

Date_

ENERGY and MINERALS DEPARTMENT



OIL CONSERVATION DIVISION

FOR DIVISION	P O. BOX 2088		
Santa Fe	New Mexico 87504-2088 E CEILING CATEGORY DETERMINATION		
APPROPRIATE FILING FEE(S) ENCLOSED? YES	.5. State Oil & Gas Lease No.		
DATE COMPLETE APPLICATION FILED	1 1 4 6 4 11 11 11 11 11 11 11 11 11 11 11 11 1		
DATE DETERMINATION MADE	I OF 323.00 Per Category for III /. Unit Adreement Name		
WAS APPLICATION CONTESTED? YESNO			
NAME(S) OF INTERVENOR(S), IF ANY:	(Rule 2, Order No. R-5878-8-3) 8. Farm or Lease Name		
2. Name of Operator	9. Well No.		
3. Address of Operator	10. Field and Pool, or Wildcat		
4. Location of Well UNIT LETTERLOCATED	FEET FROM THE LINE 12, County		
AND FEET FROM THE LINE OF SEC. 11. Name and Address of Purchaser(s)	TWP, RGE. NMPM		
The same and respect to the same and the			
Check appropriate box for catego required information on lines l	ry sought and information submitted. Enter and 2, below.		
	PA Section No.)		
2. Filing Fee(s) Amount enclose			
3. All applications must conta			
	PERMIT TO DRILL, DEEPEN OR PLUG BACK		
b. C-105 WELL COMPLETION			
	URVEY, IF REQUIRED UNDER RULE 111		
d. AFFIDAVITS OF MAILING			
required by the applic	ve, all applications must contain the items able rule of the Division's "Special Rules for ead Price Ceiling Category Determinations" as		
	NDER SEC. 102(c)(1)(B) (using 2.5 Mile or 1000		
All items red	quired by Rule 14(1) and/or Rule 14(2)		
	NDER SEC. 102(c)(1)(C) (new onshore reservoir)		
	quired by Rule 15		
	CTION WELL UNDER SEC. 103		
All items rec	quired by Rule 16A or Rule 16B		
	T NATURAL GAS (TIGHT FORMATION, DEEP, COAL		
	quired by Rule 17(1), Rule 17(2), Rule 17(4).		
E. STRIPPER WELL NATU	URAL GAS UNDER SEC. 108		
☐ All items red	quired by Rule 18		
I HEREBY CERTIFY THAT THE INFORMATION CONTAINED	FOR DIVISION USE ONLY		
HEREIN IS TRUE AND COMPLETE TO THE BEST OF MY	Approved		
KNOWLEDGE AND BELIEF.			
	Disapproved		
NAME OF APPLICANT (Type or Print)	The information contained herein includes all of the information required to be filed by the		
SIGNATURE OF APPLICANT	 applicant under Subpart B of Part 274 of the FERC regulations. 		
Title	Tana Tagaragiana.		
11615	-		

EXAMINER

CASE NO. 11498 Order No. R-10590 Page -4-

(17) Pending approval of Division Form C-104 changing the operator of the Caranta Well No. 1 from CMS Oilfield Services, Inc., to John Caranta, CMS Oilfield Services, Inc., should be dismissed as a party in this case.

IT IS THEREFORE ORDERED THAT:

- (1) Mr. John Caranta, d/h/a John Caranta, is hereby given 90 days from the effective date of this order to either:
 - a) complete re-entry, drilling and completion operations on the Caranta Well No. 1; or,
 - h) plug and abandon the Chronic Well Mo 1 in accordance with a Division approved plugging program.
- (2) In the event John Caranta fails to complete re-entry, drilling and completion operations on the Caranta Well No. 1 or plug and abandon the Caranta Well No. 1 in accordance with a Division approved plugging program within 90 days from the effective date of this order, the supervisor of the Division's Azter District Office shall be authorized to direct the commencement of plugging operations on the subject well as soon as possible and the Division Director shall be authorized to take such action as is deemed necessary to foreclose on the United States Pidelity and Guarantee Company \$7,500 plugging bond on which John Caranta is principal to help defer such plugging cost accrued by the Division.
- (3) Pending approval of Division Form C-104 changing the operator of the Caranta Well Ho. 1 from OM9 Officht Services, Inc., to John Caranta, CM9 Officht Services, Inc., shall be dismissed as a party in this case.
- $\eta \eta$ varieties of the cause is relative for the entry in such former orders as the Division only do in the entry

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEYICO OIL CONCERVATION DIVISION

