

CASE 5272: PLUGGING CASE -  
CONSOLIDATED OIL & GAS (United  
States Fidelity & Guaranty Co.)

Dismiss

CASE No.

5272

Application,  
Transcripts,  
Small Exhibits

ETC.

BEFORE THE  
NEW MEXICO OIL CONSERVATION COMMISSION  
Santa Fe, New Mexico  
July 10, 1974

EXAMINER HEARING

IN THE MATTER OF:

The hearing called by the Oil Conservation )  
Commission on its own motion to permit )  
Consolidated Oil and Gas, Inc., United States )  
Fidelity & Guaranty Company and all other ) CASE  
interested parties to appear and show cause ) 5272  
why the Consolidated Oil and Gas, Inc., )  
Price Well No. 1 located in Unit N, Section )  
15, Township 31 North, Range 13 West, )  
San Juan County, New Mexico should not be )  
recompleted as a single-zone well or be )  
plugged and abandone in accordance with a )  
Commission-approved plugging program. )

BEFORE: Daniel S. Nutter, Examiner.

TRANSCRIPT OF HEARING

A P P E A R A N C E S

For the New Mexico Oil Conservation Commission: Thomas Derryberry, Esq.  
and  
William F. Carr, Esq.  
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

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I N D E X

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EMORY ARNOLD

Direct Examination by Mr. Carr

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SANTA FE, NEW MEXICO 87501  
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MR. NUTTER: We will call next Case, Number 5272.

MR. DERRYBERRY: Case 5272 in the matter of the hearing called by the Oil Conservation Commission on its own motion to permit Consolidated Oil and Gas, Inc., United States Fidelity & Guaranty Company and all other interested parties to appear and show cause why the Consolidated Oil and Gas, Inc., Price Well No. 1 located in Unit N, Section 15, Township 31 North, Range 13 West, San Juan County, New Mexico, should not be recompleted as a single-zone well or be plugged and abandoned in accordance with a Commission-approved plugging program.

(Whereupon, a brief recess was taken.)

MR. NUTTER: We will call for appearances in Case 5272.

MR. CARR: Mr. Examiner, I am William F. Carr appearing for the Commission and I have one witness to be sworn.

(Whereupon, the witness was sworn.)

EMORY ARNOLD

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

DIRECT EXAMINATION

BY MR. CARR:

ARNOLD-DIRECT

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Q Would you state your name for the record, please?

A Emory Arnold.

Q By whom are you employed and in what position?

A I am Supervisor of District 3 in the Oil Conservation Commission.

Q Does District 3 include that part of San Juan County involved in this Case?

A Yes.

Q Do your duties as District Supervisor include making recommendations to the Commission as to when a well should be plugged and abandoned?

A Yes.

Q Are you familiar with the subject matter of Case 5272?

A Yes, I am.

Q What is the purpose of this Case?

A This Case was called to have the operator of the Price No. 1 well which is located in the southeast of southwest of Section 15 in Township 31 North, Range 13 West either complete it as -- . Strike that. The Case was called to have the operator show cause why this well shouldn't be operated in accordance with multiple completion order which was issued.

Q Have your reviewed the reports filed with the Commission concerning these wells? Concerning this well?

A Have I reviewed what?

Q The reports on file with the Commission?

A Yes.

Q Would you go to these reports and provide the Examiner with the history of the well as reflected in the official records?

A The well was drilled in 1961 and was completed as a dual completion in the Mesa Verde and Dakota zones as a gas-gas dual completion. Administrative Order MC-1103 was entered approving the multiple completion. The well was a pretty fair gas well in the Dakota zone and it made something over 2 million open flow with a very, poor well in the Mesa Verde formation. However, both zones did produce until about 1968 at which time the well was evidently temporarily abandoned and no packer tests were submitted. After that date, even though we contacted the operator and tried to find out why we couldn't get a test. We finally, then, discovered that from communication with Consolidated Oil and Gas Company who drilled the well, that they had sold the well to Merrion and Bayless, although Merrion and Bayless never filed any information with the Commission showing the

transfer. Prior to the time that they ever did file anything with the Commission the well was sold again to Benson-Montin-Greer Drilling Corporation who also failed to file anything with the Commission indicating that they owned the well. However, due to the fact that it wasn't producing it really didn't matter whether they submitted anything to the Commission.

