This rule was filed as Rule G-108.

TITLE 19NATURAL RESOURCES AND WILDLIFECHAPTER 14GEOTHERMAL POWERPART 27CASING AND CEMENTING REQUIREMENTS

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19.14.27.2 SCOPE: [RESERVED] [Recompiled 12/31/01]

19.14.27.3 STATUTORY AUTHORITY: [RESERVED] [Recompiled 12/31/01]

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19.14.27.6 OBJECTIVE: [RESERVED] [Recompiled 12/31/01]

19.14.27.7 DEFINITIONS: [RESERVED] [Recompiled 12/31/01]

19.14.27.8 CASING AND CEMENTING REQUIREMENTS:

A. All wells drilled for the production of geothermal resources, including low-temperature thermal wells, and all specialty wells, including injection and disposal wells, shall be cased and cemented in such manner as to protect surface waters, if any, useable ground waters, geothermal resources, and life, health and property. Thermal gradient wells shall be drilled, completed and plugged in such a manner as to protect surface waters, in any, and useable ground waters. The division may require casing and cementing as is deemed necessary for such wells.

B. All casing strings reaching the surface shall provide adequate anchorage for blowout prevention equipment, hole pressure control, and protection for all natural resources. Although specifications for casing programs shall be determined on a well-to-well basis, the following general casing requirements should be used as guidelines in submitting form G-101, application for permit to drill, deepen, or plug back-geothermal resources well.

(1) Conductor Pipe: A minimum of 90 feet and a maximum of 200 feet. In special cases the division may allow conductor pipe to be run and cemented at deeper depths. Annular space is to be cemented solid to the surface. An annular blowout-preventer or equivalent approved by the division shall be installed on conductor pipe on exploratory wells and on development wells when deemed necessary by the division. Note: For thermal gradient wells and low-temperature thermal wells the conductor pipe requirement may be reduced or waived by the division. The above conductor pipe requirements are not meant to be applicable to the single or double joint of large diameter pipe often run to keep mud out of the cellar.

(2) Surface Casing: Except in the case of thermal gradient wells and low-temperature thermal wells, the surface casing hole shall be logged with an electrical or radioactivity log, or equivalent, before running casing. Note: This requirement may vary from area to area, depending upon the amount of subsurface data available, and may be waived under certain conditions. Requests for exceptions to the logging requirement should be noted on form G-101 when applying for a drilling permit. Surface casing shall provide for control of formation fluids, for protection of useable ground water and for adequate anchorage for blowout-prevention equipment. All surface casing shall be, if possible, cemented solid to the surface.

(a) Length of Surface Casing:

(i) In areas where subsurface geological conditions are variable or unknown, surface casing in general shall be set at a depth equalling or exceeding 10 percent of the proposed total depth of the well. A minimum of 200 feet and a maximum of 1,500 feet of surface casing shall be set.

(ii) In areas of known high formation pressure, surface casing shall be set at a depth determined by the division after a careful study of geological conditions. The division will make such a determination within 30 days. Drilling shall not commence until such determination has been made.

(iii) Within the confines of designated geothermal fields, the depth at which surface casing shall be set shall be determined by the division on the basis of known field conditions. Requirements (a)(1) and (a)(2) [now (i) and (ii) of Subparagraph (a) and (b)of Paragraph (2) of Subsection B of 19.14.27.8 NMAC] above may be waived for low-temperature thermal wells.

(b) Cementing Point for Surface Casing:

(i) In areas where subsurface geological conditions are variable or unknown, surface casing shall be set in accordance with (a) (1) [now (i) Subparagraph (a) of Paragraph (2) of Subsection B of 19.14.27.8 NMAC] above and through a sufficient series of low permeability, competent lithologic units (such as claystone or siltstone) to ensure a solid anchor for blowout-prevention equipment and to protect useable ground water and surface water from contamination. A second string of surface casing may be required if the first string has not been cemented through a sufficient series of low permeability, competent lithologic units and either a rapidly increasing thermal gradient or rapidly increasing formation pressures are encounted.

