

CASE 5240: PLUGGING CASE FOR
BURWINKLE & SCANLON & HUSKY ENERGY
INC.

CASE No.

5240

Application,

Transcripts,

Small Exhibits

ETC.

Monday, May 20, 1974

Telephone Conversation with
Mr. R. G. Scanlon of Berwinkle
& Scanlon. Scanlon named on
bond as a principal. Has no
objection to plugging well and
stands ready to plug.

Twd

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BEFORE THE
NEW MEXICO OIL CONSERVATION COMMISSION
Santa Fe, New Mexico
May 22, 1974

EXAMINER HEARING

-----)
In the matter of the hearing called)
by the Oil Conservation Commission)
on its own motion to permit Burwinkle)
and Scanlon and Husky Energy, Inc.,)
and The Employers' Fire Insurance)
Company and all other interested)
parties to appear and show cause why)
the following wells located in Section)
28, Township 20 North, Range 9 West,)
McKinley County, New Mexico, should)
not be plugged and abandoned.)
-----)

Case No. 5240

BEFORE: Richard L. Stamets, Examiner

For the New Mexico Oil
Conservation Commission

William Carr, Esq.
and
Thomas Derryberry, Esq.
Legal Counsel for the
Commission
State Land Office Building
Santa Fe, New Mexico

THE NYE REPORTING SERVICE
STATE-WIDE DEPOSITION NOTARIES
225 JOHNSON STREET
SANTA FE, NEW MEXICO 87501
TEL. (505) 982-0386

CASE 5240

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I N D E X

PAGE

A. R. KENDRICK

Direct Examination by Mr. Derryberry

Cross Examination by Mr. Stamets

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TEL. (505) 982-0386

MR. STAMETS: Case 5240

MR. CARR: Case 5240. In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit Burwinkle and Scanlon and Husky Energy, Inc., and The Employers' Fire Insurance Company and all other interested parties to appear and show cause why the following wells located in Section 28, Township 20 North, Range 9 West, McKinley County, New Mexico, should not be plugged and abandoned in accordance with a Commission-approved plugging program: Ohwell Wells Nos. 1, 2, 3, 5, 8, and 39 in Unit C; Ohwell Wells Nos. 9, 10, 11, 12, and 13 in Unit A; and Jaco State Well No. 104 in Unit G.

MR. DERRYBERRY: Mr. Examiner, I am Tom Derryberry, representing the Commission and I have one witness to be sworn.

MR. STAMETS: Are there any other appearances in this case? The witness may be sworn.

A. R. KENDRICK

called as a witness, having been first duly sworn, was examined and testified as follows:

DIRECT EXAMINATION

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KENDRICK-DIRECT

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BY MR. DERRYBERRY:

Q Would you please state your name and position for the record?

A A. R. Kendrick, District Engineer for the Oil Commission at Aztec.

Q Have you previously testified before the Commission or an Examiner and had your qualifications accepted as a matter of record?

A Yes.

Q Do your duties as District Engineer include field inspections of wells in that district?

A Yes, sir.

Q Have you examined the docket for this case with particular attention paid to the wells listed in this case?

A Yes, sir.

Q Have you examined the Commission's well files for the wells listed in this case?

A Yes, sir.

Q Based on these records, would you briefly review the background of these wells?

A All right. This case concerns 12 wells located in Section 28 of Township 20 North, Range 9 West in the

KENDRICK-DIRECT

Chaco Wash Mesaverde Pool in McKinley County. In 1967 and 1968, Burwinkle and Scanlon drilled Wells 1, 2, 3 and 5 through 11. Then in 1971, Husky Energy, Incorporated was merged into the operation and the name was changed to Burwinkle and Scanlon and Husky Energy, Incorporated. Later in 1971, the property was transferred to Mr. J. A. Flint and Mr. Nowell Reynolds. They continued to operate under the same name of Burwinkle, Scanlon and Husky Energy, Incorporated. During 1972, they plugged Wells Nos. 6 and 7 on this lease along with three other wells on an adjacent lease that had been drilled by Burwinkle and Scanlon. They also drilled Wells Nos. 39 and 104 on this lease. These wells are part of this case.

Clinton Reynolds then turned this lease back to Mr. Wagner of Husky Energy, Incorporated in late 1972. In 1973, Wells Nos. 12 and 13 were drilled and production equipment from Wells 1, 2 and 8 was placed on Wells 11, 12 and 13 and pump-tested those wells.

This case was requested about two months ago and since that time all of the production equipment has been moved from the lease and sold.

Q Have you made a recent field inspection of each of the wells included in this case?

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KENDRICK-DIRECT

A Yes, sir.

Q Based on this inspection, would you please give a detailed report of the current condition of each well at this time?

A All right. The name of this lease is the Ohwell Lease. Well No. 1 was completed with 2 and 3/8 inch tubing set as casing, and this well has had the casing removed without filing an intent to abandon or without the well file showing any record that the casing was backed off and as much as possible was removed from the well bore, so it is standing with an open hole condition at the top of the well, and we don't know how much casing has been removed.

Well No. 2 had a similar completion, 2 and 3/8 inch set at 500 feet and the upper part of the casing has been removed.

Well No. 3 was completed in 1967. The surface equipment was removed to the surface of the ground. I think that if they could have easily gotten to the top of the casing, they would have attempted to remove it, but it required shovel work to get below the surface of the ground and, therefore, it was not removed.

Well No. 5 has had the casing removed. There

KENDRICK-DIRECT

CASE 5240

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is no surface evidence of the exact location of the well. Due to some equipment operation in the area, we are not sure whether the well was buried by a pile of dirt or whether the bulldozer turned around and accidentally buried it. It was used as an injection well, but the surface location is not readily apparent at this time.

Well No. 8 was an injection well and the surface part of the casing, the 2 and 3/8, extends approximately 8 inches above the ground line. This well is open at the top. There are no rods or tubing in any of the holes

Well No. 9 was drilled in 1968 and was cased in 1973, and it has 4 or 4 1/2 inch casing to the surface of the ground with no production equipment at all on or in the well.

Well No. 10 has had the tubing and rods removed from the well bore. The pump jack is removed. The 4 1/2 inch casing is set at 320 feet. This is open at the surface of the ground.

Well No. 11 was cased in 1973 by Burwinkle, Scanlon and Husky Energy, Incorporated. The 4 or 4 1/2 inch casing was set. We have no record of the depth of the pipe, but the pump jack and rods and tubing have been removed. The well is open at the surface.

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Well No. 12 had a submersible pump in the well bore approximately two months ago. The tubing and the submersible pump have been removed. The casing is open at the top. There has been no attempt to plug the well.

Well No. 13 is open at the top and the $4\frac{1}{2}$ inch casing is open at the surface.

Well No. 39 was drilled by Flint and Reynolds and the casing comes to the surface of the ground. The well was pump-tested, but the equipment was moved and the location is covered with a bucket over it. The casing has a bucket turned over the top.

Well No. 104 was drilled by Flint and Reynolds. It was not cased and is still standing as an open hole.

Q Based on the information that you have gathered on these wells from the files and from your field inspection, do you have any recommendations as to what action should be taken with reference to these wells?

A I think the wells should all be permanently plugged and abandoned. The lease is a State lease and I understand from the Land Office that the lease has been cancelled, so the operator has no legal authority to produce the wells, so I think these wells should all be plugged and abandoned.

Q Do you have anything further to add to your testimony?

A No, sir.

MR. DERRYBERRY: I have nothing further.

CROSS EXAMINATION

BY MR. STAMETS:

Q Mr. Kendrick, if these wells are plugged and abandoned in accordance with the Commission-approved plugging program, would this help prevent waste and contamination of fresh water and protect property?

A I think so.

MR. STAMETS: Are there any questions of this witness? The witness may be excused.

(Witness dismissed.)

MR. STAMETS: Is there anything further in this case?

MR. CARR: Mr. Examiner, the Commission has received a letter from Earl Hartley, representing Husky Energy, stating that they have no objection to the entry of an order requiring the plugging of these wells and as soon as they receive the Order will take efforts to properly plug them in accordance with the Commission-approved plugging program.

MR. DERRYBERRY: I did have one thing further. I was called by Jerry Scanlon, R. G. Scanlon, day before yesterday and he stated more or less the same thing, that he had no objection to the plugging of the wells and that he stood ready to accomplish that.

MR. STAMETS: If there is nothing further in this case, the case will be taken under advisement.

STATE OF NEW MEXICO)
) SS.
COUNTY OF SANTA FE)

I, RICHARD L. NYE, Court Reporter, do hereby certify that the foregoing and attached Transcript of Hearing before the New Mexico Oil Conservation Commission was reported by me, and the same is a true and correct record of the said proceedings, to the best of my knowledge, skill and ability.

Richard L. Nye
COURT REPORTER

I do hereby certify that the foregoing is a complete record of the proceedings in the Examiner hearing of Case No. 5240, heard by me on 5/22/1977.

Richard L. Nye, Examiner
New Mexico Oil Conservation Commission

THE NYE REPORTING SERVICE
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SANTA FE, NEW MEXICO 87501
TEL. (505) 982-0386

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING CALLED BY THE
OIL CONSERVATION COMMISSION ON ITS OWN MOTION
TO PERMIT BURWINKLE AND SCANLON AND HUSKY ENERGY
INC. AND THE EMPLOYERS FIRE INSURANCE COMPANY AND
ALL OTHER INTERESTED PARTIES TO APPEAR AND SHOW
CAUSE WHY THE FOLLOWING WELLS LOCATED IN SECTION 28,
TOWNSHIP 20 NORTH, RANGE 9 WEST, NMPM, MCKINLEY COUNTY,
NEW MEXICO, SHOULD NOT BE PLUGGED AND ABANDONED IN
ACCORDANCE WITH A COMMISSION APPROVED PLUGGING PROGRAM:
OHWELL WELLS NOS. 1, 2, 3, 5, 8, AND 39 IN UNIT C;
OHWELL WELLS NOS. 9, 10, 11, 12, AND 13 IN UNIT A;
AND JACO STATE WELL NO. 104 IN UNIT G.

