

#### CASE NO. 52.

#### BEFORE THE OIL CONSERVATION COMMISSION OF THE STATE OF NEW MEXICO

IN THE MATTER OF the application of the National Surety Corporation for an order determining as abandoned Edward S. McAuliffe-Coates Well No. 1, SWNE 3-18S-23E, Eddy County, and to plug said well in accordance with the rules, regulations and laws of the Commission. This case is set for 10 A.M., August 4, 1944.

Resunat to notice by the Commission, duly made and published, setting

August 4, 1944, at ten o'clock s.m., for hearing in the above entitled matter, said hearing was convened on said day, at said hour, in the Coronado Room of the La Fonda, Santa Fe, New Mexico, the Commission sitting

as follows:

HON. RAY ROGERS, State Land Commissioner, Member. HON. JOHN M. KELLY, State Geologist, Secretary. HON. CARL B. LIVINGSTON, Chief Clerk and Legal Adviser.

#### REGISTER

COMPANY

#### NAME

J. O. Seth R. E. Nelson, Jr. W. D. Henderson George W. Selinger D. W. Spence H. B. Hurley R. Van A. Mills J. W. Head K. H. Dally A. Knickerbocker J. M. Zachary Hamilton McRae Frank D. Gardner G. L. Shoemaker S. W. House V. C. Maley Hugh L. Sawyers Claude E. Wood Jesse Hildreth Leo E. Schultz Jerry Curtis S. P. Hemnfir. W. K. Davis R. L. Boss E. J. Gallager A. E. Willig Glenn Staley Harvey Hardison W. S. Patterson C. W. Faris John P. Healy Weldon Brigance Roy O. Yarbrough E. H. Foster Mrs. Nettie Ogle Fred Turner Jr. D. R. McKeithan

Stanolind Oil Company Stanolind Oil Company Stanolind Oil Company Skelly Oil Company Sinclair Prairie Oil Co. Continental Oil Company Continental Oil Company Head & Miller Head & Miller Fred Turner Jr. Neiville G. Panrose, Inc. Fred Turner, Jr. Sinclair Prairie Oil Co. Shell Oil Company, Inc. Humble Oil Company Humble Oil & Refining Co. N. M. Oil & Gas Ass'n. State Land Office General Crude Oil Company 011 & Cas Dept., State Land Office Magnolia Petroleum Company Magnolia Petroleum Company El Paso Natural Gas Company Gulf Oil Corporation Gulf Oil Corporation The Texas Company Lea County Operators Standard of Texas Scouting Service Shell Oil Company Colo-Mex Rowan Drilling Company Oil Conservation Commission Phillips Petroleum Company

Independent Phillips Petroleum Company ADDRESS

Santa Fe, N. M. Tulsa, Oklahoma Midland, Texas Tulsa, Oklahoma Midland, Texas Ft. Worth, Texas Ponca City, Okla. Borger, Texas Borger, Texas Midland, Texas Ft. Worth, Texas Midland, Texas Midland, Texas Midland, Texas Midlend, Texas Midland, Texas Roswell, N. M. Santa Re, N. M. Wink, Texas

Santa Fe, N. M. Roswell, N. M. Midland, Texas Jal, New Mexico Hobbs, New Mexico Hobbs, N. M. Ft. Worth, Texas Hobbs, New Mexico Houston, Texas Santa Fe, N. M. Midlend, Texas Senta Fe, N. M. Ft. Worth, Texas Hobbs, N. M. Amarillo, Texas Santa Fe, N. M. Midland, Texas Bertersville, Ckla. The meeting was called to order by the Chairman, and upon request of the Secretary, the Chief Clerk read the call of the meeting as follows:

#### "NOTICE FOR PUBLICATION STATE OF NEW MENICO OIL CONSERVATION CONMISSION

The Oil Conservation Commission, by law invested with jurisdiction as the oil and gas regulatory body of the State of New Mexico, hereby gives notice of the following hearing to be held at Santa Fe, New Mexico:

#### CASE NO. 52

In the matter of the application of the National Surety Corporation for an order determining as abendoned Edward S. McAuliffe-Coates Well No. 1 SWNE 3-18S-23E, Eddy County, and to plug said well in accordance with the rules, regulations and laws of the Commission. This case is set for 10 A.M., August 4, 1944.