William J. LeMay, Director

SEAL



ENERGY wo MINERALS DEPARTMENT
OIL CONSERVATION DIVISION



FOR DIVISION	7			F	O. BOX 2085	ļ		·
				Santa Fe,	New Mexico	87504-2088		SA. Indicate Type of Lease
USE ONLY:	APP	LICA.	CION FOR	R WELLHEAD PRICE	CEILING	CATEGORY DETE	RMINATION	STATE FEE
AFPROPRIATE F	ILING	FEE	(S) ENG	CLOSED? YES	NO	- FILING FE	-757 -	.5. State Oil & Gas Leuse No.
DATE COMPLETE	APPL	ICAT	ION FIL	ED		Effective October		mmmmm,
DATE DETERMIN					-	a non-refundable		
				'ES NO		of \$25.00 per cate	1	7. Unit Agreement Name
					_	each application (Rule 2, Order No.	-	8. Farm or Lease Name
NAME(S) OF IN	IEKVE	NOK(5), IF	ANY:				of the state landing
2. Name of Operator								9. Weil No.
Addesse of Garage					 	·		
3. Address of Operator	•							10. Field and Pool, or Wildcat
1. Location of Weil			 	——————————————————————————————————————			·	12. County
	UNIT LET	TER		LOCATED	PEET	FROM THE	LINE	
11. Name and Addre	FEET <u>F</u> RO			LINE OF SEC.	TWP.	*GE.	HMPM	
	2. 3.		applica C-101 / C-105 / DIRECT AFFIDA In add:	s) Amount enclose tions must contain APPLICATION FOR PWELL COMPLETION O IONAL DRILLING SUVITS OF MAILING O ition to the aboved by the applica	n: ERMIT TO R RECOMPL RVEY, IF R DELIVER e, all ap	ETION REPORT REQUIRED UNDER Y Plications mus	RULE 111	the items
			Application:	ations for Wellhes:	ad Price	Ceiling Catego	ry Determin	nations" as
			A. NI	EW NATURAL GAS UN: eet Deeper Test)	DER SEC.	102(c)(1)(B) (i	using 2.5 N	file or 1000
				All items requ				
			_	EW NATURAL GAS UNI —			new onshore	reservoir)
			_	All items req				
			_	EW ONSHORE PRODUCT				
			D. SI	☐ All items requ EC. 107 HIGH-COST EAM, AND PRODUCTION	NATURAL (Rule 16A or Rul GAS (TIGHT FORM EMENT)		P, COAL
						Rule 17(1), Rul	le 17(2), R	ule 17(4),

I HEREBY CERTIFY THAT THE INFORMATION CONTAINED	FOR DIVISION USE ONLY		
HEREIN IS TRUE AND COMPLETE TO THE BEST OF MY KNOWLEDGE AND BELIEF.	Approved		
	☐ Disapproved		
NAME OF APPLICANT (Type or Print)	The information contained herein includes all of the information required to be filed by the		
SIGNATURE OF APPLICANT	applicant under Subpart B of Part 274 of the FERC regulations.		
Title			
Date	EXAMINER		

E. STRIPPER WELL NATURAL GAS UNDER SEC. 108

All items required by Rule 18

CASE NO. 11498 Order No. R-10590 Page -3-

- e) John Caranta, who apparently still has operating rights, seeks an additional opportunity to re-enter the well, deepen it to a depth of approximately 5,000 feet, and complete the well as a producing well;
- f) John Caranta has a cable tool rig on location and is nearly ready to commence re-entry operations on the Caranta Well No. 1.
- (12) John Caranta requested that the Division grant him a 90-day period from the effective date of this order to either:
 - a) complete re-entry, drilling and completion operations on the Caranta Well No. 1; or,
 - b) plug and abandon the Caranta Well No. 1 in accordance with a Division approved plugging program.
- (13) Subsequent to the hearing, John Caranta obtained a \$7,500 one-well plugging bond for the Caranta Well No. 1. In addition, communications with Division personnel in Aztec indicate that Division Form C-104 (Change of Operator) will be filed within the next several days changing the operator of the Caranta Well No. 1 from CMS Oilfield Services, Inc., to John Caranta.
- (14) John Caranta appears intent to re-enter, drill and complete the Caranta Well No. 1.
- (15) John Caranta should be afforded a final opportunity to re-enter, drill and complete the subject well.
- (16) In the event John Caranta fails to complete re-entry, drilling and completion operations on the Caranta Well No. 1 or plug and abandon the Caranta Well No. 1 in accordance with a Division approved plugging program within 90-days from the effective date of this order, the supervisor of the Division's Aztec District Office should be authorized to direct the commencement of plugging operations on the subject well as soon as possible and the Division Director should be authorized to take such action as is deemed necessary to foreclose on the subject plugging bond to help defer such plugging cost accrued by the Division.