CASE NO. 5240
Order No. R-4799

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on May 22, 1974,
at Santa Fe, New Mexico, before Examiner, Richard L. Stamets.

NOW, on this 4th day of June, 1974, the Commission, a
quorum being present, having considered the testimony, the
record, and the recommendations of the Examiner, and being
fully advised in the premises,

FINDS:

(1) That due public notice having been given as required
by law, the Commission has jurisdiction of this cause and the
subject matter thereof.

(2) That Burwinkle and Scanlon and Husky Energy, Inc.
are the owners and operators of Ohwell Wells Nos. 1, 2, 3, 5,
8, and 39 in Unit C, Ohwell Wells Nos. 9, 10, 11, 12, and 13
in Unit A; and Jaco State Well No. 104 in Unit G, all in
Section 28, Township 20 North, Range 9 West, NMPM, McKinley
County, New Mexico.

(3) That The Employers Fire Insurance Company is the
surety named on the Blanket Plugging Bond filed with the Commis-
sion by said owners and operators.

(4) That in order to prevent waste and protect correlative
rights and protect fresh water, the wells set forth in Finding
(2) above, should be plugged and abandoned in accordance with
a program approved by the Aztec District Office of the New
Mexico Oil Conservation Commission on or before July 1, 1974.

IT IS THEREFORE ORDERED:

(1) That Burwinkle and Scanlon, Husky Energy, Inc., and

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Case No. 5240
Order No. R-4799

The Employers' Fire Insurance Company are hereby ordered to plug the following wells in Section 28, Township 20 North, Range 9 West, NMPM, Chaco Wash Mesaverde Oil Pool, McKinley County, New Mexico, on or before July 1, 1974:

<u>Lease</u>	<u>Well No.</u>	<u>Location</u>
Ohwell	1	165 feet from North line, 2145 feet from West line
Ohwell	2	495 feet from North line, 2145 feet from West line
Ohwell	3	495 feet from North line, 2475 feet from West line
Ohwell	5	330 feet from North line, 2310 feet from West line
Ohwell	8	330 feet from North line, 1980 feet from West line
Ohwell	9	165 feet from North line, 165 feet from West line
Ohwell	10	495 feet from North line, 165 feet from West line
Ohwell	11	495 feet from North line, 495 feet from West line
Ohwell	11-X	485 feet from North line, 500 feet from West line
Ohwell	12	165 feet from North line, 495 feet from West line
Ohwell	13	330 feet from North line, 330 feet from West line
Ohwell	39	350 feet from North line, 2310 feet from West line
Jaco State	104	1815 feet from North line, 1485 feet from West line

(2) That Burwinkle and Scanlon, Husky Energy, Inc., and The Employers Fire Insurance Company, prior to plugging and abandoning the above-described wells, shall obtain from the Aztec office of the Commission a Commission-prescribed program for said plugging and abandoning and shall notify said Aztec office of the date and hour said work is to be commenced whereupon the Commission, may at its option, witness such work.


(3) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

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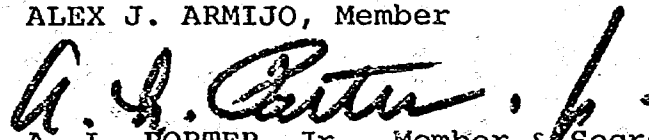
Case No. 5240
Order No. R-4799

DONE at Santa Fe, New Mexico, on the day and year herein-
above designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION


I. R. TRUJILLO, Chairman

ALEX J. ARMIJO, Member


A. L. PORTER, Jr., Member & Secretary

S E A L

dr/

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

CASE NO. 5240
Order No. R-4799-A

IN THE MATTER OF THE HEARING CALLED BY THE
OIL CONSERVATION COMMISSION ON ITS OWN MOTION
TO PERMIT BURWINKLE AND SCANLON AND HUSKY ENERGY
INC. AND THE EMPLOYERS FIRE INSURANCE COMPANY AND
ALL OTHER INTERESTED PARTIES TO APPEAR AND SHOW
CAUSE WHY THE FOLLOWING WELLS LOCATED IN SECTION 28,
TOWNSHIP 20 NORTH, RANGE 9 WEST, NMPM, MCKINLEY COUNTY,
NEW MEXICO, SHOULD NOT BE PLUGGED AND ABANDONED IN
ACCORDANCE WITH A COMMISSION APPROVED PLUGGING PROGRAM:
OHWELL WELLS NOS. 1, 2, 3, 5, 8, AND 39 IN UNIT C;
OHWELL WELLS NOS. 9, 10, 11, 12, AND 13 IN UNIT A;
AND JACO STATE WELL NO. 104 IN UNIT G.

NUNC PRO TUNC ORDER

BY THE COMMISSION:

It appearing to the Commission that due to clerical error
and inadvertence Order No. R-4799, dated June 4, 1974, does not
state the intended order of the Commission.

IT IS THEREFORE ORDERED:

(1) That Order No. (1) on Page 1 of Order No. R-4799, be
and the same is hereby corrected to read in its entirety as
follows:

"(1) That Burwinkle and Scanlon, Husky Energy, Inc., and
The Employers' Fire Insurance Company are hereby ordered
to plug the following wells in Section 28, Township 20
North, Range 9 West, NMPM, Chaco Wash Mesaverde Oil
Pool, McKinley County, New Mexico, on or before July 1,
1974:

<u>Lease</u>	<u>Well No.</u>	<u>Location</u>
Ohwell	1	165 feet from North line, 2145 feet from West line
Ohwell	2	495 feet from North line, 2145 feet from West line
Ohwell	3	495 feet from North line, 2475 feet from West line
Ohwell	5	330 feet from North line, 2310 feet from West line

-2-

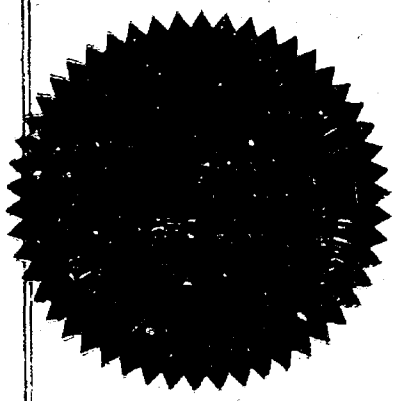
Case No. 5240
Order No. R-4799-A

<u>Lease</u>	<u>Well No.</u>	<u>Location</u>
Ohwell	8	330 feet from North line, 1980 feet from West line
Ohwell	9	165 feet from North line, 165 feet from East line
Ohwell	10	495 feet from North line, 165 feet from East line
Ohwell	11	495 feet from North line, 495 feet from East line
Ohwell	12	165 feet from North line, 495 feet from East line
Ohwell	13	330 feet from North line, 330 feet from East line
Ohwell	39	350 feet from North line, 2310 feet from West line
Jaco State	104	1815 feet from North line, 1485 feet from East line

(2) That the corrections set forth in this order be entered nunc pro tunc as of June 4, 1974.

DONE at Santa Fe, New Mexico, on this 25th day of June, 1974.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION



[Signature]
I. R. TRUJILLO, Chairman

ALEX J. ARMIJO, Member

[Signature]
A. L. PORTER, Jr., Member & Secretary

S E A L

dr/

OIL CONSERVATION COMMISSION

P. O. BOX 2088
SANTA FE, NEW MEXICO 87501

May 10, 1974

Burwinkle & Scanlon and Husky Energy, Inc.
10108 Toltec, N.E.
Albuquerque, New Mexico 87100

**CERTIFIED - RETURN
RECEIPT REQUESTED**

C The Employers Insurance Co.
c/o Mr. J. W. Shirley
3513 Central Avenue, N.E.
Albuquerque, New Mexico 87100

Burwinkle & Scanlon
124 Jackson, N.E.
Albuquerque, New Mexico 87100

O Mr. Earl Hartley
311 Sixth Street, N.W. - P.O. Box 465 87103
Albuquerque, New Mexico 87100

P Re: Ohwell Wells Nos. 1, 2, 3, 5, 8, and 39 in Unit C;
Ohwell Wells Nos. 9, 10, 11, 12, and 13 in Unit A; and
Jaco State Well No. 104 in Unit G, Section 28, Township 20
North, Range 9 West, McKinley County, New Mexico
\$10,000 Blanket Bond

Gentlemen:

Y Enclosed is a copy of the docket of the Examiner Hearing to be
held on Wednesday, May 22, 1974, at 9:00 a.m. in the Oil Conservation
Commission Conference Room, State Land Office Building, Santa Fe, New Mexico.
Case No. 5240 concerns the subject matter.

Very truly yours,

THOMAS W. DERRYBERRY
Special Assistant Attorney General

TWD/dr
enclosure
cc: Oil Conservation Commission - Aztec

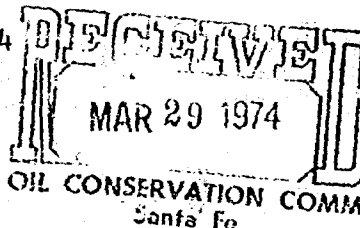


File 5240 **OIL CONSERVATION COMMISSION**

STATE OF NEW MEXICO
1000 RIO BRAZOS ROAD - AZTEC

87410

March 28, 1974



I. R. TRUJILLO
CHAIRMAN

LAND COMMISSION
ALEX J. ARMIJO
MEMBER

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

Mr. W. F. Carr
New Mexico Oil Conservation Commission
P. O. Box 2088
Santa Fe, New Mexico

Re: Burwinkle & Scanlon and Husky Energy, Inc.

