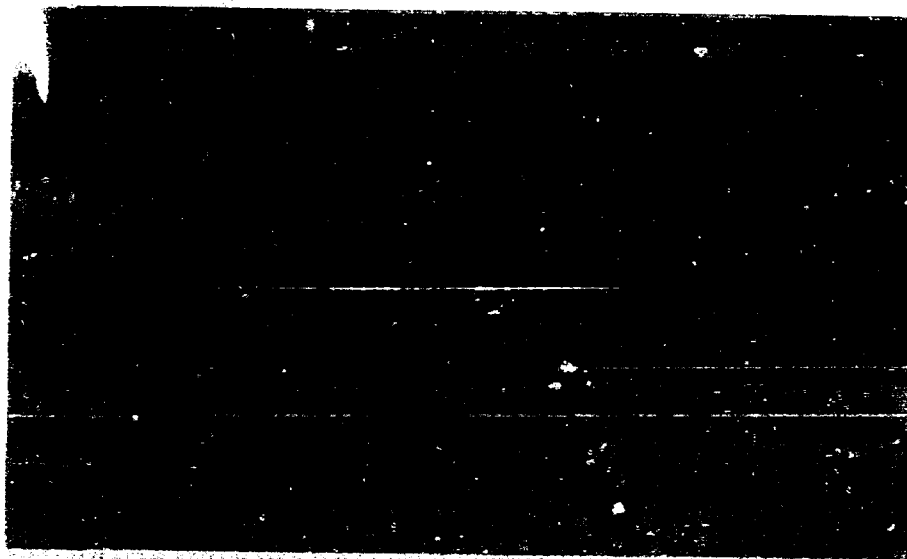


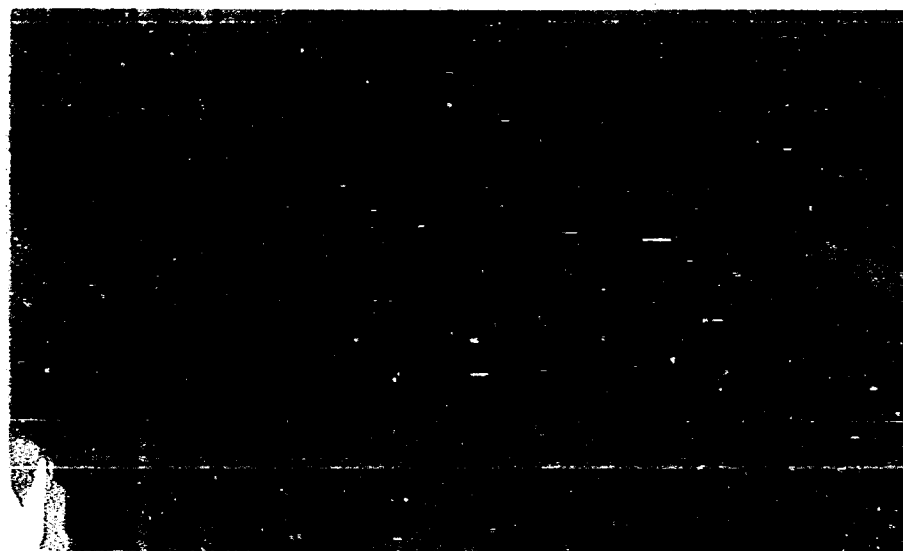
Case No.

748

Application, Transcript,
Small Exhibits, Etc.

CASE 748: OCC 'Show cause' for plugging of
Paul B. Palmer & Associates No. 1 Hutton
SW SE 17-29N-13W, San Juan County





OIL CONSERVATION COMMISSION
P. O. BOX 871
SANTA FE, NEW MEXICO

August 5 1954

Mr. Paul B. Palmer
Box 295
Farmington, N M

Dear Sir:

We enclosed Commission Order R-514 issued under date of
July 27, 1954, in dismissal of Case No. 748.