Q Is this your opinion or their's?

A Well, what I mean is they didn't have to have an approved C-104 on file showing that they owned the well so long as it wasn't producing. It has really been in a temporarily abandoned status.

Q Have you talked to Mr. Greer recently concerning this well?

A Yes, after this Case was called for hearing Mr. Greer's representative, Virgil Stoabs, called me and informed me that they did own the well, and he was, as of yesterday, filing Form C-104, taking the well over in their hands. He said they also have immediate plans to put a rig on the well and either complete in another zone, the Gallup zone is what they are considering, or in the alternative plug and abandon the well.

Q So Mr. Greer did have notice of this Hearing today?



ARNOLD-DIRECT

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A Right.

Q What would you recommend; what action would you recommend that the Commission take concerning this well?

A I believe that I would recommend that we enter an order requiring the operator to either complete the well as a single completion or plug and abandon the well within the next 60 days time.

MR. NUTTER: Now, you mean by operator, Benson-Montin-Greer?

MR. ARNOLD: Right.

MR. NUTTER: Should the order name them as being the owner of the well?

MR. ARNOLD: Right.

BY MR. CARR:

Q Would it be your recommendation that --

MR. ARNOLD: Excuse me. In that connection it might be a good idea to wait until we have proof, the C-104, to issue the order to make sure that the records reflect Benson-Montin-Greer's ownership. I don't anticipate any --

MR. NUTTER: I think in the event that we entered an order directed against Benson-Montin-Greer, we know they own the well, they acknowledged to us they own the well. However, this case was directed to consolidate it and

ARNOLD-DIRECT

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and consolidate it in the insurance company, and we haven't given notice to Benson-Montin-Greer.

MR. CARR: They have actual notice, they have been in communication, they would also be an interested party.

MR. NUTTER: Benson-Montin-Greer's insurance company?

MR. CARR: I think that what we should do in this situation here is issue an order requiring the well be plugged and abandoned within 60 days, or, if operations haven't been undertaken by either Consolidated or anyone who has taken from or through them to recomplete the well in another zone. Would that be agreeable to you?

MR. ARNOLD: I wouldn't see why not.

MR. NUTTER: Then who is the order directed to in the event that compliance is not obtained?

MR. CARR: Go back against Consolidated, I would suggest.

MR. NUTTER: Consolidated and Consolidated's insurance company.

MR. ARNOLD: It would seem to me providing provided that 104 is filed, and I think it's in our office today where Benson-Montin-Greer takes the well over and testifies to that fact with that form, that we could consider that they

own the well, and that they own it would --

MR. NUTTER: (Interrupting) I certainly think we can enter an order requiring Benson-Montin-Greer to take the proper action, but if they don't take proper action I think we are going to have to call another hearing and name their insurance company. We can cross that bridge when we get to it.

MR. ARNOLD: Right. I don't anticipate that kind of a problem. One reason I don't anticipate that kind of a problem, it appears that this well may have 3,000 feet of salvageable casing which makes plugging and abandonment more attractive.

MR. NUTTER: Mr. Arnold, in reviewing this well file I notice that, as you mentioned, the Dakota was a pretty good well when it was originally completed and the Mesa Verde was a low, low marginal well upon original completion, but the Southern Union Gas Company disconnected the Basin-Dakota connection back in 1963, but they didn't disconnect the Mesa Verde until 1969. Did the Dakota deplete?

MR. ARNOLD: I really don't know what the answer to that question might be. I really didn't analyze production figures to know what you are saying.

MR. NUTTER: It seems strange that the good zone

was disconnected 6 years before the poor zone.

MR. ARNOLD: It sure does, doesn't it?

MR. NUTTER: At any rate, Benson-Montin-Greer is not planning to try to complete the well in either of those two zones?

