



OIL CONSERVATION COMMISSION

STATE OF NEW MEXICO
1000 RIO BRAZOS ROAD - AZTEC
87410

September 20, 1972

GOVERNOR
BRUCE KING
CHAIRMAN

LAND COMMISSIONER
ALEX J. ARMIJO
MEMBER

STATE GEOLOGIST
A. L. PORTER, JR.
SECRETARY - DIRECTOR

Mr. George Hatch, Attorney
Oil Conservation Commission
P. O. Box 2088
Santa Fe, New Mexico

Re: Plugging and Abandonment
John Lemley & Juanita Franks
Greathouse #1, F-10-23N-1W
Rio Arriba County, New Mexico

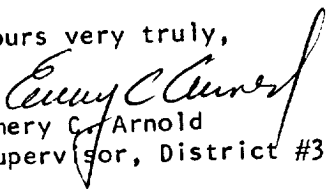
Dear Mr. Hatch:

On July 17, 1972, a letter was addressed to the above operator from this office stating in part that unless activity was resumed on the above well prior to August 15, 1972, I would request that you set a hearing to have the operator and bonding company show cause why the well should not be plugged and abandoned. Mrs. Juanita Franks did call our office subsequent to that date and reported that a completion had been attempted in the Pictured Cliffs formation and that a show of gas had been encountered. I subsequently wrote her another letter requesting that completion information be filed. Such information has not been received.

I am enclosing a Form C-103 which was filed in August, 1970, which is the latest information we have on file concerning the operation.

In view of our inability to resolve this matter, I am requesting that you set a hearing at an early date for the purpose of resolving this matter.

Yours very truly,


Emery C. Arnold
Supervisor, District #3

ECA:mc

Encl.

cc: Mr. D. B. Peterson
Aetna Casualty Co.
Greely, Colorado

Lemley & Franks
P. O. Box 124
Briggsdale, Colorado



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GOVERNOR
DAVID F. CARGO
CHAIRMAN
LAND COMMISSIONER
ALEX ARMIJO
MEMBER
STATE GEOLOGIST
A. L. PORTER, JR.
SECRETARY - DIRECTOR

March 20, 1970

Juanita Franks
P. O. Box 124
Briggdale, Colorado

Re: John Lemley & Juanita Franks, Greathouse #1, Northwest Quarter Section 10,
Township 23 North, Range 1 West

Dear Madam:

Notice of Intention to Drill the above well and a covering bond form has been forwarded to me by Mr. I. R. Trujillo of our Santa Fe office. I am returning the information to you in order that several corrections may be made as outlined below:

1. The name of the Operator on the Notice of Intention to Drill must be identical with the principal on the plugging bond. The bond form shows the principal as "John Lemley and Juanita Franks". The Notice of Intention to Drill has added "Mineral Exploration" to the name of the company. Either this should be deleted from the Intention to Drill or the bond should be amended.
2. The bond must specify the well location as to the forty acre tract upon which the well is located. The bond form submitted shows "NE $\frac{1}{4}$ NW $\frac{1}{4}$ and SE $\frac{1}{4}$ NW $\frac{1}{4}$. Please delete the tract which is improperly included.
3. The section on the bond form entitled "Acknowledgement Form for Corporate Surety" has not been executed by the bonding company representative.
4. New Mexico Rules require that surface casing be set and cemented to surface. I would recommend a minimum of 100 feet of surface casing. Your Notice of Intention to Drill does not describe your plans for surface casing. Production casing, if run, must also be cemented with sufficient cement so that the cement extends a minimum of 500 feet above the casing shoe. This information is also lacking on the forms filed.
5. Gas well spacing regulation in this district requires that a well be located on a 160 acre dedicated quarter section and may not be located nearer than 790 feet to the outer boundary of the tract nor nearer than 130 feet to quarter quarter section inner boundaries. Form C-102, Well Location and Acreage Dedication Plat, which you have filed does not have the dedicated acreage outlined. The surveyed location purports to be 1320 feet from the North and West lines of Section 10 which would be an illegal location. The spot indicated on the plat as the well location does not fit the footage given. I would suggest that you have Mr. Bettis, the Surveyor who signed the Plat, contact us and I will be glad to explain our requirements with respect to this form.

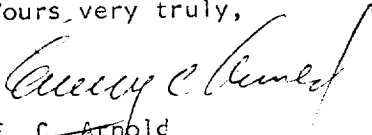
I am sending you a copy of "New Mexico Oil Conservation Commission Rules and Regulations" and also a supply of revised forms. Please use these in refiling your Notice of Intention to Drill.

Juanita Franks
P. O. Box 124
Briggsdale, Colorado
March 20, 1970

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We will be happy to assist you in any way necessary to comply with the rules of the Commission, so do not hesitate to contact us if further information is required.

Yours, very truly,



E. C. Arnold
Supervisor, District #3

ECA:mc

cc: I. R. Trujillo
Oil Conservation Commission
Box 2088
Santa Fe, New Mexico 87501