Very truly yours,

W. B. Macey
Secretary-Director

WBM:nr

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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. 748
ORDER NO. R-514

THE APPLICATION OF THE COMMISSION
UPON ITS OWN MOTION FOR AN ORDER DIRECTED
TO PAUL B. PALMER AND ASSOCIATES AND TO THE
WESTERN CASUALTY AND SURETY COMPANY, DECLARING
THE PAUL B. PALMER AND ASSOCIATES NO. 1 HUTTON
WELL, SW/4 SE/4 SECTION 17, TOWNSHIP 29 NORTH,
RANGE 13 WEST, NMPM, SAN JUAN COUNTY, NEW
MEXICO, ABANDONED, AND ORDERING IT PLUGGED.

ORDER OF THE COMMISSION FOR DISMISSAL

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on July 15, 1954,
at Santa Fe, New Mexico, before the Oil Conservation Commission of New
Mexico, hereinafter referred to as the "Commission."

NOW, on this 27th day of July, 1954, the Commission, a quorum
being present, having considered evidence to indicate that the Palmer No. 1
Hutton Well, SW/4 SE/4 Section 17, Township 29 North, Range 13 West, NMPM,
has now been properly plugged for abandonment, as stated at the subject
hearing,

FINDS:

That Case 748 be, and the same hereby is dismissed.

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

E. L. Mechem
Edwin L. Mechem, Chairman

E. S. Walker
E. S. Walker, Member

W. B. Macey
W. B. Macey, Member and Secretary

S E A L

OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

July 29, 1954

Mr. Emery Arnold
Oil Conservation Commission
Box 697
AZTEC N M

Dear Emery:

RE: Case 748

The Commission, as you know, has directed that a dismissal order be issued in Case 748, which dealt with the "show cause" action directed to Paul Palmer and Associates relative to the plugging of the No. 1 Hutton Well, SW/4 SE/4 Section 17, Township 29 North, Range 13 West, San Juan County. The order is now being prepared for signature.

We note in your letter of July 1, 1954, to Paul Palmer that you were waiting for him to file Form C-103 showing results of plugging, and that you also asked that the landowner submit an affidavit showing acceptance of the water well which was completed after the lower sands were plugged off. Will you please let us know the current status of this situation? We would like to release the plugging bond covering the tract, but this cannot be done until the C-103 has been approved.

Very truly yours,

W. B. Macey
Secretary and Director

WBM:nr

cc: Mr. Paul B. Palmer
Box 295
FARMINGTON N M

C
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New Mexico
OIL CONSERVATION COMMISSION

GOVERNOR EDWIN L. MECHEM
CHAIRMAN
LAND COMMISSIONER E.S. WALKER
MEMBER
STATE GEOLOGIST R.R. SPURRIER
SECRETARY AND DIRECTOR



P. O. BOX 571
SANTA FE, NEW MEXICO

June 28, 1954

Mr. Paul B. Palmer
Box 295
Farmington, New Mexico

Dear Sir:

RE: OCC Case 748

We attach a copy of the legal notice transmitted under date of June 25, 1954, for legal publication in Santa Fe and San Juan County papers, as prescribed by statute, in Case 748, which is scheduled for hearing on July 15, 1954.

You will note that a "show cause" hearing is set before the Commission to consider an order directed to Paul B. Palmer Associates and to Western Casualty and Surety Company declaring the No. 1 Hutton Well, SW SE Section 17, Township 29 North, Range 13 West, NMPM, abandoned, and ordering it plugged.

This notice is being sent to you in your dual capacity as principal on the \$5,000.00 one-well plugging bond covering the subject well, and as agent for The Western Casualty and Surety Company, for whom you have countersigned the bond as attorney-in-fact.

Very truly yours,

OIL CONSERVATION COMMISSION

A handwritten signature in cursive script, appearing to read "W. B. Macey".