MR. ARNOLD: No, they will squeeze off the Dakota zone and squeeze off the Mesa Verde zone and they intend to try to complete it in the Gallup zone which they think is present in the area.

MR. NUTTER: Is there any Gallup production in the vicinity?

MR. ARNOLD: Right, that is why they purchased this well, it's off setting their La Plata Gallup unit to the east.

MR. NUTTER: It would probably be an oil well if they got a well then?

MR. ARNOLD: It probably would.

MR. NUTTER: Do you have anything further, Mr. Carr?

MR. CARR: We have nothing further.

MR. NUTTER: Does anyone have any questions of Mr. Arnold? He may be excused.

Does anyone have anything they wish to offer in Case

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Number 5272? If not we will take the case under advisement.

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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  
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. 5272,  
heard by me on 7/10, 1974.  
[Signature], Examiner  
New Mexico Oil Conservation Commission

No. 003549

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Case 5292

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BEFORE THE OIL CONSERVATION COMMISSION  
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING  
CALLED BY THE OIL CONSERVATION  
COMMISSION OF NEW MEXICO FOR  
THE PURPOSE OF CONSIDERING:

CASE NO. 5272  
ORDER NO. R-4911

IN THE MATTER OF THE HEARING CALLED BY  
THE OIL CONSERVATION COMMISSION ON ITS OWN  
MOTION TO PERMIT CONSOLIDATED OIL AND GAS,  
INC., UNITED STATES FIDELITY & GUARANTY  
COMPANY AND ALL OTHER INTERESTED PARTIES  
TO APPEAR AND SHOW CAUSE WHY THE CONSOLIDATED  
OIL AND GAS, INC., PRICE WELL NO. 1 LOCATED  
IN UNIT N, SECTION 15, TOWNSHIP 31 NORTH,  
RANGE 13 WEST, SAN JUAN COUNTY, NEW MEXICO,  
SHOULD NOT BE RECOMPLETED AS A SINGLE-ZONE  
WELL OR BE PLUGGED AND ABANDONED IN ACCOR-  
DANCE WITH A COMMISSION-APPROVED PLUGGING  
PROGRAM.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on July 10, 1974,  
at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 12th day of November, 1974, the Commission,  
a quorum being present, having considered the record and the  
recommendations of the Examiner, and being fully advised in  
the premises,

FINDS:

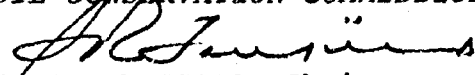
That the applicant's request for dismissal should be  
granted.

IT IS THEREFORE ORDERED:


That Case No. 5272 is hereby dismissed.

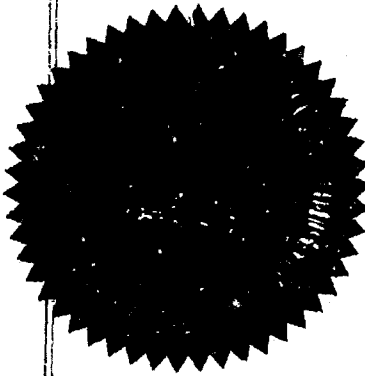
DONE at Santa Fe, New Mexico, on the day and year herein-  
above designated.

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

og/



Docket No. 19-74

Dockets Nos. 21-74 and 22-74 are tentatively set for hearing on July 24 and August 7. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: EXAMINER HEARING - WEDNESDAY - JULY 10, 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:

- ALLOWABLE: (1) Consideration of the allowable production of gas from seventeen prorated pools in Lea, Eddy, Roosevelt, and Chaves Counties, New Mexico, for August, 1974;
- (2) Consideration of the allowable production of gas from five prorated pools in San Juan, Rio Arriba, and Sandoval Counties, New Mexico, for August, 1974.

CASE 3608: (Reopened) (Continued from the June 19th Examiner Hearing)

In the matter of Case No. 3608 being reopened pursuant to the provisions of Order No. R-3282, which order established temporary rules for the Carlsbad Permo-Penn Gas Pool, Eddy County, New Mexico, including a provision for 640-acre spacing. All interested parties may appear and show cause why said pool should not be developed on 320-acre spacing units.