Any person having any interest in the subject of said hearing is entitled to be heard.

The foregoing Notice of Publication was made pursuant to the direction of the Commission at its Executive Meeting July 6, 1944.

Given under the seal of said Commission at Santa Fe, New Mexico, on July 7, 1944.

OIL CONSERVATION COMMISSION

/s/ John M. Kelly

BY (SGD) JOHN M. KELLY SECRETARY.

SEA Ln

#### PROCEEDINGS

By Mr. Paul Forker - Attorney for National Surety Corporation.

This well was started back in 1937, I believe, and the last work done on it was in 1939. I have been serving the National Surety Corporation in this territory since 1941, and all during that time have been trying to locate Mr. McAuliffe. Have been unable to secure any information as to where he is, and communicating with the land owner, have been unable to receive any response from him. I did receive copy of a letter from Mr. Coates, in which he has indicated he would like to have the well turned into a water well. There has not been any production on the well, and I think the driller and contractor has apparently left these parts and cennot be located. I think the well should be declared abardoned.

-2-

MR. KELLY: Mr. Yarbrough, please state to the Commission the condition of this well on your last visit there.

MR. YARBROUGH: My last visit there was July 30, 1943. I have not been to it this year. My last visit to the well, I have a record of what was there, I believe some  $12\frac{1}{2}$ " and 10" pipe, couldn't see anymore. MR. KELLY: The well never produced any oil or gas to your knowledge?

MR. YARBROUGH: No - I don't know if they ever got any showing of anything.

MR. KELLY: Was there a rig on the well?

MR. YARBROUGH: No - nothing there.

MR. FORKER: I suggest an order to plug the well be made, as Mr. Coates desires to have it made into a water well.

MR. KELLY: The Commission will order this well to be plugged and abandoned, it is up to the Surety Company and Mr. Coates regarding plans for turning the well into a water well.

#### <u>CERTIFICATE</u>

I hereby certify that the foregoing and attached two and a fraction pages of typewritten matter constitute a true, correct and complete transcript of the shorthand notes taken by me in Case No. 52, on the 4th day of August, and by me extend into typewriting. WITNESS my hand this 9th day of September 1944.

Vastie Fowler

-3-



Dear Carl Dear cary metored Find From C 10% for Plugging The meanlife well maker eg Har agread to Plug as thous on This Parta. if This is talifed with you and John Lend J if to the scienty Co for their frequency mekering their frequents of mekering their frequents affreund mekering their frequents affreund mekering their frequents affreund mekering they he has affreund mekering their frequents affreund mekering they he has affreund mekering the prement metable them to

به مانه ۰. ÷ Jan 2 8 OCT. 6 JMK & formulaf 1 hudger to Paul W. Jond 307 Ry Ex here ber not Se ROY NIT 0. 281 - SAT. OCT. 7 -85 282- SUN., OCT. 8 -84 ()



N. H. COATES Chara CC J. D. JOBER ANTENIA, MISI INCLUDO

RECRETEL TOUR REQUEST WILL BE BROUGHT TO ATTENTION OF COMISSION AT HEARING. LETTER

FOLIOIS.

Ł

CARL B. LIVINGSTON, LEGAL ADVISER OIL CONTRISSION

SEND: DAY LETTER, COLLECT



CLATE SUGGESTIONS FROM

PATRONS

CONCERNING

52

## OI' CONSERVATION COMMISSION

July 25, 1944

Mr. W. M. Coates Box 133 Hope, New Maxico

> Re: Case No. 52 -MCAULIFFE-Coates No. 1, SWNE 3-185-23E, Eddy County

Dear Mr. Coates:

This is in acknowledgment of your letter of July 19, in which you state you desire the above captioned well for a water well. You are informed as follows:

When the petitioner, the insurance company on Mr. McAuliffe's plugging bond, obtains an order from the Commission determining the well in question as abundaned as an oil well and ordering the plugging thereof pursuant to the laws, rules and regulations of the Commission and the provisions of the plugging bond, the insurance company may then proceed to plug said well which, if agreeable to the insurance company and to you, may be plugged as a water well; however, that will be a matter primarily between you and the insurance company. The usual procedure is to plug a well from bottom to top but where a well may be beneficially used for a water well, such as you indicate, then the well may be plugged below the matter to convert it into a water well upon

You should communicate with Paul W. Forker, National Surety Corporation, 307 Railway Exchange Building, Denver 2, Colorado.

