CASE 7396: PLUGGING CASE - OCD
SENTRY OIL EXPLORATION COMPANY AND
LAWYERS SURETY CORPORATION, UNION
COUNTY, NEW MEXICO

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(Street of P.O. Box)

SANTA FE, NEW MEXICO 87501

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### STATE OF NEW MEXICO ENERGY AND MINERALS DEPARTMENT

OIL CONSERVATION DIVISION

POST OFFICE BOX 2088 STATE LAND OFFICE BUILDING SANTA FE, NEW MEXICO B7501 (505) 827-2434

December 10, 1981

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| Sentry Oil Exploration Co.               |  | CASE NO. 7396<br>ORDER NO. R-6854 |     |  |
|--|--|-----------------------------------|-----|--|
| 5633 Villa Drive<br>Lubbock, Texas 79412 |  |                                   |     |  |
|  |  | Applicant:                        | · · |  |
|  |  | ,                                 |     |  |
|  |  | _ <del>000</del>                  |     |  |

Dear Sir:

Enclosed herewith are two copies of the above-referenced Division order recently entered in the subject case.

Yours very truly JOE D. RAMEY Director

JDR/fd Copy of order also sent to: Hobbs OCD Artesia OCD Aztec OCD

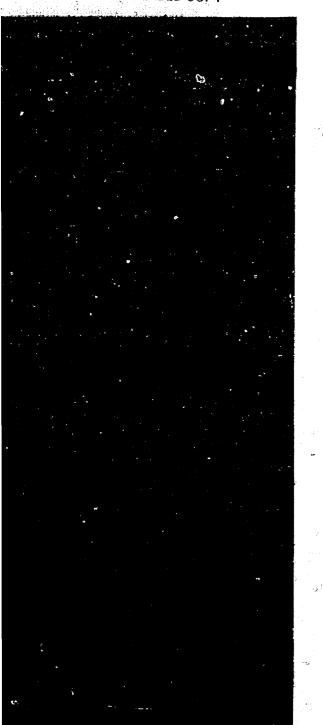
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### STATE OF NEW MEXICO ENERGY AND MINERALS DEPARTMENT OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION DIVISION FOR THE PURPOSE OF CONSIDERING:

CASE NO. 7396 Order No. R-6854

IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION DIVISION ON ITS OWN MOTION TO PERMIT SENTRY OIL EXPLORATION COMPANY AND LAWYERS SURETY CORPORATION TO APPEAR AND SHOW CAUSE WHY THE FARR WELL NO. 1, LOCATED IN UNIT G OF SECTION 6, TOWNSHIP 31 NORTH, RANGE 34 EAST, UNION COUNTY, NEW MEXICO, SHOULD NOT BE ORDERED PLUGGED AND ABANDONED IN ACCORDANCE WITH A DIVISION-APPROVED PLUGGING PROGRAM.

### ORDER OF THE DIVISION

### BY THE DIVISION:

This cause came on for hearing at 9 a.m. on December 2, 1981, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this day of December, 1981, the Division Director, having considered the record and the recommendations of the Examiner, and being fully advised in the premises,

### FINDS:

That the subject well having been transferred to and accepted by the landowner for conversion to a water well, Case No. 7396 should be <u>dismissed</u>.

### IT IS THEREFORE ORDERED:

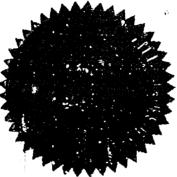
(1) That Case No. 7396 is hereby dismissed.



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-2-Case No. 7396 Order No. R-6854

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



STATE OF NEW MEXICO OIL CONSERVATION DIVISION

JOE D. RAMEY

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1 1 2 STATE OF NEW MEXICO ENERGY AND MINERALS DEPARTMENT 3 OIL CONSERVATION DIVISION STATE LAND OFFICE BLDG. SANTA FE, NEW MEXICO 2 December 1981 EXAMINER HEARING IN THE MATTER OF: The hearing called by the Oil Conservation Division on its own motion to permit Sentry Oil Exploration Company and Lawyers Surety Corporation to appear and CASE 10 7396 show cause why Farr Well No. 1 should not be plugged and abandoned in accordance with a Division-approved plugging program. Daniel S. Nutter TRANSCRIPT OF HEARING APPEARANCES the Oil Conservation W. Perry Pearce, Esq. vision: Legal Counsel to the Division State Land Office Bldg. Santa Fe, New Mexico 87501 the Applicant:



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ME. MUTTER: the hearing will come to 3 order, please. The first case this morning will be case Number 7396. ER. PEARCE: In the matter of the hearing called by the Oil Conservation Division on its own motion to permit Sentry Oil Exploration Company and Lawyers Surety Corporation to appear and show cause why Farr Well No. 1, located in Unit G of Section 6, Township 31 North, Range 34 East, Union County, New Mexico, should not be ordered plugged and abandoned in accordance with a Division-Approved plugging program. Mr. Examiner, the Division has been informed that this well has been turned over to the landowner and is being converted to a water well and the Division therefor requests that this case be dismissed. MR. NUTTER: Case Number 7396 will be dismissed. (Hearing concluded.)

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CERTIFICATE

I, SALLY W. BOYD, C.S.R., DO HEREBY CEPTIFY that the foregoing Transcript of Hearing before the Oil Conservation Division was reported by me; that the said transcript is a full, true, and correct record of the hearing, prepared by me to the best of my ability.

Suly W. Boyd COR



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MR. NUTTER: The hearing will please come to order.

We'll call first this morning Case Number 7396, which is in the matter of the hearing called by the OCD on its own motion to permit Sentry Oil Exploration Company and Lawyers Surety Corporation to appear and show cause why a certain well should not be ordered plugged.

Mr. Pearce, what --

MR. PEARCE: We have received notification that case is to be continued until December the 2nd Hearing.

MR. NUTTER: Case Number 7396 will be continued to the Examiner hearing scheduled to be held at this same place at 9:00 o'clock a.m. December 2nd, 1981.

(Hearing concluded.)

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### CERTIFICATE

I, SALLY W. BOYD, C.S.R., DO HEREBY CEPTIFY that the foregoing Transcript of Hearing before the Oil Conservation Division was reported by me; that the said transcript is a full, true, and correct record of the hearing, prepared by me to the best of my ability.

My W. Boyd C. S.R.



# ENERGY AND MINERALS DEPARTMENT

OIL CONSERVATION DIVISION

BRUCE KING GOVERNOR LARRY KEHOE SECRETARY

October 26, 1981

POST OFFICE BOX 2088 STATE LAND OFFICE BUILDING SANTA FE, NEW MEXICO 87501 15051 827-2434

CERTIFIED - RETURN RECEIPT REQUESTED

Sentry Oil Exploration Company 5633 Villa Drive Lubbock, Texas 79412

Lawyers Surety Corporation 1820 Regal Row Dallas, Texas 75235

> Re: Farr Well No. 1, located in Unit G of Section 6, Township 31 North, Range 34 East, Union County Plugging Bond

Gentlemen:

Enclosed is a copy of the docket of the Examiner Hearing to be held on Wednesday, November 4, 1981, at 9:00 a.m. in the Oil Conservation Division Conference Room, State Land Office Building, Santa Fe, New Mexico. Case 7396 concerns the above captioned subject matter.

Sincerely,

W. PERRY PEARCE General Counsel

WPP/fd enc. Dockets Nos. 36-81 and 37-81 are tentatively set for November 19 and December 4, 1981. Applications for hearing must be filed at least 22 days in advance of hearing date.

#### DOCKET: EXAMINER HEARING - WEDNESDAY - NOVEMBER 4, 1981

9 A.M. - OIL CONSERVATION DIVISION CONFERENCE ROOM STATE LAND OFFICE BUILDING, SANTA FE, NEW MEXICO

The following cases will be heard before Daniel S. Nutter, Examiner or Richard L. Stamats, Alternate Examiner:

CASE 7396: In the matter of the hearing called by the Oil Conservation Division on its own motion to permit Sentry Oil Exploration Company and Lawyers Surety Corporation to appear and show cause why Parr Well No. 1, located in Unit G of Section 6, Township 31 North, Range 34 East, Union County, New Mexico, should not be ordered plugged and abandoned in accordance with a Division-approved plugging program.

CASE 7380: (Continued and Readvertised)

Application of Bird Oil Corporation for an unorthodox location, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox Entrada location of a well to be drilled 2110 feet from the North line and 1120 feet from the Past line of Section 10, Township 22 South, Range 9 West, the SE/4 NE/4 of said Section 10 to be dedicated to the well.