CASE 5265: Application of David Fasken for an unorthodox location and a non-standard proration unit, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox gas well location of a well to be drilled to the Morrow formation at a point 1664 feet from the North line and 660 feet from the East line of Section 1, Township 21 South, Range 26 East, Eddy County, New Mexico. Applicant further seeks approval for a 281.3-acre non-standard proration unit for said well comprising all of Lots 1 through 8 of said Section 1.

CASE 5266: Application of David Fasken for an unorthodox location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for an unorthodox gas well location for a well to be drilled to the Morrow formation at a point 1300 feet from the South and West lines of Section 29, Township 20 South, Range 25 East, Cemetery-Morrow Gas Pool, Eddy County, New Mexico, the S/2 of said Section 29 to be dedicated to the well.

CASE 5267: Application of Mark Production Company for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Pennsylvanian formation underlying the E/2 of Section 1, Township 18 South, Range 26 East, Atoka-Pennsylvanian Pool, Eddy County, New Mexico, to be dedicated to a well to be drilled at an orthodox location 990 feet from the South and East lines of said Section 1. Also to be considered will

(Case 5267 continued from Page 1)

be the cost of drilling and completing said well and the allocation of such costs, as well as actual operating costs and charges for supervision. Also to be considered is the designation of applicant as operator of the well and a charge for risk involved in drilling said well.

CASE 5268: Application of Anadarko Production Company, General American Oil Company of Texas and Shenandoah Oil Corporation for four waterflood projects, Eddy County, New Mexico. Applicants, in the above-styled cause, seek authority to institute four cooperative waterflood projects by the injection of water into the Grayburg-San Andres formation in Township 17 South, Range 30 East, Grayburg-Jackson Pool, Eddy County, New Mexico as follows:

Project No. 1: Anadarko's Loco Hills "A" Federal lease by the conversion of four wells in Sections 10 and 15 to water injection;

Project No. 2: Anadarko's Loco Hills "B" Federal lease by the conversion of three wells in Section 9;

Project No. 3: General American Parke "F" lease by the conversion of one well in Section 10;

Project No. 4: Shenandoah's Parke "B" lease by the conversion of two wells in Section 15.

CASE 5269: Application of Union Oil Company of California for a unit agreement, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of the Estacado Unit Area comprising 1280 acres, more or less, of State and fee lands in Township 14 South, Range 35 East, Lea County, New Mexico.

CASE 5270: Application of Texaco Inc. for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Morrow formation underlying all of Section 33, Township 24 South, Range 26 East, White City-Pennsylvanian Gas Pool, Eddy County, New Mexico, to be dedicated to applicant's White City Com. Well No. 1 in Unit F of said Section 33.

CASE 5271: Application of Merrion & Bayless for compulsory pooling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Dakota formation underlying the W/2 of Section 13, Township 24 North, Range 6 West, Rio Arriba County, New Mexico, to be dedicated to a well to be drilled at a standard location for said unit in Unit F of said Section 13. Also to be considered will be the cost of drilling and completing said well and the allocation of such costs, as well as actual operating costs and charges for supervision. Also to be considered is the designation of applicant as operator of the well and a charge for risk involved in drilling said well.

CASE 5272: In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit Consolidated Oil and Gas, Inc., United States Fidelity & Guaranty Company and all other interested parties to appear and show cause why the Consolidated Oil and Gas, Inc., Price Well No. 1 located in Unit N, Section 15, Township 31 North, Range 13 West, San Juan County, New Mexico, should not be recompleted as a single-zone well or be plugged and abandoned in accordance with a Commission-approved plugging program.