Dear Mr. Carr:

Please set a case for hearing to allow Burwinkle and Scanlon and Husky Energy, Inc. and all other interested parties to appear and show why the below listed wells should not be plugged and abandoned in a Commission approved manner:

(All of these wells are in Section 28, Township 20 North, Range 9 West, N.M.P.M., McKinley County.)

Ohwell #1* 165' FNL, 2145' FWL *pipe pulled - don't know*
Ohwell #2* 495' FNL, 2145' FWL
pipe Ohwell #3 495' FNL, 2475' FWL
Ohwell #5* 330' FNL, 2310' FWL *water injection - w/o pipe*
pipe Ohwell #8 330' FNL, 1980' FWL
Ohwell #9 165' FNL, 165' FEL *cased*
Ohwell #10 495' FNL, 165' FEL
Ohwell #11* 495' FNL, 495' FEL *drilled not cased or plugged*
Ohwell #11-X* 485' FNL, 500' FEL (* Estimated location) *drilled & cased*
Ohwell #12 165' FNL, 495' FEL
Ohwell #13 330' FNL, 330' FEL
Ohwell #39 350' FNL, 2310' FWL *pipe pulled*
Reynolds's well plug Jaco State #104 1815' FNL, 1485' FEL *drilled & not cased*
** cased or plugged*

I visited the area on March 21, 1974. There was no apparent change from what I saw in November, 1973.

If you need further information for setting the case, please advise.

Yours very truly,

A. R. Kennick
A. R. Kennick
Engineer, District #3

ARK:mc

cc: Mr. Ray Graham, State Land Office, P. O. Box 1148, Santa Fe, New Mexico 87501

Burwinkle & Scanlon and Husky Energy, Inc, 10108 Toltec, N.E.,
Albuquerque, New Mexico 87100
The Employers Insurance Co., c/o Mr. J. W. Shirley, 3513 Central Avenue, N.E.
Albuquerque, New Mexico 87100
Burwinkle & Scanlon, 124 Jackson, N. E., Albuquerque, New Mexico 87100
Mr. Earl Hartley, 311 Sixth Street, N.W., Albuquerque, New Mexico 87100

Case 5240

515
Hobbs
Gallup

CASE _____ In the matter of the hearing called by the Oil
Conservation Commission on its own motion to permit BURWINKLE
AND SCANLON AND HUSKY ENERGY, Inc. and The
Employers' Fire Insurance Company
and all other interested parties to appear and show cause why the
following wells

located in _____ Section 28, Township 20
North, South, Range 9 ~~East~~, West, McKinley
County, New Mexico, should not be plugged and abandoned in accordance
with a Commission-approved plugging program:

Oil Well	#1 ✓	165' FNL, 2145' FWL (Unit C)
" "	#2 ✓	495' FNL, 2145' FWL (Unit C)
" "	#3 ✓	495' FNL, 2475' FWL (Unit C)
" "	#5 ✓	330' FNL, 2310' FWL (Unit C)
" "	#8 ✓	330' FNL, 1980' FWL (Unit C)
" "	#9 ✓	165' FNL, 165' FEL (Unit A)
" "	#10 ✓	495' FNL, 165' FEL (Unit A)
" "	#11 ✓	495' FNL, 495' FEL (Unit A)
" "	#12 ✓	165' FNL, 495' FEL (Unit A)
" "	#13 ✓	330' FNL, 330' FEL (Unit A)
" "	#39 ✓	350' FNL, 2310' FWL (Unit C)
Jaco State	#104	1815' FNL, 1485' FEL (Unit G)

Memo

From
WM. F. CARR
ATTORNEY

To

✓ w Ray Graham —

advertise in

accordance w/

his desires —

✓ w/ Kendrick

Oil Conservation Commission — Santa Fe, New Mexico

-2-

Case No. 5240
Order No. R-4799

Case
Order

The Employers' Fire Insurance Company are hereby ordered to plug the following wells in Section 28, Township 20 North, Range 9 West, NMPM, Chaco Wash Mesaverde Oil Pool, McKinley County, New Mexico, on or before July 1, 1974:

<u>Lease</u>	<u>Well No.</u>	<u>Location</u>
Ohwell	1 ✓	165 feet from North line, 2145 feet from West line
Ohwell	2 ✓	495 feet from North line, 2145 feet from West line
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Ohwell	8 ✓	330 feet from North line, 1980 feet from West line
Ohwell	9 ✓	165 feet from North line, 165 feet from West <i>East</i> line
Ohwell	10 ✓	495 feet from North line, 165 feet from West <i>East</i> line
Ohwell	11 ✓	495 feet from North line, 495 feet from West <i>East</i> line
Not a Party Ohwell	11-X ✓	485 feet from North line, 500 feet from West <i>East</i> line
Ohwell	12 ✓	165 feet from North line, 495 feet from West <i>East</i> line
Ohwell	13 ✓	330 feet from North line, 330 feet from West <i>East</i> line
Ohwell	39 ✓	350 feet from North line, 2310 feet from West line
Jaco State	104 ✓	1815 feet from North line, 1485 feet from West <i>East</i> line

(2) That Burwinkle and Scanlon, Husky Energy, Inc., and The Employers Fire Insurance Company, prior to plugging and abandoning the above-described wells, shall obtain from the Aztec office of the Commission a Commission-prescribed program for said plugging and abandoning and shall notify said Aztec office of the date and hour said work is to be commenced whereupon the Commission, may at its option, witness such work.

(3) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING CALLED BY THE
OIL CONSERVATION COMMISSION ON ITS OWN MOTION
TO PERMIT BURWINKLE AND SCANLON AND HUSKY ENERGY
INC. AND THE EMPLOYERS FIRE INSURANCE COMPANY AND
ALL OTHER INTERESTED PARTIES TO APPEAR AND SHOW
CAUSE WHY THE FOLLOWING WELLS LOCATED IN SECTION 28,
TOWNSHIP 20 NORTH, RANGE 9 WEST, NMPM, MCKINLEY COUNTY,
NEW MEXICO, SHOULD NOT BE PLUGGED AND ABANDONED IN
ACCORDANCE WITH A COMMISSION APPROVED PLUGGING PROGRAM:
OHWELL WELLS NOS. 1, 2, 3, 5, 8, AND 39 IN UNIT C;
OHWELL WELLS NOS. 9, 10, 11, 12, AND 13 IN UNIT A;
AND JACO STATE WELL NO. 104 IN UNIT G.

CASE NO. 5240
Order No. R-4799

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on May 22, 1974,
at Santa Fe, New Mexico, before Examiner, Richard L. Stamets.

NOW, on this 4th day of June, 1974, the Commission, a
quorum being present, having considered the testimony, the
record, and the recommendations of the Examiner, and being
fully advised in the premises,

FINDS:

(1) That due public notice having been given as required
by law, the Commission has jurisdiction of this cause and the
subject matter thereof.

(2) That Burwinkle and Scanlon and Husky Energy, Inc.
are the owners and operators of Ohwell Wells Nos. 1, 2, 3, 5,
8, and 39 in Unit C, Ohwell Wells Nos. 9, 10, 11, 12, and 13
in Unit A; and Jaco State Well No. 104 in Unit G, all in
Section 28, Township 20 North, Range 9 West, NMPM, McKinley
County, New Mexico.

(3) That The Employers Fire Insurance Company is the
surety named on the Blanket Plugging Bond filed with the Commis-
sion by said owners and operators.

(4) That in order to prevent waste and protect correlative
rights and protect fresh water, the wells set forth in Finding
(2) above, should be plugged and abandoned in accordance with
a program approved by the Aztec District Office of the New
Mexico Oil Conservation Commission on or before July 1, 1974.

IT IS THEREFORE ORDERED:

(1) That Burwinkle and Scanlon, Husky Energy, Inc., and

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Case No. 5240
Order No. R-4799

The Employers' Fire Insurance Company are hereby ordered to plug the following wells in Section 28, Township 20 North, Range 9 West, NMPM, Chaco Wash Mesaverde Oil Pool, McKinley County, New Mexico, on or before July 1, 1974:

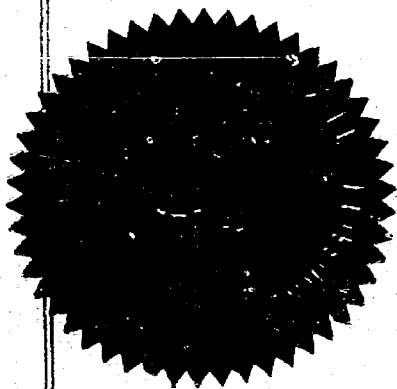
<u>Lease</u>	<u>Well No.</u>	<u>Location</u>
Ohwell	1	165 feet from North line, 2145 feet from West line
Ohwell	2	495 feet from North line, 2145 feet from West line
Ohwell	3	495 feet from North line, 2475 feet from West line
Ohwell	5	330 feet from North line, 2310 feet from West line
Ohwell	8	330 feet from North line, 1980 feet from West line
Ohwell	9	165 feet from North line, 165 feet from West line
Ohwell	10	495 feet from North line, 165 feet from West line
Ohwell	11	495 feet from North line, 495 feet from West line
Ohwell	11-X	485 feet from North line, 500 feet from West line
Ohwell	12	165 feet from North line, 495 feet from West line
Ohwell	13	330 feet from North line, 330 feet from West line
Ohwell	39	350 feet from North line, 2310 feet from West line
Jaco State	104	1815 feet from North line, 1485 feet from West line

(2) That Burwinkle and Scanlon, Husky Energy, Inc., and The Employers Fire Insurance Company, prior to plugging and abandoning the above-described wells, shall obtain from the Aztec office of the Commission a Commission-prescribed program for said plugging and abandoning and shall notify said Aztec office of the date and hour said work is to be commenced whereupon the Commission, may at its option, witness such work.