Very truly yours,

John M. Kolly Director

CBL:MS co Paul N. Forker

willing,

By

Chief Clork & Logal Advisor

ymby 19 19 44 - His is the Marchillimurel feing tried pratindainment anglisten petition of Imment fore mmi os. e.n. R Cose 52-But 133 mr fram melet. Diay sig in regard to the well on my Land Mitch you are monting To plug I would like to more it fot a math well for my cows an it mas 500 ft of Pipe in it now an Theorety Stands to 340 pt of the stop do the if you would lit me have for a water Diell could nee it an mould like to for you to lot me know Okishat Thank to Do for you all to toim it to me for Ranch ase, please lit me They from you at ence Thanks to An all, Afors Jurly. Avimi Casto Afore men myrico 0204 133.

## TIL CONSERVATION COMMISSIO

July 7, 1944

Paul W. Forker, Esquire National Surety Corporation 307 Railway Exchange Building Denver 2, Colorado

Re: Case No. 52 - Notice for Publication

Dear Mr. Forker:

Enclosed is a copy of the notice of hearing in

the above captioned case.

Very truly yours,

John N. Kelly Director

By

Chief Clerk & Legal Adviser

### JL CONSERVATION COMMISSIO



July 7, 1944

The Santa Fe New Maxican Santa Fe, New Maxico

Artesia Adveste Artesia, New Mexico

Be: Case No. 52, Notice for Publication

Gentlement

Please publish the enclosed notice once, <u>immediately</u>. Please proof read the notice carefully and send a copy of the paper earrying such notice.

UPON COMPLETION OF THE PUBLICATION, PLEASE SEND PUBLICHER'S AFFIDAVIT.

For payment please submit statement in duplicate accompanied by voucher executed in duplicate. The vouchers must be signed by a notary in the space provided on the back of the voucher. The necessary voucher blanks are enclosed.

Very truly yours,

John M. Kelly Director

By

Chief Clerk & Logal Adviser

#### OIL CONSERVATION COMMISSICAN SANTA FE, NEW MEXICO

Septembor 13, 1944

Mr. Bruce K. Matlock Box 6753 Roswell, New Maxico

> Re: Case 52 - Order No. 571 - Order to plug McAuliffe-Coates well No. 1, SWNE 3-188-23E, Eddy County.

Dear Mr. Matlock:

In reply to your letter of August 30, on August 4 the Commission held a hearing upon the petition of the National Surety Corporation, principal upon the bond to assure plugging of the above captioned well. The petitioner petitioned that the well be adjudged as abandoned and for an order to permit the petitioner to plug said well in accordance with the laws, rules and regulations of the Commission. Pursuant to said hearing the Commission, after considering the testimony adduced at said hearing, promulgated Order No. 571; adjudging said woll as abandoned and directing the National Surety Corporation to plug said well either from the top to the bottom or to plug below the water so as to convert said well into a stock water well, if desired by the National Surety Corporation and the land owner. A copy of said order is enclosed for your information. You can see that as to whether the well is plugged as a water well is entirely a matter between the corporate surety and Mr. Coates, the land owner. Mr. Paul W. Forker represents the National Surety Corporation. His address is 307 Hailway Exchange Building, Denver, Colorado.

I trust the foregoing clarifies the matter for you and Mr. Coates.

Very truly yours,

John M. Kelly, Director

By

Chief Clerk & Legal Adviser

CBL: NS

BRUCE K. MATLOCK BOX 5758 ROSWELL. NEW MEXICO August 30, 1944.

Mr. John Kelly, State Geologist, Capitel Building, Santa Fe, New Mexico.

Dear John:

The Coates family of Hope, New Mexico, have asked me to write to you concerning the plugging of an old oil test drilled by Edward S. McAlauffe to a depth of approximately 1000' in Section 3-185-23E, Eddy County. It appears the National Surety Corporation is the holder of the bond put up by McAlauffe with the State for protection on plugging the well. McAlauffe has left the country and the Surety Company now is concerned over plugging this well.