W. B. Macey, Chief Engineer

WBM:nr

REGISTERED - RETURN CARD:

cc: Western Casualty and Surety Company
Fort Scott, Kansas

Oil Conservation Commission
Box 697, Aztec, N M

NOTICE OF PUBLICATION
STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION
SANTA FE - NEW MEXICO

The State of New Mexico by its Oil Conservation Commission hereby gives notice pursuant to law and the Rules and Regulations of said Commission promulgated thereunder of the following public hearings to be held at 9 o'clock a.m. on July 15, 1954, at Mabry Hall, State Capitol, Santa Fe, New Mexico.

STATE OF NEW MEXICO TO:

All named parties and persons
having any right, title, interest
or claim in the following cases,
and notice to the public.

CASE 748:

In the matter of the application of the Oil Conservation Commission for an order directing an operator and surety company to show cause why a well should not be ordered plugged and abandoned.

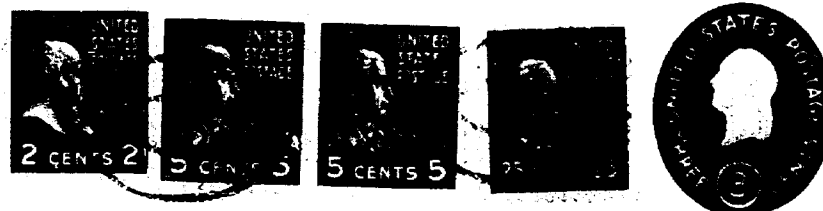
The Commission, in the above-styled cause, seeks an order directed to Paul B. Palmer and Associates and to the Western Casualty and Surety Company, declaring the Paul B. Palmer and Associates No. 1 Hutton Well, SW/4 SE/4 Section 17, Township 29 North, Range 13 West, San Juan County, New Mexico, abandoned, and ordering it plugged, and directing said Paul B. Palmer and the Western Casualty and Surety Company to appear before the Oil Conservation Commission in regular hearing at 9 a.m. on July 15, 1954, at Mabry Hall, State Capitol, Santa Fe, New Mexico, and show cause why such order should not issue.

GIVEN under the seal of the Oil Conservation Commission at Santa Fe, New Mexico, this 25th day of June, 1954.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