- CASE 7397: Application of Belco Petroleum Corporation for downhole commingling, Eddy County, New Mexico.
  Applicant, in the above-styled cause, seeks approval for the downhole commingling of Atoka and
  Strawn production in the wellbore of its Kimbley Well No. 1, located in Unit G of Section 21,
  Township 23 South, Range 28 East.
- CASE 7398: Application of El Paso Natural Gas Company for an unorthodox gas well location, Eddy County, New Mexico.

  Applicant, in the above-styled cause, seeks approval for the unorthodox location of a Wolfcamp
  Penn well, to be drilled 660 feet from the South and West lines of Section 23, Township 26 South,

  Range 30 East, Ross Draw Area, the S/2 of said Section 23 to be dedicated to the well.
- CASE 7399: Application of Texaco, Inc. for a Unit Agreement, Lea County, New Mexico.

  Applicant, in the above-styled cause, seeks approval for the North Vacuum Abo West Unit Area, comprising 2000 acres, more or less, of state lands in Township 17 South, Range 34 East.
- Application of Texaco, Inc. for a pressure maintenance project, Ica County, New Mexico.

  Applicant, in the above-styled cause, seeks authority to institute a pressure maintenance project in its North Vacuum Abo West Unit Area by the injection of water into the Abo formation through 13 wells located in Sections 15,21,22,27,28 and 34, Township 17 South, Range 34 East, North Vacuum Abo Fool.
- CASE 7401: Application of Morris R. Antweil for an unorthodoxoil well location, Lea County, New Mexico.

  Applicant, in the above-styled cause, seeks approval for the unorthodox location of a well to be drilled 2410 feet from the North line and 330 feet from the West line of Section 21,

  Township 18 South, Range 38 East, Hobbs Grayburg-San Andres Pool, the SW/4 NW/4 of said Section 21 to be dedicated to the well.
- CASE 7384: (Continued from October 21, 1981, Examiner Hearing)

Application of Morris R. Antwell for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the surface to the base of the Abo formation underlying the NE/4 SW/4 of Section 5, Township 20 South, Range 38 East, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well, and a charge for risk involved in drilling said well.

Application of MGF Oil Corporation for compulsory pooling, Lea County, New Mexico.

Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Strawn formation underlying the NW/4 NW/4 of Section 5, Township 20 South, Range 39 East, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well, and a charge for risk involved in drilling said well.

- CASE 7403: Application of Arco Oil and Gas Company for downhole commingling, Lea County, New Mexico.

  Applicant, in the above-styled cause, seeks approval for the downhole commingling of the

  Jalmat and Langlie Mattix production in the wellbore of its E. L. Steeler WN Well No. 5,

  located in Unit J of Section 19, Township 23 South, Range 37 East.
- CASE 7359: (Continued from October 7, 1981, Examiner Hearing)

Application of Energy Reserves Group for creation of a new gas pool and an unorthodox location, Roosevelt County, New Mexico.

Applicant, in the above-styled cause, seeks creation of a new Cisco gas pool for its Miller Com Well No. 1, located in Unit M of Section 12, Township 6 South, Range 33 East.

Applicant further seeks approval for an unorthodox location for its Miller "A" Well No. 1-Y, to be drilled 1800 feet from the South line and 1700 feet from the East line of Section 11 of the same township. The S/2 of said Section 11 to be dedicated to the well.

CASE 7383: (Continued from October 21, 1981, Examiner Hearing)

Application of Amoco Production Company for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Upper Pennsylvanian formation underlying the NW/4 of Section 19, Township 19 South, Sange 25 East, to be dedicated to a well to be drilled at a scandard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well, and a charge for risk involved in drilling said well.

- CASE 7404: Application of TXO Production Corporation for an unorthodox well location, Eddy County, New Mexico.

  Applicant, in the above-styled cause, seeks approval for the unorthodox location of an infill well to be drilled 2000 feet from the North line and 660 feet from the East line of Section 18, Township 21 South, Range 26 East, Catclaw Draw-Morrow gas pool.
- CASE 7405: Application of Carl Schellinger for dual completion and an unorthodox location, Chaves County, New Mexico.

