-6271

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COQUINA OIL CORPORATION P. O. DRAWER 2960 MIDLAND, TEXAS 79702

November 24, 1981

Oil Conservation Division P. O. Box 2088 Santa Fe, New Mexico 87501

Attn: Joe Ramey Division Director

**RE:** Request for Administration Exception Statewide Rule 107 D Coguina Oil Corporation Swearingen #1 J-4-23-28 Eddy Co., New Mexico

Dear Mr. Ramey:

RG/sj

Coquina is herein requesting that an administrative exception be granted concerning State Rule 107 D on its Swearingen #1.

As shown on the attached wellbore diagram the 2 7/8" tubing is set approximately 1800' above the top Atoka perforations at 11,398'-11,528'. As reported of Form C-103 dated September 25, 1981, Coquina installed a 7 5/8" liner in this hole and while testing the top of the liner a high pressure low volume leak was discovered. Four attempts were made to pump into the top of the liner with both 13+ ppg mud and fresh water in the hole. A rate could not be established at surface pressures of 5500 to 6000 psig with either. The remainder of the hole was then drilled with only intermittent leaking from the liner top. After completion of the well it was decided to set the production packer above the squeeze the leak would be both engineeringly difficult and extremely costly. The well has been perforated and tested for a CAOF in excess of 23 MMCFPD. BHP is 7850 psi. It is currently shut-in waiting on pipeline connection and Commission approval to produce.

The granting of this request would not result in any waste and would allow Coquina to produce the well in an efficient manner. If additional information is needed, please contact me.

Yours truly,

COQUINA OIL CORPORAT

Call Row