CASE 5273: In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit Eastern Petroleum Corporation, United States Fidelity and Guaranty Company and all other interested parties to appear and show cause why the following wells should not be abandoned in accordance with a Commission-approved plugging program:

Castillo #1 located in Unit P, Section 35, Township 20 North, Range 7 West, McKinley County, New Mexico;

Chopup #1 located in Unit N, Section 30, Township 19 North, Range 6 West, McKinley County, New Mexico;

Chacra Mesa #1 located in Unit B, Section 14, Township 19 North, Range 7 West, McKinley County, New Mexico;

Blackjack #1 located in Unit P, Section 12, Township 21 North, Range 9 West, San Juan County, New Mexico;

Pornada #1 located in Unit H, Section 27, Township 18 North, Range 7 West, McKinley County, New Mexico.

CASE 4749: (Reopened)

In the matter of Case No. 4749 being reopened pursuant to the provisions of Order No. R-4338-A, which order continued special rules for the Humble City-Strawn Pool, Lea County, New Mexico. All interested parties may appear and show cause why said pool should not be developed on 40-acre spacing.

CASE 4946: (Reopened)

In the matter of Case No. 4946 being reopened pursuant to the provisions of Order No. R-4581, which order established temporary rules for the Crosby-Fusselman Associated Pool, Lea County, New Mexico. All interested parties may appear and show cause why said rules should not be rescinded.

CASE 5110: (Continued from January 16, 1974)

In the matter of the hearing called by the Oil Conservation Commission on its own motion to consider the institution of gas prorationing in

(Case 5110 continued from Page 3)

the Washington Ranch-Morrow Gas Pool, Eddy County, New Mexico, to provide for fixing the total allowable natural gas production from said pool to an amount equal to reasonable market demand and to the capacity of the gas transportation facilities. Also to be considered will be the adoption of special rules and regulations for said pool including a provision for allocating the allowable production among the wells in the pool. NOTE: This case will be continued to the first Examiner Hearing in January, 1975.

CASE 5274: Southeastern nomenclature case calling for the creation, abolishment, and extension of certain pools in Lea, Eddy, and Chaves Counties, New Mexico.

(a) Create a new pool in Eddy County, New Mexico, classified as a gas pool for Wolfcamp production and designated as the Black River-Wolfcamp Gas Pool. The discovery well is Amoco Production Company Herren Federal Gas Com Well No. 1 located in Unit K of Section 7, Township 24 South, Range 27 East, NMPM. Said pool would comprise:

TOWNSHIP 24 SOUTH, RANGE 27 EAST, NMPM  
Section 7: SW/4

(b) Create a new pool in Lea County, New Mexico, classified as a gas pool for Morrow production and designated as the Cooper-Morrow Gas Pool. The discovery well is the El Paso Natural Gas Company Cooper Federal Well No. 1 located in Unit F of Section 21, Township 24 South, Range 36 East, NMPM. Said pool would comprise:

TOWNSHIP 24 SOUTH, RANGE 36 EAST, NMPM  
Section 21: N/2

(c) Create a new pool in Eddy County, New Mexico, classified as a gas pool for Morrow production and designated as the Malaga-Morrow Gas Pool. The discovery well is Phillips Petroleum Company Malaga A Well No. 1 located in Unit L of Section 2, Township 24 South, Range 28 East, NMPM. Said pool would comprise:

TOWNSHIP 24 SOUTH, RANGE 28 EAST, NMPM  
Section 2: W/2

(d) Abolish the Bell Lake-Pennsylvanian Gas Pool in Lea County, New Mexico, described as:

TOWNSHIP 23 SOUTH, RANGE 33 EAST, NMPM  
Section 36: SE/4

TOWNSHIP 23 SOUTH, RANGE 34 EAST, NMPM  
Section 30: All  
Section 31: All

(Case 5274 continued from Page 4)

TOWNSHIP 24 SOUTH, RANGE 33 EAST, NMPM

Section 1: NE/4

TOWNSHIP 24 SOUTH, RANGE 34 EAST, NMPM

Section 6: NW/4

(e) Create a new pool in Lea County, New Mexico, classified as a gas pool for Atoka production with a provision for 160-acre spacing units and designated as the Bell Lake-Atoka Gas Pool. The discovery well is the Continental Oil Company Bell Lake Unit Well No. 2 located in Unit N of Section 30, Township 23 South, Range 34 East, NMPM. Said pool would comprise:

TOWNSHIP 23 SOUTH, RANGE 34 EAST, NMPM

Section 30: SW/4

(f) Create a new pool in Lea County, New Mexico, classified as a gas pool for Atoka production and designated as the South Bell Lake-Atoka Gas Pool. The discovery well is the Continental Oil Company Bell Lake Unit 1 Well No. 4 located in Unit F of Section 6, Township 24 South, Range 34 East, NMPM. Said pool would comprise:

TOWNSHIP 24 SOUTH, RANGE 34 EAST, NMPM

Section 6: W/2

(g) Create a new pool in Lea County, New Mexico, classified as a gas pool for Morrow production with a provision for 160-acre spacing units and designated as the South Bell Lake-Morrow Gas Pool. The discovery well is the Continental Oil Company Bell Lake State 3 Well No. 5 located in Unit G of Section 1, Township 24 South, Range 33 East, NMPM. Said pool would comprise:

TOWNSHIP 23 SOUTH, RANGE 33 EAST, NMPM

Section 36: SE/4

TOWNSHIP 23 SOUTH, RANGE 34 EAST, NMPM

Section 31: SW/4

TOWNSHIP 24 SOUTH, RANGE 33 EAST, NMPM

Section 1: NE/4

(h) Extend the North Bagley-Pennsylvanian Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 12 SOUTH, RANGE 33 EAST, NMPM

Section 6: NE/4

- (i) Extend the Black River-Pennsylvanian Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 24 SOUTH, RANGE 26 EAST, NMPM  
Section 12: SW/4

- (j) Extend the Burton Flat-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 20 SOUTH, RANGE 28 EAST, NMPM  
Section 27: N/2

- (k) Extend the Cabin Lake-Strawn Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 22 SOUTH, RANGE 30 EAST, NMPM  
Section 11: W/2 NE/4

- (l) Extend the Cemetary-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 20 SOUTH, RANGE 25 EAST, NMPM  
Section 8: All

- (m) Extend the North Dagger Draw-Upper Pennsylvanian Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 19 SOUTH, RANGE 25 EAST, NMPM  
Section 17: N/2

- (n) Extend the Eagle Creek-San Andres Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 17 SOUTH, RANGE 25 EAST, NMPM  
Section 13: W/2 SW/4  
Section 28: SW/4  
Section 29: S/2

- (o) Extend the Hat Mesa-Morrow Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 21 SOUTH, RANGE 32 EAST, NMPM  
Section 10: E/2  
Section 11: W/2

- (p) Extend the Loco Hills Queen-Grayburg-San Andres Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 29 EAST, NMPM  
Section 23: NE/4 NE/4

(q) Extend the Red Lake-Pennsylvanian Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 27 EAST, NMPM  
Section 18: N/2

(r) Extend the Rocky Arroyo-Canyon Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 22 SOUTH, RANGE 22 EAST, NMPM  
Section 4: S/2  
Section 5: S/2

(s) Extend the Townsend-Strawn Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 16 SOUTH, RANGE 35 EAST, NMPM  
Section 9: N/2 and SE/4

(t) Extend the Twin Lakes-San Andres Pool in Chaves County, New Mexico, to include therein:

TOWNSHIP 8 SOUTH, RANGE 28 EAST, NMPM  
Section 36: SW/4 SE/4

(u) Extend the North Vacuum-Abo Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 17 SOUTH, RANGE 34 EAST, NMPM  
Section 16: SE/4

(v) Extend the Vada-Pennsylvanian Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 9 SOUTH, RANGE 33 EAST, NMPM  
Section 11: NW/4

U.S. States  
Fidelity &  
Guaranty  
Company

301 San Mateo  
Blvd. S.E.

atg 87108

Attn: Mr. Pete  
Di Gangi

~~Correspondence  
file  
June of 1973~~



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(See other side)

GPO : 1972 O - 460-743

No. 003571

SENDER: Be sure to follow instructions on other side

PLEASE FURNISH SERVICE(S) INDICATED BY CHECKED BLOCK(S)  
(Additional charges required for these services)

☐ Show address  
where delivered

☐ Deliver ONLY  
to addressee

RECEIPT

Received the numbered article described below

SIGNATURE OR NAME OF ADDRESSEE (Must always be filled in)

U.S.F. 29

SIGNATURE OF ADDRESSEE'S AGENT, IF ANY

SHOW WHERE DELIVERED (Only if requested, and include ZIP Code)

RECEIPT FOR CERTIFIED MAIL—30¢ (plus postage)

SENT TO

United States Fid. & Guaranty Co.