Title___ Date____

ENERGY --- MINERALS DEPARTMENT

OIL CONSERVATION DIVISION P O. BOX 2088

FOR DIVISION	O. BOX 2088			
Santa Fe, Ne	ew Mexico 87504-2088 5A. Indicate Type of Lease			
USE ONLY: APPLICATION FOR WELLHEAD PRICE C				
APPROPRIATE FILING FEE(S) ENCLOSED? YES				
DATE COMPLETE APPLICATION FILED	Effective October 1, 1986,			
DATE DETERMINATION MADE	a non-refundable filing fee			
WAS APPLICATION CONTESTED? YESNO	each application is mandatory.			
NAME(S) OF INTERVENOR(S), IF ANY:	(Rule 2, Order No. R-5878-B-3) 8. Farm or Lease Name			
2. Name of Operator	9. Well No.			
3. Address of Operator				
or meaning of operation	10. Field and Pool, or Wildcat			
4. Location of Well UNIT LETTER LOCATED	FEET FROM THE LINE 12. County			
11. Name and Address of Purchaser(s)	TWP. RGE. HMPM			
•				
Check appropriate box for category required information on lines 1 and	sought and information submitted. Enter d 2, below.			
1. Category(ies) sought (By NGPA	Section No.)			
 Filing Fee(s) Amount enclosed: 	: \$			
 All applications must contain: 	:			
	RMIT TO DRILL, DEEPEN OR PLUG BACK			
☐ b. C-105 WELL COMPLETION OR				
	VEY, IF REQUIRED UNDER RULE 111			
d. AFFIDAVITS OF MAILING OR	DELIVERY			
required by the applicab	, all applications must contain the items le rule of the Division's "Special Rules for d Price Ceiling Category Determinations" as			
A. NEW NATURAL GAS UNDE Feet Deeper Test)	ER SEC. 102(c)(1)(B) (using 2.5 Mile or 1000			
All items requi	ired by Rule 14(1) and/or Rule 14(2)			
B. NEW NATURAL GAS UNDE	ER SEC. 102(c)(1)(C) (new onshore reservoir)			
All items requi	ired by Rule 15			
C. NEW ONSHORE PRODUCTI	ION WELL UNDER SEC. 103			
All items requi	ired by Rule 16A or Rule 16B			
D. SEC. 107 HIGH-COST N SEAM, AND PRODUCTION	NATURAL GAS (TIGHT FORMATION, DEEP, COAL N ENHANCEMENT)			
All items requi	ired by Rule 17(1), Rule 17(2), Rule 17(4),			
, ,	AL GAS UNDER SEC. 108			
	ired by Rule 18			
I HEREBY CERTIFY THAT THE INFORMATION CONTAINED HEREIN IS TRUE AND COMPLETE TO THE BEST OF MY	FOR DIVISION USE ONLY			
KNOWLEDGE AND BELIEF.	Approved			
	☐ Disapproved			
NAME OF APPLICANT (Type or Print)	The information contained herein includes all of the information required to be filed by the applicant under Subpart B of Part 274 of the			
SIGNATURE OF APPLICANT	FERC regulations.			

EXAMINER

CASE NO. 11498 Order No. R-10590 Page -2-

- (6) No action to plug and abandon the well has been taken to date.
- (7) CMS Oilfield Services, Inc. (CMS), assumed operations on the subject well in April, 1989. Division records indicate that CMS Oilfield Services, Inc., is the current operator of record for the subject well.
- (8) United States Fidelity and Guarantee Company is the surety on the \$5,000 one-well plugging bond for the Caranta Well No. 1, in which CMS Oilfield Services, Inc., is the principle.
- (9) At some point in time, most likely during 1989-90, the Caranta Well No. 1 was deepened to a total depth of approximately 2,000 feet. 7.0 inch casing was reportedly set at 1,900 feet and was not cemented.
- (10) John Caranta appeared and testified in this case via telephone from the Division's Aztec District Office.
- (11) The testimony in this case provided by Mr. Robinson, Mr. Caranta and statements made by Mr. Rand Carroll, Division Counsel, indicate that:
 - a) the operatorship of the Caranta Well No. 1 was transferred to CMS Oilfield Services, Inc., on the stipulated agreement that CMS would complete the well;
 - although CMS filed a Division Form C-104 (Change of Operator) and obtained a plugging bond for the well, no work on the well was never performed by CMS;
 - c) CMS and/or United States Fidelity and Guarantee Company are willing to plug and abandon the Caranta Well No. 1.
 - d) the current state of the Carranta Well No. 1 is such that fresh water may be endangered and/or waste may occur if the well is not properly plugged and abandoned;