(3) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

-3-
Case No. 5240
Order No. R-4799

DONE at Santa Fe, New Mexico, on the day and year herein-
above designated.



STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

[Signature]
I. R. TRUJILLO, Chairman

ALEX J. ARMIJO, Member

[Signature]
A. L. PORTER, Jr., Member & Secretary

S E A L

dr/

LAWYER

CASE #5240

1. Q. Please state your name and position for the record.

A. A. R. Kendrick, District Engineer for the Oil Commission at Aztec.

Q. Are the wells listed in this case located in your district?

A. Yes.

Q. Have you made a recent field inspection of each of the wells included in this case?

A. Yes.

Q. Please explain the general situation about these wells.

A. This case concerns 12 wells located in section 28, Township 20 North, Range 9 West in the Chaco Wash Mesaverde Pool in McKinley County.

Burwinkle and Scanlon drilled wells 1 thru 3 and 5 thru 11 during 1967 and 1968.

Husky Energy, Inc. was merged into the operation and the name was changed to Burwinkle and Scanlon and Husky Energy, Inc. The forms were filed in May, 1971.

Late in 1971, the property was transferred to Messrs J. A. Flint and Noel Reynolds. They continued to operate in the name of Burwinkle and Scanlon and Husky Energy, Inc. During 1972 they plugged wells 6 and 7 on this lease along with three other wells on an adjacent lease that had been drilled by Burwinkle and Scanlon. They also drilled wells 39 and 104 which are part of this case.

Flint and Reynolds turned this lease back to Mr. Wagner of Husky Energy in late 1972 or early 1973.

Wells 12 & 13 were drilled in 1973. The production equipment was removed from wells 1, 2 & 8 and placed on wells 11, 12 & 13. These wells were pump tested during 1973.

Since this case was requested, all production equipment has been removed from the wells and lease.

Q. Would you like to give a detailed report of the current condition of each well at this time?

A. Yes.

Q. Please proceed.

A. Well #1 was drilled - - - - - (see note sheets for each well)

Q. Do you have anything further in this case?

A. —

OHWELL #1

165/N, 2145/W

C-28-20N-9W

Spud - 8/20/67

Completed - 8/29/67

TD - 523'

Cored - 508 to 523'

Logged - No.

2 3/8" casing set @ 505' with 15 sacks in 4 3/4" hole.

Drilled by Burwinkle & Scanlon

Casing now pulled - none evident at surface.

OHWELL #2 495/N, 2145/W C-28-20N-9W
Spud - 9/1/67 Completed - 9/8/67 TD - 520'
Cored - 505 to 520' - Logged - E
2 3/8" casing set @ 500' with 15 sacks in 4 3/4" hole.
Drilled by Burwinkle & Scanlon
Casing now pulled - none evident at surface.

OHWELL #3

495/N, 2475/W

C-28-20N-9W

Spud - 9/10/67

Completed - 9/15/67

TD - 520'

Cored - 502 to 520'

Logged - No

2 3/8" casing set @ 500' with 15 sacks in 4 3/4" hole.

Drilled by Burwinkle & Scanlon

OHWELL #5

330/N, 2310/W

C-28-20N-9W

Spud - 9/25/67

Completed - 10/3/67

TD - 525'

Cored - 508 to 525' Logged - No

2 3/8" casing set @ 505' with 15 sacks in 4 3/4" hole.

Drilled by Burwinkle & Scanlon

Drilled as injection well.

OHWELL #8

330/N, 1980/W

C-28-20N-9W

Spud - 2/27/68

Completed - 2/28/68

TD - 514.5'

Cored - 500 to 514.5' Logged - No

2 3/8" casing set @ 492' with 50 sacks in 4 3/4" hole.

Drilled by Burwinkle & Scanlon

Not production tested. Drilled as injection well.

OHWELL #9

165/N, 165/E

A-28-20N-9W

Spud - 10/3/68

Completed - Unknown

TD - 352'

Cored - 320 to 358' Logged - 365'

Drilled by Burwinkle & Scanlon

4 or 4 $\frac{1}{2}$ " casing in the hole. No cementing record.

Cased by Husky Energy, Inc. (1973)

No test reported.

OHWELL #10

495/N, 165/E

A-28-20N-9W

Spud - 10/4/68

Completed - Unknown

TD - 331'

Cored - 320 to 330.5'

Logged - 331'

4 $\frac{1}{2}$ " casing set @ 320' with 20 sacks in 6 $\frac{1}{4}$ " hole.

Drilled by Burwinkle & Scanlon

Well pumped water with oil film.

OHWELL #11

495/N, 495/E

A-28-20N-9W

Spud - 10/5/68

Completed - Unknown

TD - 354'

Cored - 321 to 355' Logged - 359'

4 or 4 $\frac{1}{2}$ " casing in hole; depth unknown, cement unknown.

Drilled by Burwinkle & Scanlon

Possibly the well #11-X was drilled by Husky Energy, Inc. in 1973.

If so, the well #11 was not cased, but was cored.

OHWELL #12

165/N, 495/E

A-28-20N-9W

Spud - 7/4/73

Completed - 7/10/73

TD - 370'

Cored - Yes

Logged - G, E.

$4\frac{1}{2}$ " casing set @ 370' with 25 sacks in $6\frac{1}{2}$ " hole.

Drilled by Husky Energy, Inc.

OHWELL #13

330/N, 330/E

A-28-20N-9W

Spud - 7/23/73

Completed - 7/27/73

TD - 360'

Cored - Yes

Logged - Gamma, E, SP & Res

4 $\frac{1}{2}$ " casing set @ 360' with 25 sacks in 6 $\frac{3}{4}$ " hole.

Drilled by Husky Energy, Inc.

OHWELL #39

350/N, 2310/W

C-28-20N-9W

Spud - 12/18/71

Completed - 12/20/71

TD - 556'

Cored - No

Logged - Gamma

C-101 - 2/14/72

4 $\frac{1}{2}$ " casing set @ 500' with 35 sacks in 6 $\frac{1}{4}$ " hole.

Drilled by Jaco, Inc.

OHWELL #104

1815/N, 1485/E

G-28-20N-9W

Spud - Unknown

Completed - Unknown

TD - Unknown

Cored - Unknown

Logged - Unknown

G-101 - 3/23/72

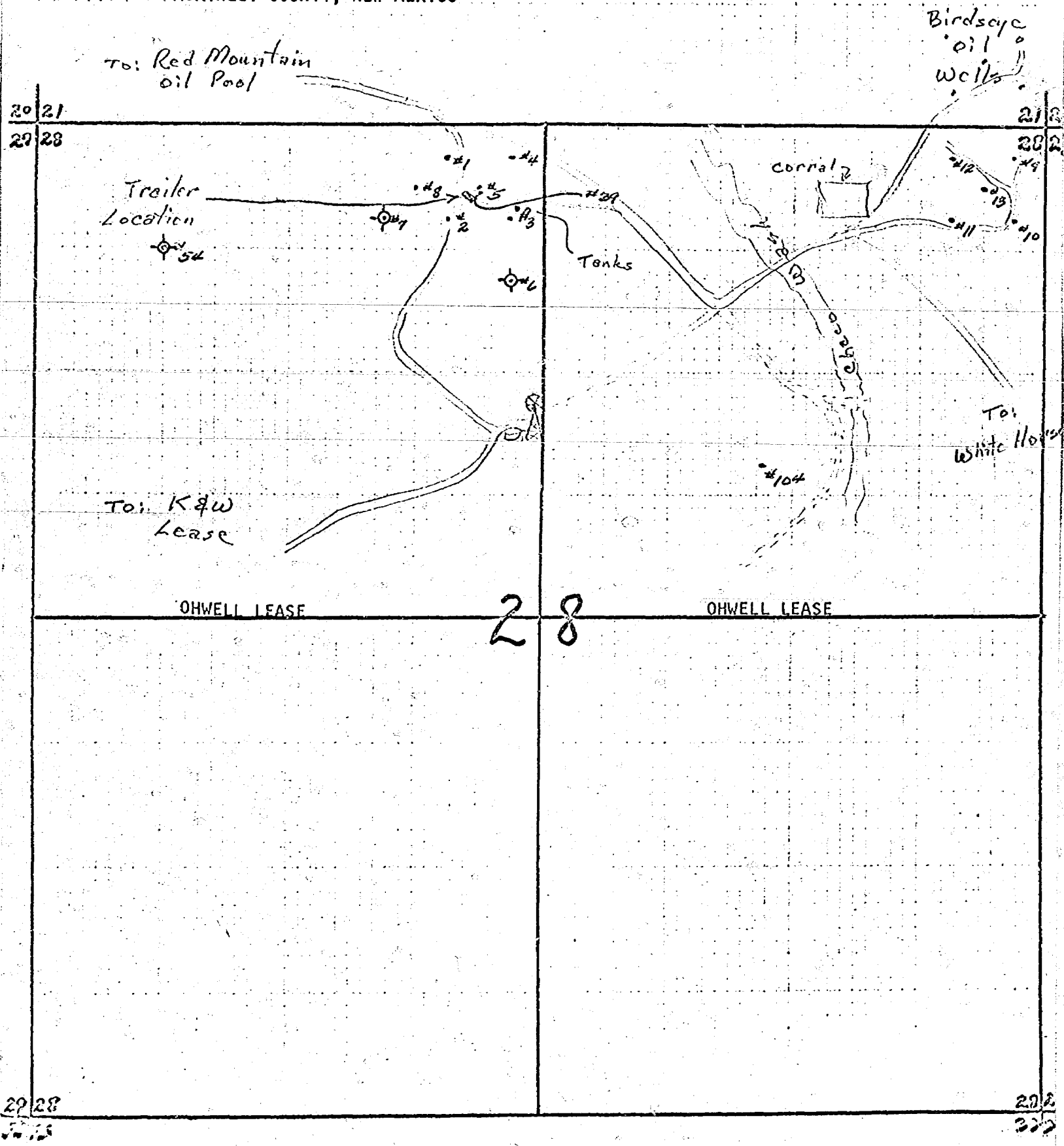
No casing

Drilled by Jaco, Inc.