  Applicant, in the above-styled cause, seeks approval for the dual completion of his Campbell Station

  Unit Well No. 1, to produce gas from the Abo and Pennsylvanian formations. Applicant further seeks approval of the unorthodox Pennsylvanian location of said well 660 feet from the South and West lines of Section 34, Township 8 South, Range 27 East, the S/2 of said Section 34 to be dedicated to the Pennsylvanian and the SM/4 to the Abo.
- CASE 7406: Application of Depco, Inc. for compulsory pooling, Chaves County, New Mexico.

  Applicant, in the above-styled cause, seeks an order pooling all mineral interests down through the Abo formation underlying the SE/4 of Section 23, Township 5 South, Range 24 East, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well, and a charge for risk involved in drilling said well.
- Application of Mesa Petroleum Company for compulsory pooling, Chaves County, New Mexico.

  Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Abo
  formation underlying the NE/4 of Section 23, Township 5 South, Range 24 East, to be dedicated to
  a well to be drilled at a standard location thereon. Also to be considered will be the cost of
  drilling and completing said well and the allocation of the cost thereof as well as actual operating
  costs and charges for supervision, designation of applicant as operator of the well, and a charge
  for risk involved in drilling said well.
- Application of Doyle Hartman for directional drilling, a non-standard proration unit, an unorthodox well location and simultaneous dedication, Lea County, New Mexico.

  Applicant, in the above-styled cause, seeks authority to directionally drill his Justis Well No. 10, the surface location of which is 1940 feet from the North line and 120 feet from the West line of Section 20, Township 25 South, Range 37 East, in such a manner as to bottom said well in the Jalmat Gas Pool at an unorthodox location 1980 feet from the North line and 330 feet from the East line of Section 19, Township 25 South, Range 37 East. Applicant further proposes to simultaneously dedicate said well and the Bettis, Boyle and Stovall Justis Well No. 1 to an 80-acre non-standard proration unit comprising the E/2 NE/4 of said Section 19.



# STATE OF NEW MEXICO ENERGY AND MINERALS DEPARTMENT OIL CONSERVATION DIVISION

BRUCE KING GOVERNOR LARRY KEHOE SECRETARY

POST OFFICE BOX 2008 STATE LAND OFFICE BUILDING SANTA FE, NEW MEXICO 87501 (505) 827-2434

August 25, 1981

Case 7396

Sentry Oil Exploration Company 5633 Villa Drive Lubbock, Texas 79412

> Subject: Farr Well No. 1 G-6-31N-34E, Union County, New Mexico

Gentlemen:

Your subsequent report of plug and abandonment for the captioned well cannot be approved until certain defects have been remedied. Kindly refer to Rules 117, 202, and 1105 of the Oil Conservation Division Regulations. Likewise, please note the conditions under which the permit for drilling (C-101) was granted.

Yours truly,

Carl Woog

CARL ULVOG

District IV Supervisor

CU/jc

### RULE 117. WELL LOG, COMPLETION AND WORKOVER REPORTS

Within 20 days after the completion of a well drilled for oil or gas, or the recompletion of a well into a different common source of supply, a completion report shall be filed with the Division on Form C-105. For the purpose of this rule, any hole drilled or cored below fresh water or which penetrates oil or gasbearing formations or which is drilled by an "owner" as defined herein shall be presumed to be a well drilled for oil or gas.

#### RULE 202. PLUGGING AND ABANDONMENT

#### A. PLUGGING

Before any well is abandoned, it shall be plugged in a manner which will permanently confine all oil, gas, and water in the separate strate originally containing them. This operation shall be accomplished by the use of mud-laden fluid, cement and plugs, used singly or in combination as may be approved by the Division. The exact location of abandoned wells shall be shown by a steel marker at least four inches in diameter set in concrete, and extending at least four feet above mean ground level. The name and number of the well and its location (unit letter, section, township, and range) shall be welded, stamped, or otherwise permanently engraved into the metal of the marker. Seismic, core or other exploratory holes drilled to or below sands containing fresh water shall be plugged and abandoned in accordance with the applicable provisions recited above. Permanent markers are not required on seismic holes.

