

New Mexico
OIL CONSERVATION COMMISSION

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LAND COMMISSIONER E.S. WALKER
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SECRETARY AND DIRECTOR



P. O. BOX 2045
HOBBS, NEW MEXICO

August 19, 1953

Oil Conservation Commission
Mr. E. S. Walker
Land Commissioner
Santa Fe, New Mexico

Dear Sir:

I am in touch with your suggestion in our telephone conversation yesterday. I have written a proposed revision of the third paragraph of Rule 1104 which is to be filed with the filing of form 2-102. I found the rewriting of this paragraph a little more difficult than I had anticipated and in all probability you may wish to make changes in the proposal which I am submitting.

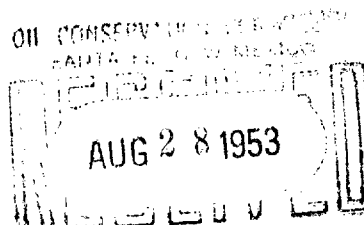
The main purpose of the revision is to eliminate the requirement for filing form 2-102 in connection with routine operations which are covered by other forms on drilling wells. I believe this is accomplished in the proposed revision.

Yours very truly,

OIL CONSERVATION COMMISSION

A. L. Fortner, Jr.
Production Manager

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PRESENT RULE

"RULE 1105. MISCELLANEOUS NOTICES.

Form C-102, 'Miscellaneous Notices,' shall be filed by the operator in TRIPLICATE, with the District Office of the Commission, and approval obtained from the District Office of the Commission before starting operations leading to a proposed change in drilling plan, before plugging a well, before squeezing operations are begun, before gun perforating, before temporarily abandoning well, before plugging back, before acidizing, before drilling to a greater depth than indicated on Form C-101 before setting a liner, before shooting with nitroglycerin, and before starting any other similar operations not specifically covered herein. A copy of this notice giving decision of the Commission will be returned to the owner.

In the case of well-plugging operations, the notice shall give a detailed statement of the proposed work, including length and depth of plugs, plans for mudding, cementing, shooting, testing and removing casing; and the date of the proposed plugging operations. Before plugging any well, the owner shall give notice to all adjoining lessees and representatives of such adjoining lessees may be present to witness the plugging, if they so desire, but plugging shall not be delayed because of inability to deliver notice to adjoining lessees. Failure to file notice before plugging shall constitute grounds for forfeiture of bond. If not previously filed, a complete log of the well on Form C-105 shall accompany the notice of intention to plug the well."

PROPOSED REVISION

RULE 1105. MISCELLANEOUS NOTICES.

Form C-102, 'Miscellaneous Notices,' shall be filed by the operator in triplicate and approval obtained from the District Office of the Commission before starting operations leading to:

1. A change in drilling plans,
2. Plugging a well,
3. Temporary abandonment of a well, or
4. Remedial work, such as, plugging back, drilling deeper, acidizing, squeezing operations, formation fracturing, setting a liner, gun perforating or other similar operations not specifically covered herein.

Form C-102 shall not be required to cover the operations described in item 4 above for new wells in the process of completion.

In the case of well-plugging operations, the notice shall give a detailed statement of the proposed work, including length and depth of plugs, plans for mudding, cementing, shooting, testing and removing casing; and the date of the proposed plugging operations. Before plugging any well, the owner shall give notice to all adjoining lessees and representatives of such adjoining lessees may be present to witness the plugging, if they so desire, but plugging shall not be delayed because of inability to deliver notice to adjoining lessees. Failure to file notice before plugging shall constitute grounds for forfeiture of bond. If not previously filed, a complete log of the well on Form C-105 shall accompany the notice of intention to plug the well.