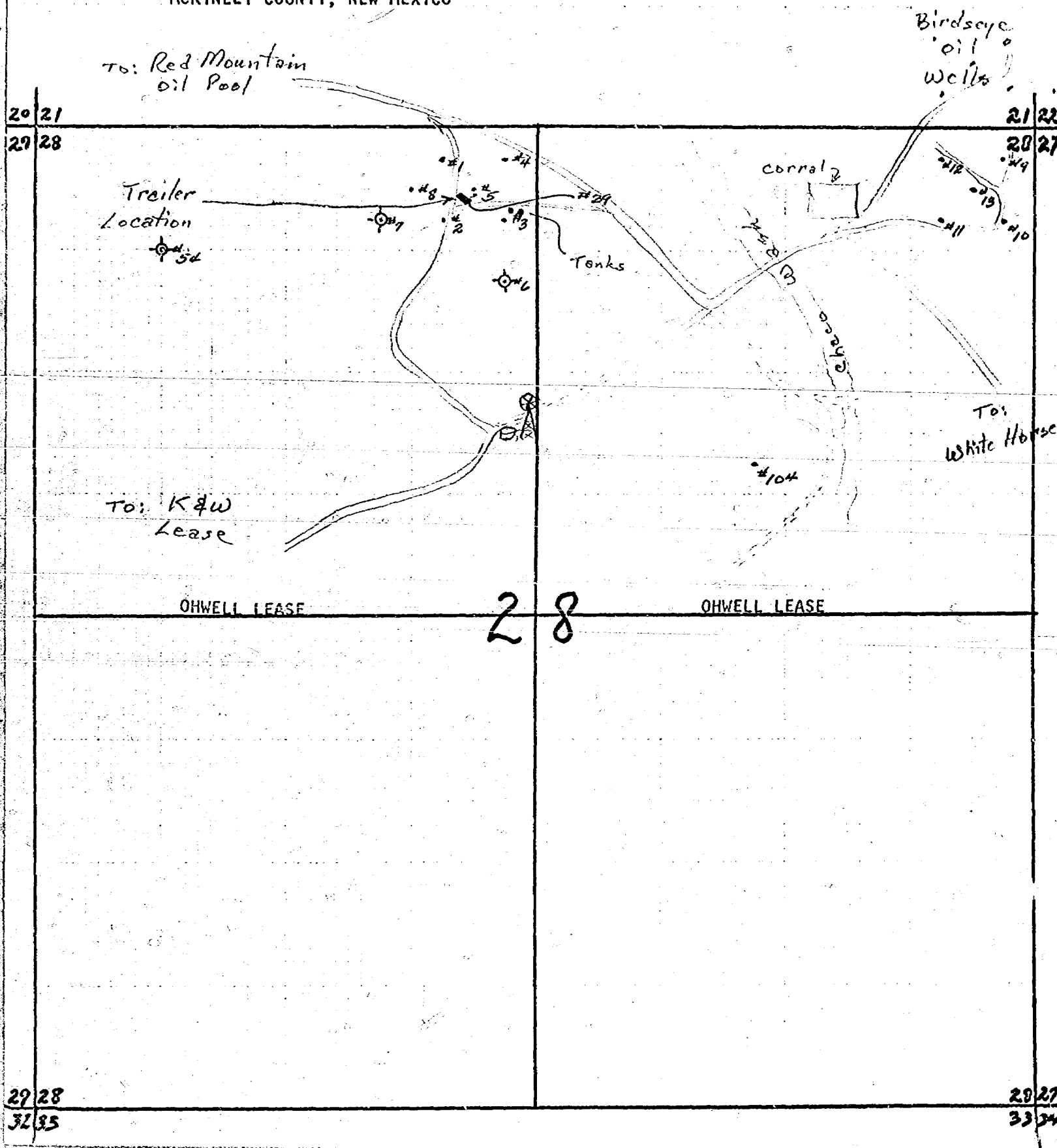
BURWINKLE & SCANLON AND HUSKY ENERGY COMPANY, INC.

SECTION 28, TOWNSHIP 20 NORTH, RANGE 9 WEST, N.M.P.M.

McKINLEY COUNTY, NEW MEXICO



McKINLEY COUNTY, NEW MEXICO



NEW MEXICO
OIL CONSERVATION COMMISSION

FIELD TRIP REPORT

Date May 14, 1974

Name of Employee A. R. Kendrick

Time of Departure 7 a.m. Time of Return 5 p.m.

Miles Travelled 200 OF-3559

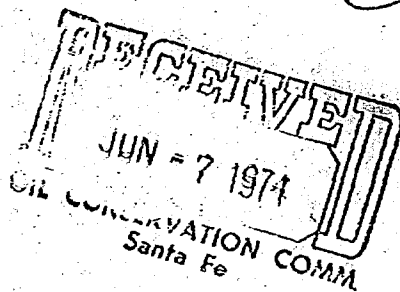
In the space below please indicate purpose of trip and duties performed, listing wells or leases visited.

I made a field inspection at Red Mountain of Burwinkle and Scanlon & Husky Energy, Inc.'s. Ohwell Lease.

I found all production equipment had been removed from the lease including all tubing and rods.

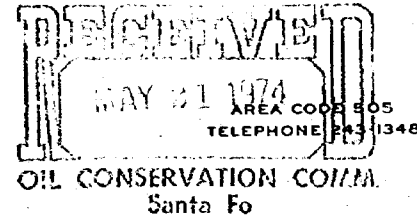
Wells #1 & #2 have had some of the 2 3/8" casing pulled. Well #104 has not been cased.

This inspection was in preparation for Case #5240. A show cause for P & A case.



A. R. Kendrick
Employee's Signature
District # 3

EARL E. HARTLEY
ATTORNEY AT LAW
POST OFFICE BOX 465
1015 TIJERAS AVENUE, N. W.
ALBUQUERQUE, NEW MEXICO 87103



May 20, 1974

Mr. Emery Arnold
Oil Conservation Commission
1000 Rio Brazos Road
Aztec, New Mexico 87410

Re: Wells in Section 28, 20 N, 9 W, NMPM,
McKinley County

Dear Mr. Arnold:

Pursuant to our telephone conversation this date, this letter is to advise that there will be no protest made in Case No. 5240 set on the hearing docket for the Oil Conservation Commission at 9:00 a.m., May 22, 1974. Mr. Daniel S. Nutter, Examiner, has been so notified by telephone this date.

This is a request that you furnish Husky Energy Inc. with a plugging program to be followed in order that we may plug the wells in question in accordance with a Commission approved program. Please send the program to my office.

Thank you for your cooperation in this matter.

Sincerely,

Earl E. Hartley
EARL E. HARTLEY

EEH:sw

✓ cc: Mr. Daniel S. Nutter
P. O. Box 2088
Santa Fe, New Mexico 87501

Burwinkle & Scanlon
124 Jackson, N.E.
Albuquerque, New Mexico 87100

5240

To prevent waste, protect fresh water resources, ^{and} protect property, etc. The wells should be plugged in accordance with a Commission approved plugging program

No. 003674

FOR CERTIFIED MAIL—30¢ (plus postage)

See 5240

POSTMARK
OR DATE

Richard Miller

Commercial Union Co.

P.O. Box 30001

P.O., STATE AND ZIP CODE

Albuquerque, New Mexico 87110

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Legal - 5240

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2 SIGNATURE OF ADDRESSEE'S AGENT, IF ANY

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Commercial Union Co's

Carla Richard

No. 003673

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P.O., STATE AND ZIP CODE Albq., New Mexico 87104		
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Apr. 1971 3800

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Santa Fe, New Mexico 87501

PA Form 3811
Rev. 10/73

1974
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Carl C. Hartley

CERTIFIED NO. **003675** SIGNATURE OF ADDRESSEE'S AGENT, IF ANY
Robert C. French

INSURED BY _____

DATE DELIVERED **MAY 18 1974** SHOW WHERE DELIVERED (Only if requested, and include ZIP Code)

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No. 003671

SENT TO		BURWINKLE & SCANLON		POSTMARK OR DATE
STREET AND NO.		124 Jackson, NE		
P.O., STATE AND ZIP CODE		Albuquerque Case 5240		
OPTIONAL SERVICES FOR ADDITIONAL FEES				
RETURN RECEIPT SERVICES	▶	1. Shows to whom and date delivered	15¢	
		With delivery to addressee only	65¢	
		2. Shows to whom, date and where delivered	35¢	
		With delivery to addressee only	85¢	
DELIVER TO ADDRESSEE ONLY			50¢	
SPECIAL DELIVERY (extra fee required)				

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Apr. 1971

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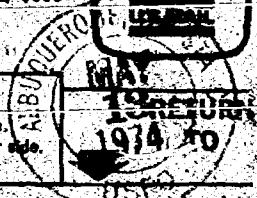
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P.O. Box 2088
Santa Fe, New Mexico 87501

Legal - 5240

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June 1973

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003671

INSURED NO.