R. R. Spurrier
Secretary

S E A L



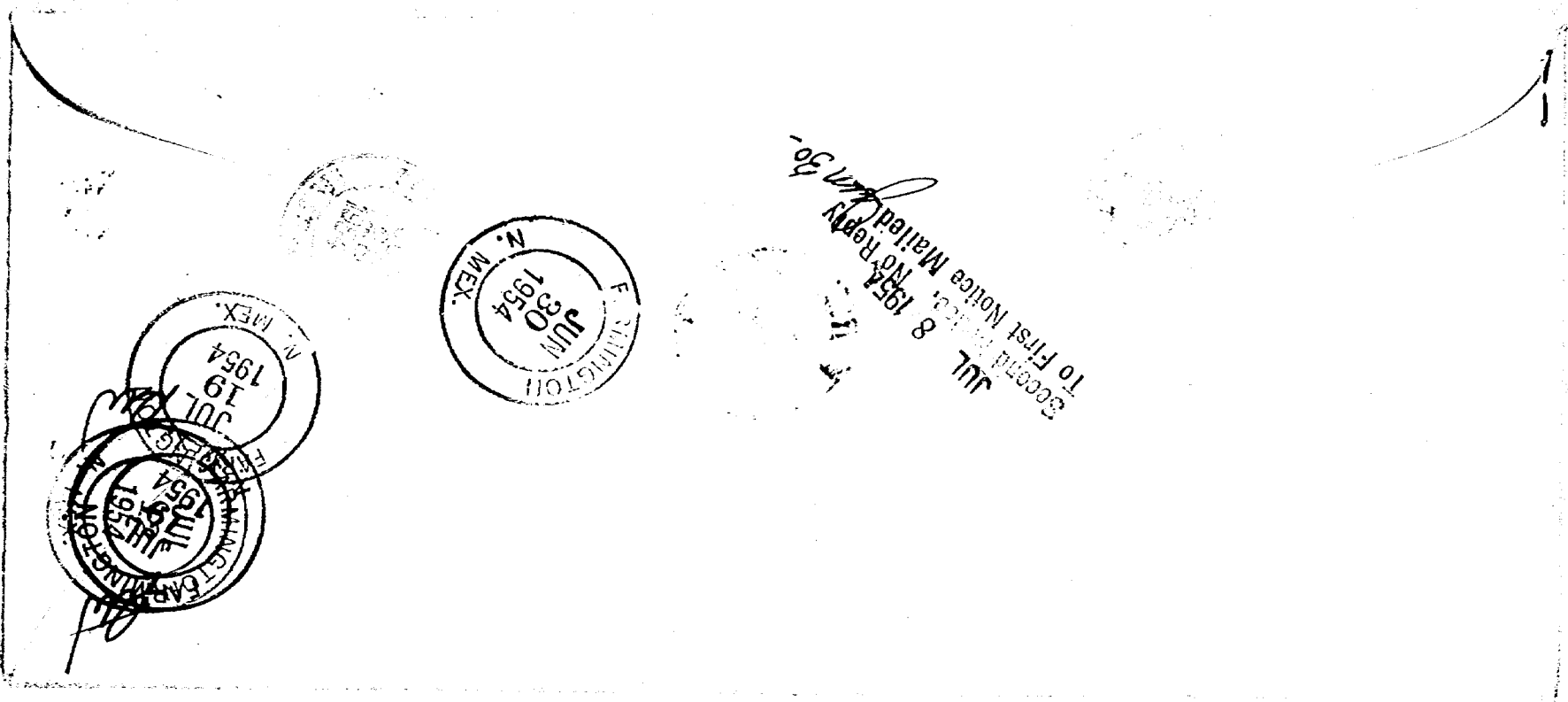
1. Name of the person or organization to whom the letter is addressed.
 2. Address of the person or organization to whom the letter is addressed.
 3. City, State, and Zip Code of the person or organization to whom the letter is addressed.
 4. Country of the person or organization to whom the letter is addressed.
 5. Date of the letter.
 6. Subject of the letter.
 7. Salutation (e.g., Dear Sir, Dear Madam, Dear Mr. Smith).
 8. Body of the letter.
 9. Closing (e.g., Sincerely, Very truly yours, Respectfully).
 10. Signature of the sender.
 11. Name and Title of the sender.
 12. Address of the sender.
 13. City, State, and Zip Code of the sender.
 14. Country of the sender.
 15. Enclosures (if any).
 16. Postage (if any).
 17. Return address (if any).
 18. Other information (if any).

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REGISTERED
NO 11706

RETURN RECEIPT REQUESTED

Mr. Paul B. Palmer
For Paul B. Palmer Associates
Box 295
FARMINGTON N H



BEFORE THE
Oil Conservation Commission
SANTA FE, NEW MEXICO

IN THE MATTER OF:

CASE NO. 748 Regular Hearing

TRANSCRIPT OF PROCEEDINGS

ADA DEARNLEY AND ASSOCIATES
COURT REPORTERS
ROOMS 105, 106, 107 EL CORTEZ BUILDING
TELEPHONE 7-9546
ALBUQUERQUE, NEW MEXICO

IN THE MATTER OF:

Case No.
748

Mr. E. S. (Johnny) Walker
Mr. R. R. Spurrier

MR. SPURRIER: Case 748 will be dismissed.

STATE OF NEW MEXICO)
: ss.
COUNTY OF BERNALILLO)

I, ADA DEARNLEY, Court Reporter, do hereby
certify that the foregoing and attached transcript of proceedings
before the New Mexico Oil Conservation Commission at Santa Fe,
New Mexico, is a true and correct record to the best of my
knowledge, skill and ability.

IN WITNESS WHEREOF I have affixed my hand and notarial
seal this 19th day of July, 1954.