The Coates family tell me that this well, as it now stands, has a nice water level and they would like to use it on their ranch and I believe they could deal with the Surety Company if it could be released of its bond with the State.

I am therefore asking you if there is any authority for you or the Conservation Commission to release the Surety Company of its bond and save this test as a water well for ranching purposes. It is my understanding that there is  $8\frac{1}{4}$ <sup>m</sup> casing set at around 800' which should be well into the lime and has a proper seal in order to not contaminate any of the upper beds, if present. I also understand that this well is out of any water district and therefore would not affect the water flow of any neighboring wells.

At your earliest convenience will you advise me on this matter?

Best personal regards.

BKM;w

Yours sincerely, BruceK.Matlock

Care 52 - Onen 551 Part w. Herker, hard unity (mp song Realway Sy hay, Mary Aunon,

# STATE BUREAU OF MINES AND MINERAL RESOURCES

A DEPARTMENT OF NEW MRXICO SCHOOL OF MINES

SOCORRO, NEW MEXICO

September 4, 1944

OLL AND GAS DIVISION

Mr. John M. Kelly, State Geologist Oil Conservation Commission Box 871 Santa Fe, New Mexico

Dear John:

The subject of the attached letter, which was sent here from your office, seems to be out of my jurisdication. I find that we have no log on the well in question, and that our card simply states that the well was "abandoned" at 1079 feet.

Very truly yours,

Robert L. Bates

Geologist

RLB/mb Enclosure

stati ≪rca [

#### BRYORE THE OIL CONSERVATION CONSISSION OF THE STATE OF NEW DEXICO

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

CASE NO. 52

ORDER NO. 571

THE APPLICATION OF THE HATIONAL SURETY CORPORATION AND AN ORDER DETERFINING AS ABANDONED EDWARD S. MCAULIFFE-COATES WELL NO. 1, SWNE 3-188-23E, EDDY COUNTY, AND TO PLUG SAID WELL IN ACCORDANCE WITH THE LAWS, RULES AND REGULATIONS OF THE COMMISSION.

#### ORDER OF THE COMMISSION

BY THE COMPRISSION:

This cause came on for hearing at ten o'clock A.N., August 4, 1944, at Santa Fe, New Mexico, before the Oil Conservation Commission of the State of New Mexico, hereinafter referred to as the "Commission".

NOW, on the 10th day of August , 1944, the Commission having before it for consideration the testimony adduced at the hearing of said case and being fully advised in the premises, the Commission finds:

#### <u>FINDINGS</u>

1. That the Edward S. McAuliffe-Coates well No. 1, SWNE, Section 3, Township 18 S, Range 23 E, Eddy County, is dry and abandoned and should be plugged in accordance with the laws, rules and regulations of the Commission.

2. That the applicant, the National Surety Corporation, is designated as surety with the principal, Edward S. McAuliffe, upon the bond assuring plugging of said well when dry or abandoned under the following provision of said bond:

"NOW, THEREFORE, if the above bounden principal and surety or either of them or their successors or assigns, or any of them, shall plug said well, in accordance with the program approved by the Oil Conservation Commission, through the State Geologist, when dry or when abandoned, in such way as to confine the oil, gas and water in their respective strata in which they are found and to prevent them from escaping into other strata;"###

3. That said principal has failed and refused to plug said well.

IT IS THEREFORE ORDERED:

A. That the National Surety Corporation shall plug said well and may plug such well so as to convert said well into a stock water well, if desired by the applicant and the land owner. Whether such well is plugged from the bottom to the top or in such way as to convert it into a stock water well the applicant shall comply with the laws, rules and regulations of the Commission and its administrative requirements in connection with such plugging.

B. The Order herein shall be effective on the date of its execution.

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

OIL CONSERVATION DE PSEY.

# L CONSERVATION COMMISSIO

August 10, 1944

Paul W. Former, Require National Surety Corporation 307 Railway Euchange Building Denver 2, Colo.