DATE DELIVERED

5-13-74

1 *Beerwinkel & Scanlon*

2 SIGNATURE OF ADDRESSEE'S AGENT, IF ANY

John Duffin

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No. 003672

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STREET AND NO. 311 Sixth Street NW		
P.O., STATE AND ZIP CODE Albuquerque Case 5240		
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RECEIPT SERVICES	With delivery to addressee only	65¢
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DELIVER TO ADDRESSEE ONLY	With delivery to addressee only	85¢
SPECIAL DELIVERY (extra fee required)		50¢

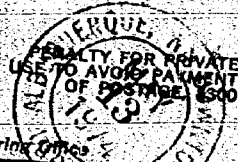
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Apr. 1971

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OIL CONSERVATION COMMISSION
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Santa Fe, New Mexico 87501

Legal - 5240

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CERTIFIED MAIL
083572

1 *Mr. Carl Hartley*

2 SIGNATURE OF ADDRESSEE'S AGENT, IF ANY

DATE DELIVERED

3 *Ralph C. Jones*
SHOW WHERE DELIVERED (Only if requested, and include ZIP Code)

No. 003670

RECEIPT FOR CERTIFIED MAIL—30¢ (plus postage)

SENT TO The Employers Insurance Co.		POSTMARK OR DATE
STREET AND NO. 3513 Central Avenue NE		
P.O., STATE AND ZIP CODE Albuquerque Case 5240		
OPTIONAL SERVICES FOR ADDITIONAL FEES		
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	With delivery to addressee only	85¢
DELIVER TO ADDRESSEE ONLY		50¢
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Apr. 1971

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OIL CONSERVATION COMMISSION

P. O. Box 2088

Santa Fe, New Mexico 87501

LEGAL - 5240

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003670

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OIL CONSERVATION COMMISSION

STATE OF NEW MEXICO
P. O. BOX 2088 - SANTA FE
87501

May 10, 1974

I. R. TRUJILLO
CHAIRMAN

LAND COMMISSIONER
ALEX J. ARMIJO
MEMBER

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

Burwinkle & Scanlon and Husky Energy, Inc.
10108 Toltec, N.E.
Albuquerque, New Mexico 87100

CERTIFIED - RETURN
RECEIPT REQUESTED

The Employers Insurance Co.
c/o Mr. J. W. Shirley
3513 Central Avenue, N.E.
Albuquerque, New Mexico 87100

Burwinkle & Scanlon
124 Jackson, N.E.
Albuquerque, New Mexico 87100


Mr. Earl Hartley
311 Sixth Street, N.W.
Albuquerque, New Mexico 87100

Re: Ohwell Wells Nos. 1, 2, 3, 5, 8, and 39 in Unit C;
Ohwell Wells Nos. 9, 10, 11, 12, and 13 in Unit A; and
Jaco State Well No. 104 in Unit G, Section 28, Township 20
North, Range 9 West, McKinley County, New Mexico
\$10,000 Blanket Bond

Gentlemen:

Enclosed is a copy of the docket of the Examiner Hearing to be held on Wednesday, May 22, 1974, at 9:00 a.m. in the Oil Conservation Commission Conference Room, State Land Office Building, Santa Fe, New Mexico. Case No. 5240 concerns the subject matter.

Very truly yours,


THOMAS W. DERRYBERRY
Special Assistant Attorney General

TWD/dr
enclosure
cc: Oil Conservation Commission - Aztec

Dockets Nos. 15-74 and 16-74 are tentatively set for hearing on June 5 and June 19. Application for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: EXAMINER HEARING - WEDNESDAY - MAY 22, 1974

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

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

CASE 5206: (Continued from the April 25, 1974, Examiner Hearing)

Application of Continental Oil Company for downhole commingling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to commingle West Warren-Blinbry and East Skaggs-Drinkard production in the wellbore of its SEMU Burger Well No. 21 located in Unit 0 of Section 19, Township 20 South, Range 38 East, Lea County, New Mexico.

CASE 5240: In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit Burwinkle and Scanlon and Husky Energy, Inc. and The Employers' Fire Insurance Company and all other interested parties to appear and show cause why the following wells located in Section 28, Township 20 North, Range 9 West, McKinley County, New Mexico, should not be plugged and abandoned in accordance with a Commission-approved plugging program:

Ohwell Wells Nos. 1, 2, 3, 5, 8, and 39 in Unit C; Ohwell Wells Nos. 9, 10, 11, 12, and 13 in Unit A; and Jaco State Well No. 104 in Unit G.

CASE 5241: Application of Depco, Inc. for an unorthodox gas well location, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks, as an exception to Order No. R-1670-H, approval for the unorthodox location of a well to be drilled 1325 feet from the North and East lines of Section 3, Township 15 South, Range 27 East, Buffalo-Pennsylvanian Gas Pool, Chaves County, New Mexico.

CASE 5242: Application of Penroc Oil Corporation for a dual completion, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the dual completion (conventional) of its Allied-Com Well No. 1 located in Unit B of Section 27, Township 20 South, Range 27 East, Eddy County, New Mexico, in such a manner as to produce undesignated Wolfcamp gas through the tubing and undesignated Morrow gas through the annulus by means of a cross-over assembly.

CASE 5243: Application of Continental Oil Company for special gas-oil ratio, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the establishment of a special gas-oil ratio limitation of 10,000 cubic feet of gas per barrel of oil for the Weir-Drinkard Oil Pool, Lea County, New Mexico.

- CASE 5248: Application of Cities Service Oil Company for a dual completion, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the dual completion (conventional) of its Tracy "A" Com Well No. 1 located in Unit C of Section 33, Township 21 South, Range 27 East, in such a manner as to produce undesignated Strawn gas through the tubing and undesignated Morrow gas through the annulus by means of a cross-over assembly.
- CASE 5244: Application of El Paso Natural Gas Company for a dual completion, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval for the tubingless dual completion of its Hubbell Well No. 14 located in Unit G of Section 18, Township 29 North, Range 10 West, San Juan County, New Mexico, in such a manner as to produce Aztec-Fruitland and undesignated Chacra gas through parallel strings of 2 7/8-inch casing cemented in a common wellbore.
- CASE 5245: Application of Texaco Inc. for a tubingless quadruple completion and downhole commingling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the quadruple completion of its C. H. Weir "A" Well No. 8 located in Unit F of Section 12, Township 20 South, Range 37 East, Lea County, New Mexico, in such a manner as to produce Skaggs-Glorieta, East Weir-Blinebry, East Weir-Tubb, and Skaggs-Drinkard production through three parallel strings of 2 7/8-inch casing cemented in a common wellbore with the East Weir-Blinebry and the Skaggs-Drinkard production commingled and produced through a single string of casing.
- CASE 5246: Application of Tenneco Oil Company for pressure maintenance expansion and dual completions, McKinley County, New Mexico. Applicant, in the above-styled cause, seeks approval for the expansion of its South Hospah Lower Sand Pressure Maintenance Project, South Hospah Field, McKinley County, New Mexico, by the dual completion of its Hospah Well No. 41 located five feet from the North line and 1650 feet from the East line and its Hospah Well No. 56, located 1100 feet from the North line and 1275 feet from the East line, both in Section 12, Township 17 North, Range 9 West, to permit injection of water into the Lower Sand as well as the Upper Sand as presently authorized.
- CASE 5247: Application of Champlin Petroleum Company for a dual completion, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the dual completion (conventional) of its Pecos Federal Well No. 1 located in Unit C of Section 1, Township 22 South, Range 27 East, Eddy County, New Mexico, in such a manner as to produce undesignated Strawn gas through the tubing and undesignated Morrow gas through the annulus by means of a cross-over assembly.

No. 003669

RECEIPT FOR CERTIFIED MAIL—30¢ (plus postage)

SENT TO
Burwinkle & Scanlon & Husky Energy
STREET AND NO.
10108 Tolled, N.E.
P.O., STATE AND ZIP CODE
Albuquerque

POSTMARK
OR DATE

OPTIONAL SERVICES FOR ADDITIONAL FEES
RETURN RECEIPT SERVICES
1. Shows to whom and date delivered 15¢
With delivery to addressee only 65¢
2. Shows to whom, date and where delivered .. 35¢
With delivery to addressee only 85¢
DELIVER TO ADDRESSEE ONLY 50¢
SPECIAL DELIVERY (extra fee required)

PS Form 3800
Apr. 1971

NO INSURANCE COVERAGE PROVIDED—
NOT FOR INTERNATIONAL MAIL

(See other side)

GPO : 1972 O - 460-743



OIL CONSERVATION COMMISSION

STATE OF NEW MEXICO
P. O. BOX 2088 - SANTA FE
87501

May 10, 1974

I. R. TRUJILLO
CHAIRMAN

LAND COMMISSIONER
ALEX J. ARMIJO
MEMBER

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

Burwinkle & Scanlon and Husky Energy, Inc.
10108 Toltec, N.E.
Albuquerque, New Mexico 87100

CERTIFIED - RETURN
RECEIPT REQUESTED

The Employers Insurance Co.
c/o Mr. J. W. Shirley
3513 Central Avenue, N.E.
Albuquerque, New Mexico 87100

Burwinkle & Scanlon
124 Jackson, N.E.
Albuquerque, New Mexico 87100

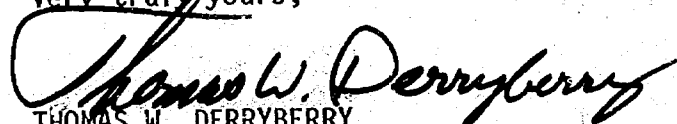
Mr. Earl Hartley
311 Sixth Street, N.W.
Albuquerque, New Mexico 87100

Re: Ohwell Wells Nos. 1, 2, 3, 5, 8, and 39 in Unit C;
Ohwell Wells Nos. 9, 10, 11, 12, and 13 in Unit A; and
Jaco State Well No. 104 in Unit G, Section 28, Township 20
North, Range 9 West, McKinley County, New Mexico
\$10,000 Blanket Bond

Gentlemen:

Enclosed is a copy of the docket of the Examiner Hearing to be held on Wednesday, May 22, 1974, at 9:00 a.m. in the Oil Conservation Commission Conference Room, State Land Office Building, Santa Fe, New Mexico. Case No. 5240 concerns the subject matter.