STREET AND NO.

301 San Mateo Blvd. S. E.

P.O., STATE AND ZIP CODE

Albuquerque, New Mexico

OPTIONAL SERVICES FOR ADDITIONAL FEES

RETURN  
RECEIPT  
SERVICES  
DELIVER TO ADDRESSEE ONLY  
SPECIAL DELIVERY (extra fee required)

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¢
50¢	

POSTMARK  
OR DATE

6-28-74

PS Form 3800  
Apr. 1971

NO INSURANCE COVERAGE PROVIDED—  
NOT FOR INTERNATIONAL MAIL

(See other side)

GPO : 1972 O - 460-743

No. 003567

U.S. POSTAL SERVICE  
OFFICIAL BUSINESS

PENALTY FOR PRIVATE  
USE TO AVOID PAYMENT  
OF POSTAGE, \$300



Postmark of Delivering Office

**SENDER INSTRUCTIONS**

- Print in the space below your name, address, including ZIP Code.
- If special services are desired, check block(s) on other side.
  - Maintain gummed ends and attach to back of article.

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

**RECEIPT FOR CERTIFIED MAIL—30¢ (plus postage)**

SENT TO		POSTMARK OR DATE
Consolidated Oil & Gas, Inc.		7-1-74
STREET AND NO.		
P.O. Box 2038		
P.O., STATE AND ZIP CODE		
Farmington, New Mexico 87401		
OPTIONAL SERVICES FOR ADDITIONAL FEES		
RETURN	1. Shows to whom and date delivered	15¢
RECEIPT	With delivery to addressee only	65¢
SERVICES	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 NO INSURANCE COVERAGE PROVIDED— (See other side)  
Apr. 1971 NOT FOR INTERNATIONAL MAIL GPO: 1972 O-460-743

No. 003571

U.S. POSTAL SERVICE  
OFFICIAL BUSINESS

PENALTY FOR PRIVATE  
USE TO AVOID PAYMENT  
OF POSTAGE, \$300



Postmark of Delivering Office

**SENDER INSTRUCTIONS**

- Print in the space below your name, address, including ZIP Code.
- If special services are desired, check block(s) on other side.
  - Maintain gummed ends and attach to back of article.

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

**RECEIPT FOR CERTIFIED MAIL—30¢ (plus postage)**

SENT TO		POSTMARK OR DATE
United States Fid. & Guaranty Co.		6-28-74
STREET AND NO.		
301 San Mateo Blvd. S. E.		
P.O., STATE AND ZIP CODE		
Albuquerque, New Mexico		
OPTIONAL SERVICES FOR ADDITIONAL FEES		
RETURN	1. Shows to whom and date delivered	15¢
RECEIPT	With delivery to addressee only	65¢
SERVICES	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 NO INSURANCE COVERAGE PROVIDED— (See other side)  
Apr. 1971 NOT FOR INTERNATIONAL MAIL GPO: 1972 O-460-743

No. 003567

OIL CONSERVATION COMMISSION

P. O. BOX 2038

SANTA FE, NEW MEXICO 87501

July 1, 1974

C  
O  
P  
Y

Consolidated Oil & Gas, Inc.  
P.O. Box 2038  
Farmington, New Mexico 87401

U. S. Fidelity & Guaranty Co.  
301 San Mateo Blvd., S.E.  
Albuquerque, New Mexico 87108  
Attention: Mr. Pete Di Gangi

Re: Price Well No. 1 located in Unit N,  
Section 15, Township 31 North, Range  
13 West, NMPM, San Juan County, New  
Mexico - Blanket Plugging Bond

Gentlemen:

Enclosed is a copy of the docket of the Examiner hearing  
to be held on Wednesday, July 10, 1974, at 9:00 a.m. in the  
Oil Conservation Commission Conference Room, State Land Office  
Building, Santa Fe, New Mexico. Case No. 5272 concerns the  
subject matter.