(ii) In areas of known high formation pressure, surface casing shall be set in accordance with (a) (2) [now (ii) Subparagraph (a) of Paragraph (2) of Subsection B of 19.14.27.8 NMAC] above and through a sufficient series of low permeability, competent lithologic units (such as claystone, siltstone or basalt) to ensure a solid anchor for blowout-prevention equipment and to protect useable ground water and surface water from contamination. A second string of surface casing may be required, before drilling into the known high pressure zone is permitted, if the first string of surface casing has not been cemented through a sufficient series of low-permeability, competent lithologic units.

(iii) Within the confines of designated geothermal fields, cementing point shall be determined by the division on the basis of known field conditions. Requirements (b)(1) and (b)(2) [now (i) and (ii) of Subparagraph (b) of Paragraph (2) of Subsection B of 19.14.27.8 NMAC] above may be waived for low-temperature thermal wells.

(c) Return mud temperatures: Return mud temperatures shall be entered into the log book after each joint of pipe has been drilled down. See Rule G-106(b) [now Subsection B of 19.14.25.8 NMAC].

(d) Blowout-prevention equipment (BOPE): BOPE capable of shutting in the well during any operation shall be installed on the surface casing and maintained ready for use at all time (see Section H) [see compiler's note].

(3) Intermediate casing: Intermediate casing shall be required for protection against anomalous pressure zones, caveins, washouts, abnormal temperature zones, uncontrollable lost circulation zones or other drilling hazards. Intermediate casing strings shall be, if possible, cemented solid to the surface. This requirement (to circulate cement) may be waived if the production casing will be cemented to the surface.

(4) Production casing: Production casing may be set above or through the producing or injection zone and cemented above the objective zones. Sufficient cement shall be used to exclude overlying formation fluids from the zone, to segregate zones and to prevent movement of fluids behind the casing into zones that contain useable ground water. Production casing shall either be cemented solid to the surface or lapped into intermediate casing, if run. If the production casing is lapped into an intermediate string, the casing overlap shall be at least 50 feet, the lap shall be cemented solid, and it shall be pressure tested to ensure its integrity. In order to reduce casing corrosion, production casing used to produce corrosive brine reservoirs shall be of the same nominal inside diameter from the shoe of the casing to the ground surface.

(5) Casing and Cement Tests: All casing strings shall be tested after cementing and before commencing any other operations on the well. Form G-103 shall be filed for each casing string reporting the grade and weight of pipe used. In the case of combination strings utilizing pipe of varied grades or weights, the footage of each grade and weight used shall be reported. The results of the casing test, including actual pressure held on the pipe and the pressure drop observed, shall also be reported on the form G-103. See Rule G-203C(2) [now Paragraph (2) of Subsection C of 19.14.54.8 NMAC].

(a) Casing strings in wells drilled with rotary tools shall be pressure-tested. Minimum casing test pressure shall be approximately one-third of the manufacturer's rated internal yield pressure except that the test pressure shall not be less than 600 pounds per square inch and need not be greater than 1,500 pounds per square

inch. In cases where combination strings are involved, the above test pressures shall apply to the lowest pressurerated casing used. Test pressures shall be applied for a period of 30 minutes. If a drop of more than ten percent of the test pressure should occur, the casing or cement job shall be considered defective and corrective measures shall be taken before commencing any further operations on the well.

(b) Casing strings in wells drilled with cable tools may be tested as outlined in Rule 5(a) [now Subparagraph (a) of Paragraph (5) of Subsection B of 19.14.27.8 NMAC] above, or by bailing the well dry, in which case the well must remain satisfactorily dry for a period of at least one hour before commencing any further operations on the well.

(6) Defective casing or cementing: If the cementing of any casing appears to be defective, or if the casing in any well appears to be defective or corroded or parted, or if there appears to be any underground leakage for whatever other reason, which may cause or permit underground waste, the operator shall proceed with diligence to use the appropriate method or methods to eliminate such hazard. If such hazard of waste cannot be eliminated, the well shall be plugged and abandoned in accordance with a division approved plugging program.

(7) Logging: All wells, except thermal gradient wells and low-temperature thermal wells, shall be logged with an electrical or radioactivity log, or equivalent, from total depth to the surface casing shoe. This requirement may be waived by the division depending upon geological or engineering conditions. [Recompiled 12/31/01]

HISTORY OF 19.14.27 NMAC:

Pre-NMAC History: The material in this Part was derived from that previously filed with the State Records Center and Archives:

Rule G-108, Casing and Cementing Requirements, 11/1/83.

History of Repealed Material: [RESERVED]