Very truly yours,


THOMAS W. DERRYBERRY
Special Assistant Attorney General

TWD/dr
enclosure
cc: Oil Conservation Commission - Aztec

Dockets Nos. 15-74 and 16-74 are tentatively set for hearing on June 5 and June 19. Application for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: EXAMINER HEARING - WEDNESDAY - MAY 22, 1974

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

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

CASE 5206: (Continued from the April 25, 1974, Examiner Hearing)

Application of Continental Oil Company for downhole commingling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to commingle West Warren-Blinebry and East Skaggs-Drinkard production in the wellbore of its SEMU Burger Well No. 21 located in Unit O of Section 19, Township 20 South, Range 38 East, Lea County, New Mexico.

CASE 5240: In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit Burwinkle and Scanlon and Husky Energy, Inc. and The Employers' Fire Insurance Company and all other interested parties to appear and show cause why the following wells located in Section 28, Township 20 North, Range 9 West, McKinley County, New Mexico, should not be plugged and abandoned in accordance with a Commission-approved plugging program:

Ohwell Wells Nos. 1, 2, 3, 5, 8, and 39 in Unit C; Ohwell Wells Nos. 9, 10, 11, 12, and 13 in Unit A; and Jaco State Well No. 104 in Unit G.

CASE 5241: Application of Depco, Inc. for an unorthodox gas well location, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks, as an exception to Order No. R-1670-H, approval for the unorthodox location of a well to be drilled 1325 feet from the North and East lines of Section 3, Township 15 South, Range 27 East, Buffalo-Pennsylvanian Gas Pool, Chaves County, New Mexico.

CASE 5242: Application of Penroc Oil Corporation for a dual completion, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the dual completion (conventional) of its Allied-Com Well No. 1 located in Unit B of Section 27, Township 20 South, Range 27 East, Eddy County, New Mexico, in such a manner as to produce undesignated Wolfcamp gas through the tubing and undesignated Morrow gas through the annulus by means of a cross-over assembly.

CASE 5243: Application of Continental Oil Company for special gas-oil ratio, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the establishment of a special gas-oil ratio limitation of 10,000 cubic feet of gas per barrel of oil for the Weir-Drinkard Oil Pool, Lea County, New Mexico.

CASE 5248: Application of Cities Service Oil Company for a dual completion, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the dual completion (conventional) of its Tracy "A" Com Well No. 1 located in Unit C of Section 33, Township 21 South, Range 27 East, in such a manner as to produce undesignated Strawn gas through the tubing and undesignated Morrow gas through the annulus by means of a cross-over assembly.

CASE 5244: Application of El Paso Natural Gas Company for a dual completion, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval for the tubingless dual completion of its Hubbell Well No. 14 located in Unit G of Section 18, Township 29 North, Range 10 West, San Juan County, New Mexico, in such a manner as to produce Aztec-Fruitland and undesignated Chacra gas through parallel strings of 2 7/8-inch casing cemented in a common wellbore.

CASE 5245: Application of Texaco Inc. for a tubingless quadruple completion and downhole commingling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the quadruple completion of its C. H. Weir "A" Well No. 8 located in Unit F of Section 12, Township 20 South, Range 37 East, Lea County, New Mexico, in such a manner as to produce Skaggs-Glorieta, East Weir-Blinbry, East Weir-Tubb, and Skaggs-Drinkard production through three parallel strings of 2 7/8-inch casing cemented in a common wellbore with the East Weir-Blinbry and the Skaggs-Drinkard production commingled and produced through a single string of casing.

CASE 5246: Application of Tenneco Oil Company for pressure maintenance expansion and dual completions, McKinley County, New Mexico. Applicant, in the above-styled cause, seeks approval for the expansion of its South Hospah Lower Sand Pressure Maintenance Project, South Hospah Field, McKinley County, New Mexico, by the dual completion of its Hospah Well No. 41 located five feet from the North line and 1650 feet from the East line and its Hospah Well No. 56, located 1100 feet from the North line and 1275 feet from the East line, both in Section 12, Township 17 North, Range 9 West, to permit injection of water into the Lower Sand as well as the Upper Sand as presently authorized.

CASE 5247: Application of Champlin Petroleum Company for a dual completion, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the dual completion (conventional) of its Pecos Federal Well No. 1 located in Unit C of Section 1, Township 22 South, Range 27 East, Eddy County, New Mexico, in such a manner as to produce undesignated Strawn gas through the tubing and undesignated Morrow gas through the annulus by means of a cross-over assembly.



OIL CONSERVATION COMMISSION

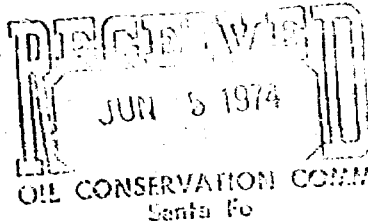
STATE OF NEW MEXICO
1000 RIO BRAZOS ROAD - AZTEC
87410

I. R. TRUJILLO
CHAIRMAN

LAND COMMISSIONER
ALEX J. ARMJO
MEMBER

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

June 4, 1974



Case 5240
Mr. Earl Hartley
P. O. Box 465
Albuquerque, New Mexico 87103

Re: Burwinkle and Scanlon & Husky Energy, Inc.
Ohwell Lease Abandonment

Dear Mr. Hartley:

This program is to be followed to complete the plugging of the wells on the Ohwell Lease in the Chaco Wash-Mesaverde Pool:

1. No well is to be plugged until form C-103, Notice of Intention to Plug and Abandon, has been approved by this office for that well.
2. No well shall be plugged until someone representing this office is on location as a witness. Telephone appointment in advance.
3. All cement shall be mixed to a minimal weight of 12 pounds per gallon.
4. The following is a list of minimal requirements for each well on the lease:

Wells #1, #2, #3, #5 & #8: Run tubing into the hole to 500 feet; mix and pump 5 sacks of cement; pull tubing to 250 feet; mix and pump 5 sacks of cement; and pull out of the hole. A small pit should be dug at each location to store any liquid displaced from the wellbore.

Set marker at sufficient depth that cattle cannot push it over.

Wells #9 & #11: File form C-103 showing details of running casing in each hole and form C-105 for each hole with intent to plug and abandon.

Wells #9, #10, #11, #12, #13 & #39: Salvage whatever casing is available. Set a 100 foot cement plug on bottom; mud fill to surface plug which holds the well marker.

Well #104: Go into hole with tubing to total depth. Oil Commission witness on location will approve plugging program when the total depth is learned.

5. It is suggested that all location markers be prepared in advance so that they can be set as each hole is plugged. See rule 202 (a) enclosed.

June 4, 1974

Mr. Earl E. Hartley

Page 2

6. All junk is to be removed from the lease.
7. All pits are to be filled and the locations levelled to their natural contours.
8. File form C-103, Subsequent Notice of Abandonment, for each well when all work is completed.

Minor variations to this program may be made by the Oil Commission witness on location as deemed necessary.

If there are further questions, please contact us.

Yours very truly,

A. R. Kendrick
A. R. Kendrick
Engineer, District #3

ARK:mc

Encl.

cc (w/ Encl.): Mr. William Wagner
Husky Energy, Inc.
10108 Toltec N. E.
Albuquerque, New Mexico 87111

Burwinkle & Scanlon
124 Jackson N. E.
Albuquerque, New Mexico 871--

Richard Miller, Agent
The Commercial Union Companies
P. O. Box 30001
Albuquerque, New Mexico 87110

Mr. Ray Graham
State Land Office
P. O. Box 1148
Santa Fe, New Mexico 87501

Oil Conservation Commission
P. O. Box 2088
Santa Fe, New Mexico 87501

D - ABANDONMENT AND PLUGGING OF WELLS

RULE 201. NOTICE

Notice of intention to plug must be filed with the Commission by the owner or his agent prior to the commencement of plugging operations on Form C-103, Sundry Notices and Reports on Wells, which notice shall state the name and location of the well and the name of the operator. In the case of a newly completed dry hole, the operator may commence plugging by securing the approval of the Commission as to the method of plugging and the time plugging operations are to begin. He shall, however, file the regular notification form.

RULE 202. METHOD OF PLUGGING

(a) Before any well is abandoned, it shall be plugged in a manner which will permanently confine all oil, gas, and water in the separate strata 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 Commission. 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 Commission 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 Commission 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 Commission approval of a plugging report.

It shall be the responsibility of the owner of the plugged well to contact the appropriate District Office of the Commission to arrange for an inspection of the plugged well and the location by a Commission representative.