Very truly yours,

WILLIAM F. CARR  
General Counsel

WFC/jr

Enc.

**OIL CONSERVATION COMMISSION**

STATE OF NEW MEXICO  
1000 RIO BRAZOS ROAD - AZTEC  
87410

**I. R. TRUJILLO**  
CHAIRMAN

LAND COMMISSIONER  
**ALEX J. ARMIJO**  
MEMBER

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

June 4, 1974

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

Re: Consolidated Oil & Gas, Inc.  
Price #1  
N-15-31N-13W  
Dual Completion

Dear Mr. Carr:

Please cause a case to be called before the Oil Commission to allow Consolidated Oil & Gas, Inc. and all interested parties to appear and show why the above captioned well should not be recompleted as a single-zone well or to be plugged and abandoned in a Commission approved manner.

The well has not been operated in the manner set out in Order MC-1103.

If there are questions, please contact us.

Yours very truly,

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

ARK:mc

cc: Consolidated Oil & Gas, Inc.  
P. O. Box 2038  
Farmington, New Mexico 87401

*Case 5272*



## OIL CONSERVATION COMMISSION

STATE OF NEW MEXICO  
1000 RIO BRAZOS ROAD - AZTEC  
87410

June 4, 1974

I. R. TRUJILLO  
CHAIRMAN  
LAND COMMISSIONER  
ALEX J. ARMIJO  
MEMBER  
STATE GEOLOGIST  
A. L. PORTER, JR.  
SECRETARY - DIRECTOR

Mr. J. R. Large  
Southern Union Gathering Co.  
P. O. Box 398  
Bloomfield, New Mexico 87413

Re: Consolidated Oil & Gas, Inc.  
Price #1  
N-15-31N-13W  
Basin Dakota

Dear Mr. Large:

The allowable for the subject well is hereby cancelled.

Cause the well to be physically shut-in until further notice.

If there are questions, please contact us.

Yours very truly,

*AR Kendrick*

A. R. Kendrick  
Engineer, District #3

ARK:mc

cc: Consolidated Oil & Gas, Inc.  
P. O. Box 2038  
Farmington, New Mexico

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

DRAFT

BEFORE THE OIL CONSERVATION COMMISSION  
OF THE STATE OF NEW MEXICO

dr/

IN THE MATTER OF THE HEARING  
CALLED BY THE OIL CONSERVATION  
COMMISSION OF NEW MEXICO FOR  
THE PURPOSE OF CONSIDERING:

CASE NO. 5272

Order No. R- 4911

IN THE MATTER OF THE HEARING CALLED BY THE OIL  
CONSERVATION COMMISSION ON ITS OWN MOTION TO PERMIT  
CONSOLIDATED OIL AND GAS, INC., UNITED STATES FIDELITY  
& GUARANTY COMPANY AND ALL OTHER INTERESTED PARTIES TO  
APPEAR AND SHOW CAUSE WHY THE CONSOLIDATED OIL AND GAS, INC.,  
PRICE WELL NO. 1 LOCATED IN UNIT N, SECTION 15, TOWNSHIP 31  
NORTH, RANGE 13 WEST, SAN JUAN COUNTY, NEW MEXICO, SHOULD NOT  
BE RECOMPLETED AS A SINGLE-ZONE WELL OR BE PLUGGED AND ABANDONED  
IN ACCORDANCE WITH A COMMISSION-APPROVED PLUGGING PROGRAM.

This cause came on ~~for hearing~~ at 9 a.m. on July 10, 1974,  
at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this        day of November, 1974, the Commission,  
a quorum being present, having considered the record and the recom-  
mendations 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:

That Case No. 5272 is hereby dismissed.

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