

**STATE OF NEW MEXICO
ENERGY MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION**

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CASE NO. 15487

**APPLICATION OF THE NEW MEXICO OIL CONSERVATION DIVISION
THROUGH THE SUPERVISOR OF DISTRICT II FOR AN EMERGENCY ORDER
SUSPENDING CERTAIN APPROVED APPLICATIONS FOR PERMITS TO DRILL,
AND FOR ADOPTION OF SPECIAL RULES FOR DRILLING IN CERTAIN AREAS
FOR THE PROTECTIONS OF FRESH WATER, CHAVES AND EDDY COUNTIES,
NEW MEXICO**

NOTICE OF FILING OF PROPOSED RULE

The New Mexico Oil Conservation Division, by the Supervisor of District II, hereby proposes that the Division, by special order, adopt the attached casing and cementing requirements ("proposed rules") to apply within the Designated Area described on Exhibit "A" to the attached proposal.

Respectfully Submitted



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**SPECIAL DRILLING RULES FOR WELLS
IN THE DESIGNATED AREA OF THE
ROSWELL GROUND-WATER BASIN**

Rule 1. Applicability. All wells drilling of which is hereafter commenced from surface locations within the Designated Area, as described in Exhibit "A" to Order R-_____, or which will penetrate the Designated Area above the base of the San Andres formation, shall be permitted, drilled and operated in accordance with these rules.

Rule 2. Wells that Penetrate the Shallow Aquifer. For wells that will penetrate the Shallow Aquifer of the Roswell Ground Water Basin within the area thereof as mapped by the Office of the State Engineer, or will penetrate the Shallow Aquifer within one mile of the area so mapped, the operator shall include in the casing program at least the following:

[a] If a conductor pipe is used, it will be adequately cemented in place to prevent drainage of fluids from the surface or other shallow formations into the Shallow Aquifer.

[b] The operator shall set a surface casing string at least 50 feet below the base of the Shallow Aquifer, such that the surface casing is landed in the first competent formation, and circulate cement to the surface.

[c] The operator shall set an intermediate casing string in the San Andres formation at a depth of approximately 1200 feet below the surface, and not more than 50 feet above the first show of hydrocarbons encountered in the San Andres on the mud log.

[d] After setting each string of water protection casing, the operator shall furnish a cement bond log to the Artesia District Office of the Division, and shall not continue drilling until the cement bond log and the corresponding casing completions are approved.

[e] The operator shall cement production casing to a depth not less than 500 feet above the intermediate casing shoe.

[f] After setting production casing, the operator shall furnish a cement bond log to the Artesia District Office of the Division, and shall not proceed with completion until the cement bond log is approved.

Rule 3. Exceptions. Notwithstanding Rule 2(b), the District Supervisor of Oil Conservation Division District 2 may approve a casing program for a well that penetrates the mapped area of the Shallow Aquifer that provides for only one water-protection casing string to be set in the San Andres formation in accordance with Rule 2[c], or for setting either or both casing strings at a shallower depth than is provided in Rule 2, if the District Supervisor finds that the proposed casing program will be reasonably sufficient to prevent fluid movement into or out of the wellbore from or to either designated aquifer. In approving any exception to Rule 2[b], the District Supervisor may attach such conditions of approval as, in his judgment, are reasonably

necessary to prevent such fluid movement. In any well for which an exception is approved pursuant to this rule, cement on the production casing shall be circulated to the surface.

Rule 4. Wells that Penetrate Only the Artesian Aquifer. For wells that will not penetrate the Shallow Aquifer, but will penetrate the Artesian Aquifer of the Roswell Ground Water Basin, or will penetrate the San Andres formation within the area of the Artesian Aquifer, as mapped by the Office of the State Engineer, or within one mile thereof, the operator shall include in the casing program all of the provisions required by Rule 2, except that the Surface Casing string specified in Rule 2(b) shall not be required, the Intermediate Casing string required by Rule 2(c) may serve as the Surface Casing, and cement on the production casing shall be circulated to the surface.