No: Case No. 52, Order No. 571

By

Dear Nr. Forker:

Attached is copy of Order No. 571 in the

above captioned case.

Very traly yours,

John M. Kelly Director

Chief Clerk & Legal Adviser

CBLINS

## L CONSERVATION COMMISSION SANTA FE. NEW MEXICO

August 10, 1944

Honorable Glenn Staley Proration Office Hobbs, New Mexico

Re: Case No. 52, Order No. 571 Dear Glenn:

Attached is copy of Order No. 571 in the

By

ç

above captioned case.

Very truly yours,

.

John M. Kelly Director

Chief Clerk & Legal Adviser

OTICE FOR FURLICATION OP 1 8 4 10

Jourses Weil No. 1, SWNES-185-202, Eddy County, and to plug said well in accordance with the mins, regulations and laws of the Commission. This case is set for 10 a.m., August 4, 1944. Any, person, having any interest the subject of said hearing is littled so be heard.

foregoing Notice of Publi-was made pursuant to the ba of the Commission at its two Mosting July 6, 1944. In under the seal of said Com-

Give at Santa Fe, New Mexico, 7, 1944. OIL CONSERVATION COMMENSION,

(and) JOHN M. KELLY, tary,

Pub. July 10, 1944.

By....

### Affidavit of Publication

3 S.

State of New Mexico, County of Santa Fe } ss.

I,	C. B. Flo	yd , being first duly sworn,
declare and say that	t I am the (Busines	ss Manager) (Bascor) of the Santa Fe
New Mexi	can	, a daily newspaper, published in the English
		ation in the City and County of Santa Fe, State of
New Mexico, and	being a newspaper	duly qualified to publish legal notices and adver-
tisements under the	e provisions of Ch	ipter 167 of the Session Laws of 1937; that the
publication, a copy	which is hereto att	ached, was published in said paper munnesstreamin
for one ti	me against	remyenter and meridiensamentary of markery relation
•		the time of publication, and that the notice was
		and not in any supplement, mannauthmensic for
one ti	me vrock	anomsecutively preher first publication being on the
10th	day of Jul	y
tivermen rifes	đapane	, 19
		ly made), or (assessed as court costs); that the
undersigned has per	rsonal knowledge o	of the matters and things set forth in this affidavit.

PUBLISHER'S BILL 36 lines, one time at \$ 2,88 .times, \$. lines, ... Tax \$ 2.88 Total . . . . \$ Received payment,

Subscribed and sworn to before me, this \_\_\_\_\_\_ day of. A.D., 194 Notary Public.

Manager

My Cammission expires

re11, 194

### **PROOF OF PUBLICATION**

STATE OF NEW MEXICO } ss.

 $\langle \mathbf{C} \rangle_c$ 

A. L. BERT, being duly sworn deposes and says that he is the editor of THE ARTESIA ADVOCATE, a newspaper published in Artesia, Eddy County, New Mexico, that the notice of Publication of

Casé No. 52

a copy of which is hereto attached was first published in said newspaper in its issue dated July 13, 1944

and was published in the weekly issue of said newspaper, and not in any supplement, thereafter for the full period of ONE consecutive weeks, the last publication thereof being in the issue dated

1. LBert

7-13-44 Subscribed and sworn to before me on Notary Public

Publishers Fees \$ 3.90 My Complexing Explores Operative 24, 1935

STATE C	Connection of the set of the set of the
and a second	- The Review ways provident
	and the second
	and the second
And a strand of the states of	
	Replace No.
Sice. 17 168 181	
	leve - coming have - 1
Contraction of the second second	
meterseers de ser tan 2.	en all sugar a des all states and
and the second second she denotes which is	
States and the second states of	
Contraction of the second	
Contractor and Contractor	
Manager and the second second second	
A STREET STREET STREET	말 같은 것이 같아요. 그는 것이 많은 것이 많이 많이 많이 많이 했다.
and the second second	
and the second states in the	a a seguri de la seg
AND STATES PART OF STATES	we want the second states of the
and the second second second	and surger and the second
1 - Anna Charles and Charles	and the second
and the second	And a second
A DATE OF A DESCRIPTION	
a second second second second second	
1944	
Anne Barlon and matrix 200 Sectors Sectors 200 Sectors Sectors Sectors 200 Sectors Sectors 200 Sectors Sectors 200 Sectors Sec	
Anne Barlow and matrix 200 Sectors and a sector and and a sector and and a sector and and a sector and and a sector and a sector and a sector and a sector and a	
Anne Barlow and matrix 200 Sectors and a sector and and a sector and and a sector and and a sector and and a sector and a sector and a sector and a sector and a	