Ada Dearnley
Notary Public, Court Reporter/

My Commission Expires:
June 19, 1955

MAIN OFFICE OCC

1954 JUL 2 AM 11:48

July 1, 1954

Mr. Paul B. Palmer
Box 295
Farmington, New Mexico

Dear Mr. Palmer:

I recently learned from your telephone message to our office that you had completed plugging operations and abandonment on your #1 Hutton well in the S&W 17-29N-13W.

On June 29, 1954 I made an inspection trip to this well and from all outward appearances I see no reason why your plugging operation was not satisfactory. However, no form C-103 has been filed indicating that the cement plug was set below the water sand, at which point you were completing the well as a water well. I believe this depth was around 55 feet. Before this office will be able to approve the plugging, Form C-103 must be filed, showing exactly what work was done, and the present condition of the well. It will also be necessary to have Mr. Hutton sign an affidavit accepting responsibility for the water well. As this case has been advertised for open hearing for the regularly scheduled hearing on July 15, 1954, I would advise you to attempt to comply with the above as soon as possible and if this is done I believe I would be able to write a letter to the Oil Conservation Commission which would make it unnecessary for you to appear in Santa Fe on July 15.

Yours very truly,

Emery C. Arnold⁴⁴
Oil & Gas Inspector
District #3

ECA:ks

cc: Mr. James Hutton, Farmington, N.M.

Mr. W.B. Macey, OCC, Santa Fe, N.M. ✓

MAIN OFFICE OCC

1954 JUL 2 AM 11:48

July 1, 1954

Mr. Paul B. Palmer
Box 295
Farmington, New Mexico

Dear Mr. Palmer:

I recently learned from your telephone message to our office that you had completed plugging operations and abandonment on your #1 Hutton well in the SE 1/4 17-29N-13W.

On June 29, 1954 I made an inspection trip to this well and from all outward appearances I see no reason why your plugging operation was not satisfactory. However, no form C-103 has been filed indicating that the cement plug was set below the water sand, at which point you were completing the well as a water well. I believe this depth was around 55 feet. Before this office will be able to approve the plugging, Form C-103 must be filed, showing exactly what work was done, and the present condition of the well. It will also be necessary to have Mr. Hutton sign an affidavit accepting responsibility for the water well. As this case has been advertised for open hearing for the regularly scheduled hearing on July 15, 1954, I would advise you to attempt to comply with the above as soon as possible and if this is done I believe I would be able to write a letter to the Oil Conservation Commission which would make it unnecessary for you to appear in Santa Fe on July 15.

Yours very truly,

Emery C. Arnold
Oil & Gas Inspector
District #3

ECA:ks

cc: Mr. James Hutton, Farmington, N.M.

Mr. W.B. Macey, OCC, Santa Fe, N.M.

OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

June 28, 1954

Mr. Paul B. Palmer
Box 295
Farmington, New Mexico

Dear Sir:

RE: OCG Case 748

We attach a copy of the legal notice transmitted under date of June 25, 1954, for legal publication in Santa Fe and San Juan County papers, as prescribed by statute, in Case 748, which is scheduled for hearing on July 15, 1954.

You will note that a "show cause" hearing is set before the Commission to consider an order directed to Paul B. Palmer Associates and to Western Casualty and Surety Company declaring the No. 1 Hutton Well, SW SE Section 17, Township 29 North, Range 13 West, NMPM, abandoned, and ordering it plugged.

This notice is being sent to you in your dual capacity as principal on the \$5,000.00 one-well plugging bond covering the subject well, and as agent for The Western Casualty and Surety Company, for whom you have countersigned the bond as attorney-in-fact.