Title____

Date____

ENERGY --- MINERALS DEPARTMENT

OIL CONSERVATION DIVISION

FOR DIVISION	APPLICAT	Santa Fe, N	O BOX 2088 New Mexico 87504-2088 CEILING CATEGORY DETERMINATION	SA. Indicate Type of Lease
USE ONLY:		(S) ENCLOSED? YES		.5, State Oil & Gas Leuse No.
		TION FILED	- 11L1Ma 1 LL(3) -	mmmmm
		E	or 323.00 per category for	7. Unit Agreement Name
		TED? YESNO	each application is mandatory. (Rule 2, Order No. R-5878-8-3)	8. Farm or Lease Name
NAME(S) OF IN	TERVENOR(S), IF ANY:	(,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	o, ram or Leade Mane
2. Name of Operator				9. Well No.
3. Address of Operator				10. Field and Pool, or Wildcat
4. Location of Well	UNIT LETTER	LOCATED	FEET FROM THE LINE	12. County
ANG I	FEET FROM THE	LINE OF SEC.	TWP. RGE. NMPM	
11. Mame and Addr				
	required 1. Cate 2. Fili	information on lines 1 and egory(ies) sought (By NGP) ing Fee(s) Amount enclosed applications must contain C-101 APPLICATION FOR PEC-105 WELL COMPLETION OF DIRECTIONAL DRILLING SUIT AFFIDAVITS OF MAILING OF MAILING OF The addition to the above required by the applications for Wellher follows: A. NEW NATURAL GAS UNIT Feet Deeper Test) All items required B. NEW NATURAL GAS UNIT MAILING GAS UNIT	d: \$	the items al Rules for nations" as Mile or 1000
			TION WELL UNDER SEC. 103 uired by Rule 16A or Rule 16B	
			NATURAL GAS (TIGHT FORMATION, DE	EP, COAL
		•	uired by Rule 17(1), Rule 17(2), 1	Rule 17(4),
		• •	RAL GAS UNDER SEC. 108	
		All items requ	uired by Rule 18	
T HEREBY CERT!	EV TUAT TE	HE INFORMATION CONTAINED	FOR DIVISION	USE ONLY
HEREIN IS TRUE KNOWLEDGE AND	AND COMPL	LETE TO THE BEST OF MY	Approved	
KNUWLEDGE AND	DELIEF.		☐ Disapproved	
•		T (Type or Print) F APPLICANT	The information containe of the information requiapplicant under Subpart FERC regulations.	red to be filed by the

EXAMINER

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

IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION DIVISION ON ITS OWN MOTION TO PERMIT THE OPERATOR, CMS OILFIELD SERVICES, INC., UNITED STATES FIDELITY AND GUARANTEE COMPANY, SURETY, AND ALL OTHER INTERESTED PARTIES TO APPEAR AND SHOW CAUSE WHY THE CARANTA WELL NO. 1, (API NO. 30-039-22806) LOCATED 1980 FEET FROM THE SOUTH AND EAST LINES (UNIT J) OF SECTION 23, TOWNSHIP 32 NORTH, RANGE 1 WEST, NMPM, RIO ARRIBA COUNTY, NEW MEXICO, SHOULD NOT BE PLUGGED AND ABANDONED IN ACCORDANCE WITH A DIVISION APPROVED PLUGGING PROGRAM.

CASE NO. 11498 Order No. R-10590

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 8:15 a.m. on March 21, 1996, and on April 4, 1996 at Santa Fe, New Mexico, before Examiners David R. Catanach and Michael E. Stogner, respectively.

NOW, on this 3rd day of May, 1996, the Division Director, having considered the testimony, the record, and the recommendations of the Examiner, and being fully advised in the premises,

FINDS THAT:

- (1) Due public notice having been given as required by law, the Division has jurisdiction of this cause and the subject matter thereof.
- (2) The witness in this matter, Mr. Johnny Robinson, Deputy Oil and Gas Inspector for the Division, testified via telephone from Aztec, New Mexico.
- (3) Division records indicate that the Caranta Well No. 1 was originally drilled by Aztec Energy Corporation in September, 1981, to a total depth of 221 feet. 8 5/8 inch surface casing was set at 221 feet and cemented with 250 sacks of Class B cement. Cement was circulated to surface.
 - (4) Cardel Oil Company assumed operations on the subject well in August, 1982.
- (5) By Order No. R-8304, dated September 17, 1986, the Division ordered John Caranta d/b/a Cardel Oil Company to plug and abandon the Caranta Well No. 1 prior to October 15, 1986.