NOTICE FOR PUBLICATION STATE OF NEW DEXICO OIL CONSERVATION CONTISSION

The Oil Conservation Commission, by law invested with jurisdiction as the oil and gas regulatory body of the State of New Mexico, hereby gives notice of the following hearing to be held at Santa Fe, New Mexico:

#### Case No. 52

In the matter of the application of the National Surety Corporation for an order determining as abandoned Edward S. McAuliffe-Coates Well No. 1, SWNE 3-18S-23E, Eddy County, and to plug said well in accordance with the rules, regulations and laws of the Commission. This case is set for 10 A.M., August 4, 1944.

Any person having any interest in the subject of said hearing is entitled to be heard.

The foregoing Notice of Publication was made pursuant to the direction of the Commission at its Executive Meeting July ó, 1944.

Given under the seal of said Commission at Santa Fe, New

Mexico, on July 7, 1944.

OIL CONSERVATION COMMISSION

ram. JOY N. KELLY DY (SCR) SECRETARY

### L CONSERVATION COMMISSIC'

May 12, 1944

Paul W. Forker, Esquire Hational Survey Corporation 307 Mailung Exchange Building Denver 2, Colorado

#### He: Housed S. Maanliffe - \$5000 - SWHE 3-185-23E -Mational Survey Corp. Filed 7-21-39

#### Dear Mr. Forlours

Your petition to have the wall covered by the above ceptioned bond heard on the issue of abandonment is in good form and is today filed.

You will be notified in ample time when the Commission sets your petition for hearing. The procedure ordinarily is to hear a number of petitions at one time inassuch as all three members of the Commission are busy officials with many irons in the fire.

Very truly yours,

John M. Kelly Director

By

Chief Clerk & Legal Adviser

### NATIONAL SURETY CORPORATION

NEW YORK

VINCENT CULLEN PRESIDENT

LAW AND CLAIM DEPARTMENT HENRY W. NICHOLS GENERAL COUNSEL DENVER DIVISION PAUL W. FORKER, ATTORNEY 807 RAILWAY EXCHANGE BLOS, DENVER, COLO. -2

May 10, 1944

Mr. Carl B. Livingston Oil Conservation Commission Santa Fe, New Mexico

#### Re: Edward S. McAuliffe-SW1NW1 3-185-23E

Dear Sir:

I enclose herewith a petition for the abandonment of the McAuliffe well. I should appreciate your checking this over and if it is in order, filing it with the Commission and arrange to have a hearing date set.

If it is not in order, I should appreciate your suggestions as to how it should be amended.

Very truly yours

NATIONAL SURETY CORPORATION Alas Paul W. Forker

PWF:v Enc.

> NATIONAL SURETY MARINE INSURANCE CORPORATION A WHOLLY OWNED AFFILIATE

TO THE OIL CONSERVATION COMMISSION OF NEW MEXICO

#### PETITION

The petition of National Surety Corporation respectfully shows that heretofore to wit: on or about the 21st day of July, 1939 National Surety Corporation filed a one well drilling bond as surety for one Edward S. McAuliffe covering a well being drilled on the SWANWA, 3-188-23E, said well being located near Hope, New Mexico on property belonging to William M. Coates.

That there have been no operations on said well since about October of 1939 and that present whereabouts of Edward S. McAuliffe is unknown; that said Edward S. McAuliffe has failed and neglected to pay premiums on said bond since 1939 and that National Surety Corporation is unable to locate said Edward S. McAuliffe to secure information as to his future intentions.

WHEREFORE, National Surety Corporation prays that this honorable Commission hold a hearing to determine that said well has been abandoned and make and enter its order ordering that the well-be plugged.

ulle

Attorney for NATIONAL SURETY CORPORATION

Dated this 7 day of May, 1944.