Very truly yours,

OIL CONSERVATION COMMISSION

WBM:nr

W. B. Macey, Chief Engineer

REGISTERED - RETURN CARD:

cc: Western Casualty and Surety Company
Fort Scott, Kansas

Oil Conservation Commission
Box 697, Astec, N M

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NOTICE OF PUBLICATION
STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION
SANTA FE - NEW MEXICO

The State of New Mexico by its Oil Conservation Commission hereby gives notice pursuant to law and the Rules and Regulations of said Commission promulgated thereunder of the following public hearings to be held at 9 o'clock a.m. on July 15, 1954, at Mabry Hall, State Capitol, Santa Fe, New Mexico.

STATE OF NEW MEXICO TO:

All named parties and persons
having any right, title, interest
or claim in the following cases,
and notice to the public.

CASE 748:

In the matter of the application of the Oil Conservation Commission for an order directing an operator and surety company to show cause why a well should not be ordered plugged and abandoned.

The Commission, in the above-styled cause, seeks an order directed to Paul B. Palmer and Associates and to the Western Casualty and Surety Company, declaring the Paul B. Palmer and Associates No. 1 Hutton Well, SW/4 SE/4 Section 17, Township 29 North, Range 13 West, San Juan County, New Mexico, abandoned, and ordering it plugged, and directing said Paul B. Palmer and the Western Casualty and Surety Company to appear before the Oil Conservation Commission in regular hearing at 9 a.m. on July 15, 1954, at Mabry Hall, State Capitol, Santa Fe, New Mexico, and show cause why such order should not issue.

GIVEN under the seal of the Oil Conservation Commission at Santa Fe, New Mexico, this 25th day of June, 1954.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

R. R. Spurrier
Secretary

S E A L

Worm 7/24

GOVERNOR EDWIN L. MECHEM
CHAIRMAN
LAND COMMISSIONER GUY SHEPARD
MEMBER
STATE GEOLOGIST R. R. SPURRIER
SECRETARY AND DIRECTOR

New Mexico
OIL CONSERVATION COMMISSION



AZTEC. NEW MEXICO

June 7, 1954

1954 JUN 11 AM 8:21
MAIN OFFICE OCC

SW/SE

Oil Conservation Commission
Box 871
Santa Fe, New Mexico

Subject: Paul B. Palmer & Associates
#1 Hutton, NWSE 17-29N-13W

Att: Mr. W. B. Macey

Dear Mr. Macey:

We have just received the docket and notice of advertisement of the cases to come up before the Commission and I notice that the case regarding plugging on the above captioned well has not been included. You will remember I discussed this with you when I was in Santa Fe at the last hearing.

The purpose of this letter is to remind you that I would like to have this case advertised as I have had no success whatsoever in negotiating with the interested parties.

Yours very truly,

Emery C. Arnold
Emery C. Arnold
Oil & Gas Inspector
District #3

ECA:ks

cc: Ritter General Agency, Denver 2, Colorado
Paul B. Palmer, Farmington, N.M.
Mr. James Hutton, Farmington, N.M.

2-10
MAIN OFFICE OCC

1954 MAY 10 AM 8:25

May 7, 1954

Mr. Paul B. Palmer
Farmington, N.M.

Re: Palmer Associates #1 Hutton
SW4SE4 Sec. 17-29N-13W

Dear Mr. Palmer

I would like to briefly review the situation concerning the plugging of the above captioned well, and point out to you the necessity of immediately completing the plugging of this well.

In August, 1953, you were notified by R. R. Spurrier, Director of the Oil Conservation Commission in Santa Fe to immediately take steps to plug this well or the Oil Commission would take steps to call an open hearing for the purpose of having both you and the bonding company show cause why the well should not be plugged. A notice of intention to do this work had been filed with our office on December 22, 1952 by Mr. Sam J. Carson, who signed as your agent. The plugging program was approved by this office on December 22, 1952. Finally, late in August, 1953, Mr. Carson moved a crew to the rig and cement with which to do the plugging job. I made a personal inspection of the lease at that time and saw that preparations were being made to plug. This 25-sack plug was cemented in the Pictured Cliffs formation, extending into the production casing. However, this information has never been formally filed with this office. It was learned by personal inspection and conversation with Mr. Carson. Mr. Carson also stated that he wished to release the well to Mr. Hutton, the landowner, as a water well. This could be done, providing form C-103 was filed showing that the Pictured Cliffs sandstone was plugged and providing Mr. Hutton accepts responsibility for the well in writing. In the event that he will not accept responsibility, then a cement plug must be placed in the surface with heavy mud between plugs and a 4" marker left extending four feet above ground level.