Rule 5. Annular Space. In order to provide an adequate annular space, the diameter of the hole in which a casing string is set shall be at least two inches greater than the outer diameter of the couplings on the casing string.

Rule 6. Compliance with Statewide Rules. These rules shall not be construed to relieve the operator of any well from the obligation to comply with any applicable statewide rules, including, but not limited to Division Rules 19.15.16.9, 19.15.16.10 and 19.15.16.11 NMAC.

Rule 7. Transitional Provisions. Any Application for Permit to Drill (APD) for a proposed well within the Designated Area that was previously approved and suspended by Emergency Order of the Division shall be reinstated if it meets the requirements of these rules. Any operator may amend any such APD within thirty days after the issuance of Order No. R-_____, to comply with these rules. If a previously suspended APD is reinstated or approved as amended, it shall continue in force for two years from the date of original approval, plus the number of days that such AFE was suspended.

EXHIBIT A

T 5S R22E – Sec 31-36, T5S R23E, Sec 31-34

T6S R22E – Sec 1, 11-14, 23-26, 35-36, T6S R23E – All, T6S R24# Sec 4-9, 16-21, 28-33

T 7S R21E - All, T 7S R22E - All, T7S R23E - All, T7S R24E - Sec 4-9, 16-21, 27-34

T 8S R21E - All, T 8S R22E - All, T8S R23E - All, T8S R24E - Sec 2-11, 13-36, T8S R25E - Sec 30 & 31

T 9S R21E - All, T 9S R22E - All, T9S R23E - All, T9S R24E – All, T9S R25E - Sec 6-8, 18-20, 29-33

T 10S R21E - All, T 10S R22E - All, T10S R23E - All, T10S R24E - All, T10S R25E Sec 4-10, 14-24, 26-35

T11S R21E - All, T11S R22E - All, T11S R23E - All, T11S R24E - All, T11S R25E - Sec 2-11, 14-23, 26-36

T12S R21E - All, T12S R21 ½ E – All, T12S R22E - All, T12S R23E - All, T12S R24E - All, T12 R25E - All,
T12S- R26E Sec 5-8, 16-20, 26-35

T13S R21E - All, T13S R22E - All, T13S R23E - All, T13S R24E - All, T13S R25E – All, T13S R26E - Sec 2-11,
14-23, 27-35

T14S R21E - All, T14S R22E - All, T14S R23E - All, T14S R24E - All, T14S R25E – All, T14S R26E - All

T15S R21E - All, T15S R22E - All, T15S R23E - All, T15S R24E - All, T15S R25E – All, T15S R26E Sec 1-11,
14-23, 27-33

T16S R21E - All, T16S R23E - All, T16S R24E - All, T16S R25E - All, T16S R26E – All, T16S R27E Sec 19 &
30

T17S R21E - All, T17S R23E - All, T17S R24E - All, T17S R25E - All, T17S R26E – All, T17S R27E Sec 5-8,
18, 19, 30, 31

T18S R20E – Sec 24-25, 35-36, T18S R21E – All, T18S R23E - All, T18S R24E - All, T18S R25E - All T18S
R26E - All, T18S R27E - Sec 6, 7, 18, 19, 30, 31

T19 ½ S R24E - All

T19S R23E - All, T19S R24E - All, T19S R25E - All T19S R26E - All, T19S R27E - Sec 5-8, 18, 19

T19S R20E – Sec 1-3, 10-13, 23-24, T19S R21E – All, T20S R23E - All, T20S R24E - All, T20S R25E - All,
T20S R26E - Sec 1-12, 14-23, 28-32

T20.5S R22E - All, T20.5S R23E - All

T21S R22E – All, T21S R23E – All, T21S R24E – Sec 1-23, 25-34, T21S R25E – Sec 2-7

T22S R22E – Sec 1-5, 8-17, 20-29, 31-36, T22S R23E – Sec 1-35, T22S R224E – Sec 5-7

T23S R22E – 1-5, 7-12, T23S R23E, Sec 5-7