(b) If a well is to be abandoned temporarily and no casing pulled, then a plug shall be placed at the top and bottom of the casing in such manner as to prevent the intrusion of any foreign matter into the well and a record of the work done shall be filed with the Commission in TRIPLICATE on Form C-103 within thirty days following the completion of the temporary plugging operations.

(c) When drilling operations have been suspended for sixty days, the well shall be plugged and abandoned unless a permit for temporary abandonment has been obtained from the Commission.

RULE 203. WELLS TO BE USED FOR FRESH WATER

When the well to be plugged may safely be used as a fresh water well and such utilization is desired by the landowner, the well need not be filled above a sealing plug set below the fresh water formation, provided that written agreement for such use shall be secured from the landowner and filed with the Commission.

RULE 204. LIABILITY

The owner of any well drilled for oil or gas, or any seismic, core or other exploratory holes, whether cased or uncased, shall be responsible for the plugging thereof.

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

CASE NO. 5240
Order No. R-4799-A

IN THE MATTER OF THE HEARING CALLED BY THE
OIL CONSERVATION COMMISSION ON ITS OWN MOTION
TO PERMIT BURWINKLE AND SCANLON AND HUSKY ENERGY
INC. AND THE EMPLOYERS FIRE INSURANCE COMPANY AND
ALL OTHER INTERESTED PARTIES TO APPEAR AND SHOW CAUSE WHY
THE FOLLOWING WELLS LOCATED IN SECTION 28, TOWNSHIP 20
NORTH, RANGE 9 WEST, NMPM, MCKINLEY COUNTY, NEW MEXICO,
SHOULD NOT BE PLUGGED AND ABANDONED IN ACCORDANCE WITH
A COMMISSION APPROVED PLUGGING PROGRAM: OHWELL WELLS
NOS. 1, 2, 3, 5, 8, and 29 IN UNIT C; OHWELL WELLS NOS.
9, 10, 11, 12, and 13 IN UNIT A; AND JACO STATE WELL NO.
104 IN UNIT G.

NUNC PRO TUNC ORDER

BY THE COMMISSION:

It appearing to the Commission that due to clerical error
and inadvertence Order No. R-4799, dated June 4, 1974, does not
state the intended order of the Commission.

IT IS THEREFORE ORDERED:

(1) That Order No. (1) on Page 1 of Order No. R-4799, be and
the same is hereby corrected to read in its entirety as follows:

"(1) That Burwinkle and Scanlon, Husky Energy, Inc., and
The Employers' Fire Insurance Company are hereby ordered to
plug the following wells in Section 28, Township 20 North,
Range 9 West, NMPM, Chaco Wash Mesaverde Oil Pool, McKinley
County, New Mexico, on or before July 1, 1974:

<u>Lease</u>	<u>Well No.</u>	<u>Location</u>
OHWELL	1	165 feet from the North line, 2145 feet from the West line
OHWELL	2	495 feet from the North line, 2145 feet from the West line
OHWELL	3]	495 feet from the North line, 2475 feet from the West line
OHWELL	5	330 feet from North line, 2310 feet from West line
OHWELL	8	330 feet from North line, 1980 feet from West line

-2-

CASE NO. 5240
Order No. R-4799

Ohwell	9	165 feet from North line, 165 feet from East line
Ohwell	10	495 feet from North line, 165 feet from East line
Ohwell	11	495 feet from North line, 495 feet from East line
Ohwell	11	495 feet from North line, 495 feet from East line
Ohwell	12	165 feet from North line, 495 feet from East line
Ohwell	13	330 feet from North line, 330 feet from East line
Ohwell	39	350 feet from North line, 2310 feet from West line
Jaco State	104	1815 feet from North line, 1485 feet from East line

(2) That the corrections set forth in this order be entered
nunc pro tunc as of June 4, 1974.

DONE at Santa Fe, New Mexico, on this _____ day of June,
1974.

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING CALLED BY THE
OIL CONSERVATION COMMISSION ON ITS OWN MOTION
TO PERMIT BURWINKLE AND SCANLON AND HUSKY ENERGY
INC. AND THE EMPLOYER'S FIRE INSURANCE COMPANY AND
ALL OTHER INTERESTED PARTIES TO APPEAR AND SHOW CAUSE
WHY THE FOLLOWING WELLS LOCATED IN SECTION 28, TOWNSHIP
20 NORTH, RANGE 9 WEST, NMPM, MCKINLEY COUNTY, NEW MEXICO,
SHOULD NOT BE PLUGGED AND ABANDONED IN ACCORDANCE WITH
A COMMISSION APPROVED PLUGGING PROGRAM: OHWELL WELLS NOS.
1, 2, 3, 5, 8, and 39 IN UNIT C; OHWELL WELLS NOS. 9, 10,
11, 12, and 13 IN UNIT A; AND JACO STATE WELL NO. 104 IN
UNIT G.

ORDER OF THE COMMISSION

CASE NO. 5240
Order No. R-

~~R-4498~~
R-4799

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on May 22, 1974, at
Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this _____ day of May, 1974, the Commission, a
quorum being present, having considered the testimony, the record,
and the recommendations of the Examiner, and being fully advised
in the premises,

FINDS:

(1) That due public notice having been given as required by
law, the Commission has jurisdiction of this cause and the subject
matter thereof.

(2) That Burwinkle and Scanlon and Husky Energy, Inc. are the
owners and operators of Ohwell Wells Nos. 1, 2, 3, 5, 8, and 39 in
Unit C, Ohwell Wells Nos. 9, 10, 11, 12, and 13 in Unit A; and
Jaco ^{State} Well No. 104 in Unit G, all in Section 28, Township 20 North,
Range 9 West, NMPM, McKinley County, New Mexico.

(3) That The Employer's Fire Insurance Company is the surety
named on the Blanket Plugging Bond filed with the Commission by
said owners and operators.

(4) That in order to prevent waste and protect correlative
rights and protect fresh water, the wells set forth in Finding (2)
above, should be plugged and abandoned in accordance with a program
approved by the Aztec District Office of the New Mexico Oil
Conservation Commission on or before July 1, 1974.

IT IS THEREFORE ORDERED:

(1) That Burwinkle and Scanlon, Husky Energy, Inc., and The Employers' Fire Insurance Company are hereby ordered to plug the following wells in Section 28, Township 20 North, Range 9 West, NMPM, Chaco Wells Mesaverde Oil Pool, McKinley County, New Mexico, on or before July 1, 1974:

~~Shovel Well No 1, 165.~~

Lease	Well No	Location
Shovel	1	165 feet from north line 2145 feet from line
"	2	495 " " " " 2145 " " " "
"	3	495 " " " " 2475 " " " "
"	5	330 " " " " 2310 " " " "
"	8	330 " " " " 1980 " " " "
✓	9	165 " " " " 165 " " " "
✓	10	495 " " " " 165 " " " "
✓	11	495 " " " " 495 " " " "
"	11-X	485 " " " " 500 " " " "
✓	12	165 " " " " 495 " " " "
✓	13	330 " " " " 330 " " " "
"	39	350 " " " " 2310 " " " "
Jaco State 104	1815	" " " " 1485 " " East

(2) That Burwinkle and Scanlon, Husky Energy, Inc., and The Employer's Fire Insurance Company, prior to plugging and abandoning the above-described wells, shall obtain from the Aztec office of the Commission a Commission-prescribed program for said plugging and abandoning and shall notify said Aztec office of the date and hour said work is to be commenced whereupon the Commission, at its option, witness such work.

(3) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

(1)

In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit Burwinkle and Scanlon and Husky Energy, Inc. and The Employers' Fire Insurance Company and all other interested parties to appear and show cause why the following wells located in Section 28, Township 20 North, Range 9 West, McKinley County, New Mexico, should not be plugged and abandoned in accordance with a Commission-approved plugging program: Ohwell Wells Nos. 1, 2, 3, 5, 8, and 39 in Unit C; Ohwell Wells Nos. 9, 10, 11, 12, and 13 in Unit A; and Jeco State Well No. 104 in Unit G.

Case No. 5240

May 22, 1974 - RLS

FINIS:

(1) Jurisdiction

(2) That Burwinkle and Scanlon and Husky Energy, Inc. are the owners and operators of the Ohwell Wells Nos. 1, 2, 3, 5, 8, and 39 in Unit C, Ohwell Wells Nos. 9, 10, 11, 12, and 13 in Unit A; and Jeco Well No. 104 in Unit G, Section 28, Township 20 North, Range 9 West, HMAPN, McKinley County, New Mexico

(3) That The Employers' Fire Insurance

(2)

Blanket

Company to the surety named on the Plugging Bond filed with the Commission by said owners and operators.

(4) That in order to prevent waste and protect correlative rights and protect fresh water, the wells set forth in Finding (2), above, should be plugged and abandoned in accordance with a program approved by the Aztec District Office of the New Mexico Oil Conservation Commission on or before July 1, 1974.

ORDERED

(1) That Burwinkle and Scanlon, Husky Energy, Inc., and The Employers Fire Insurance Company are hereby ordered to plug Ohwell Wells Nos. 1, 2, 3, 5, 6, and 39 in Unit C, Ohwell Wells Nos. 9, 10, 11, 12, and 13 in Unit A; and Jaco well No. 104 in Unit E, all in Section 28, Township 20 North, Range 9 West, NMPM, McKinley County, New Mexico on or before July 1, 1974.

(2) That Burwinkle and Scanlon, Husky Energy, Inc., and The Employers Fire Insurance Company, prior to plugging and abandoning the above-described wells, shall obtain from the Aztec Office of the Commission a commission-prescribed program for said plugging and abandoning and shall notify said Aztec Office of

(3)

The date and hour said work is to be commenced whereupon the Commissioner, at its option, witness said work.

(3) Jurisdiction

DONE