Unless some action is taken within the next 7 days we will take steps to initiate a hearing before the Oil Conservation Commission in Santa Fe to have you and the bonding company show cause why the well should not have the plugging job finished.

Yours very truly,

BCA:ks

cc: Ritter General Agency
310 South 3rd St., Albuquerque, N.M.

Oil Conservation Commission, Santa Fe, N.M.

Mr. Sam Carson, Farmington, N.M.
Mr. Jas. Hutton, Farmington, N.M.

Emery C. Arnold
Oil & Gas Inspector, Dist. #3

RH
Farmington N M

August 17, 1953.

New Mexico Oil and Gas Commission
Santa Fe N M

Dear Mr Spurrier: Re. Hutton No 1

Your letter of the 10th at hand and Mr Carson who is
the main owner advises me that work will proceed at once
to properly plug the well.

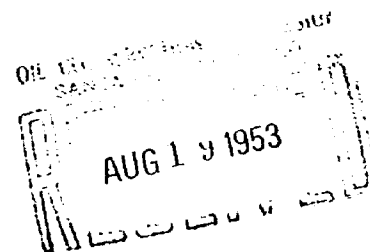
I think he has contacted your Mr Arnold and the forms
required will be filed properly

Very truly yours

Paul B. Palmer

cc

Western Casualty And Surety Co.
Fort Scott. Kansas



OIL CONSERVATION COMMISSION
P. O. BOX 871
SANTA FE, NEW MEXICO

August 10, 1953

C
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**REGISTERED
RETURN RECEIPT REQUESTED**

Mr. Paul B. Palmer
Box 295
Farmington, New Mexico

Re: Paul P. Palmer and Associates
#1 Hutton SWSE Sec. 17-29N-13W

Dear Sir:

Reference is made to the above captioned well operated by you and located in San Juan County, New Mexico. The above captioned well is covered by a one well bond executed by the Western Casualty and Surety Company of Kansas.

According to information available to this Commission, the well was drilled to a total depth of 1,086'. According to a Form C-102, executed December 19, 1952, approval was granted by this office for you to plug the well. Our Astec representative, Mr. Emery C. Arnold, has advised us that as yet you have not done any of the work as proposed on your Form C-102.

Please take immediate action to plug the well properly and upon completion of the work file a Form C-103, outlining the work done in plugging the well and also a Form C-105, Well Log. In the event satisfactory steps are not undertaken immediately, it will be necessary for the Commission to hold an open hearing, citing both you and the Insurance Company to Show Cause why the well should not be properly plugged.

OIL CONSERVATION COMMISSION
P. O. BOX 871
SANTA FE, NEW MEXICO

Mr. Paul B. Palmer, p. 2
August 10, 1953

Please contact Mr. Arnold immediately and advise him of your
plans in the matter.

Very truly yours,

R. R. SPURNER
Secretary and Director

RRS:vc

cc: Western Casualty and Surety Company
Fort Scott, Kansas

Mr. Emery Arnold
Oil Conservation Commission
P. O. Box 697
Altec, New Mexico

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OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO

June 1, 1950

C
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Mr. Paul B. Palmer
Box 295
Farmington, New Mexico

RE: Paul B. Palmer Associates, a co-partnership -
\$5,000 one-well bond - SW/4 SE/4 17-29N-13W

Dear Sir:

The bond mentioned in the caption conforms with the requirements
of the Oil Conservation Commission and is today filed.

Very truly yours,

bpw

Secretary and Director

cc: OCC, Aztec ✓
OCC, Artesia
OCC, Hobbs