Within thirty days following the completion of plugging operations on any well, a record of the work done shall be filed with the Division in TRIPLICATE, on Form C-103. Such report shall be filed by the owner of the well and shall include the date the plugging operations were begun along with the date the work was completed; a detailed account of the manner in which the work was performed; the depths and lengths of the various plugs set; the nature and quantities of materials employed in plugging operations; the amount, size and depth of all casing left in the hole and the weight of mud employed in plugging the well and any other pertinent information. No plugging report submitted on Form C-103 shall be approved by the Division unless such report specifically states that pits have been filled and the location levelled and cleared of junk. The filing of Form C-105, Well Completion or Recompletion Report and Log is also necessary to obtain Division approval of a plugging report.

| STATE OF NEW MEXICO  |   |
|--|---|
| ENERGY AND MAJERAL'S DEPARTMENT  |   |
| OIL CONSERVATION DIVISION  |   |
| OISTRIBUTION P. O. BOX 2088  | Form C-133<br>Revise: 13-1              |
| SANTA FE, NEW MEXICO 87501   |   |
| V.S.G.S.   | Sa. Indicate Type of Large              |
| LAND OFFICE  | State                                   |
| OPERATOR   | 5, State Oil & Gus Lease to.            |
|  | ·                                       |
| SUNDRY NOTICES AND REPORTS ON WELLS TOO NOT USE THIS FORM FOR APPRICALS TO GRILL OR TO DISPLANT OF ALLS SACE TO A DIFFERENT RESERVOIR. |   |
| OIL GAS OTHER-   | 7. Unit Agreement hame                  |
| 2. Name of Operator  | 8. Farm or Lease Name                   |
| SENTRY OIL EXPLORATION COMPANY   | FARR                                    |
| 13. Address of Operator  | 9, Well No.                             |
| 5633 VILLA DRIVE LUBBOCK, TEXAS 79412  | 1                                       |
| 4, Location of Well  | 10. Field and Pool, or Miliarin         |
| G 1650 MODBIL 1650   |   |
| UNIT LETTER G . 1650 PEET FROM THE NORTH LINE AND 16502 PEET FROM  | THE PERTITION                           |
| EAST 6 31 NORTH 34 FAST  |   |
| THE EAST LINE, SECTION 6 TOWNSHIP 31 NORTH RANGE 34 EAST HAPM.   |   |
| 15. Elevation (Show whether DF, RT, GR, etc.)  | 12. County                              |
| 4755   | UNION ()                                |
| Check Appropriate Box To Indicate Nature of Notice, Report or Oth  |   |
| PERFORM REMEDIAL WORK  TEMPORARILY ABANDON  PULL OF ALTER CASING  CHANGE PLANS  CHANGE PLANS  OTHER                                    | ALTERING CASHIG  PLUG AND ABANDONMENT   |
| отися  |   |
| 17. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including                | estimated date of starting any property |
| work) SEE RULE 1703.   |   |
| STARTED DRILLING ON JULY 13, 1981, SET SURFACE CASING OF   |   |
| OF 350'. CEMENT DRIED 18 HOURS AND BEGAN DRILLING. AT 6  | 80' WE LOST<br>STERN TO PLUG            |
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APPROVED BY \_\_\_\_\_\_ PITCE\_\_\_\_\_\_ DATE\_\_\_\_\_\_\_

KIRK PACK

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17115.



### STATE OF NEW MEXICO ENERGY AND MINERALS DEPARTMENT OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION DIVISION FOR THE PURPOSE OF CONSIDERING:

CASE NO. 7396 Order No. R- 6854

IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION DIVISION ON ITS OWN MOTION TO PERMIT SENTRY OIL EXPLORATION COMPANY AND LAWYERS SURETY CORPORATION TO APPEAR AND SHOW CAUSE WHY FARR WELL NO. 1, LOCATED IN UNIT G OF SECTION 6, TOWNSHIP 31 NORTH, RANGE 34 EAST, UNION COUNTY, NEW MEXICO, SHOULD NOT BE ORDERED PLUGGED AND ABANDONED IN ACCORDANCE WITH A DIVISION-APPROVED PLUGGING PROGRAM.

### ORDER OF THE DIVISION

### BY THE DIVISION:

This cause came on for hearing at 9 a.m. on December 2, 1981, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this <u>day of December</u>, 1981, the Division Director, having considered the record and the recommendations of the Examiner, and being fully advised in the premises,

### FINDS:

That the applicant's request for dismissal should be granted.

### IT IS THEREFORE ORDERED:

The subject well having been transferred to and accepted by the landowner for conversion to a water well, Case No. 7396 should be dismissed.

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

· (1) That Case 20.7396 is hereby dismused

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

JOE D. RAMEY, Director

SEAL