

CASE 3217: MOTION OF THE OCC TO
PERMIT SUTTON, dba EDDY OIL CO. to
show why 2 wells should not be
plugged - Eddy County.

CASE NO.

3217

Application,

Transcripts,

Small Exhibits

ETC.

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION COMMISSION UPON ITS OWN MOTION TO PERMIT S. S. SUTTON, DBA EDDY OIL COMPANY AND ALL OTHER INTERESTED PARTIES TO SHOW CAUSE WHY THE EDDY OIL COMPANY STANOLIND-STATE WELLS NOS. 1 AND 2, LOCATED IN UNITS G AND J, RESPECTIVELY, OF SECTION 36, TOWNSHIP 19 SOUTH, RANGE 30 EAST, NMPM, EDDY COUNTY, NEW MEXICO, SHOULD NOT BE PLUGGED IN ACCORDANCE WITH A COMMISSION-APPROVED PLUGGING PROGRAM.

CASE No. 3217
Order No. R-2961

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on April 28, 1965, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 13th day of September, 1965, 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 this case should be dismissed.

IT IS THEREFORE ORDERED:

That Case No. 3217 is hereby dismissed.

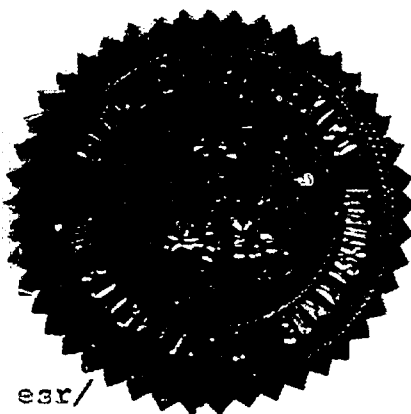
DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

Jack M. Campbell
JACK M. CAMPBELL, Chairman

Guyton B. Hays
GUYTON B. HAYS, Member

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



esr/

DEARNLEY-MEIER REPORTING SERVICE, Inc.

FARMINGTON, N. M.
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SANTA FE, N. M.
PHONE 983-3971

ALBUQUERQUE, N. M.
PHONE 243-6691

BEFORE THE
NEW MEXICO OIL CONSERVATION COMMISSION
Santa Fe, New Mexico
March 10, 1965

EXAMINER HEARING

IN THE MATTER OF:

THE HEARING CALLED BY THE OIL CONSERVATION
COMMISSION UPON ITS OWN MOTION TO PERMIT S.
S. SUTTON, DBA EDDY OIL COMPANY AND ALL OTHER
INTERESTED PARTIES TO SHOW CAUSE WHY THE EDDY
OIL COMPANY STANOLIND-STATE WELLS NOS. 1 AND 2
LOCATED IN UNITS G AND J, RESPECTIVELY, OF
SECTION 36, TOWNSHIP 19 SOUTH, RANGE 30 EAST,
EDDY COUNTY, NEW MEXICO, SHOULD NOT BE PLUGGED
IN ACCORDANCE WITH A COMMISSION APPROVED
PLUGGING PROGRAM.

Case No. 3217

BEFORE:

ELVIS A. UTZ

TRANSCRIPT OF HEARING





MR. UTZ: Case Number 3217.

MR. DURRETT: In the matter of the hearing called by the Oil Conservation Commission upon its own motion to permit S. S. Dutton, d/b/a Eddy Oil Company and all other interested parties to show cause why the Eddy Oil Company Stanolind-State Wells Nos. 1 and 2, located in Units G and J, respectively, of Section 36, Township 19 South, Range 30 East, Eddy County, New Mexico, should not be plugged in accordance with a Commission approved plugging program.

If the Examiner please, I have received a telephone call from Mr. M. L. Armstrong, Supervisor of the Commission's Artesia office, and he informed me that he was contacted by a third party who at the present time is not on record as the owner of this well, but who has informed Mr. Armstrong that he has purchased the well and would like to make arrangements with Tidewater, who now has the lease in question, to farm out the acreage and put the well back on production; and he has requested that we continue the case for approximately thirty day in order to give him time to firm up his arrangements. Mr. Armstrong advises that he feels that a thirty-day continuance would be in order. For that reason, move that the Examiner continue this case to the last Examiner hearing in April.

MR. UTZ: Case Number 3217 will be continued to April 24th.

* * *

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SPECIALIZING IN: DEPOSITIONS, HEARINGS, STATEMENTS, EXPERT TESTIMONY, DAILY COPY, CONVENTIONS

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STATE OF NEW MEXICO)
) ss
COUNTY OF BERNALILLO)

I, ELIZABETH K. HALE, Notary Public and Court Reporter,
do hereby certify that the proceedings in the foregoing case
were taken and transcribed by me, and that the foregoing is a
true and correct transcript of proceedings to the best of my
knowledge, skill and ability.

IN WITNESS WHEREOF, my hand and seal of office this 21st
day of March, 1965.

Elizabeth K. Hale
Notary Public

My commission expires
May 23, 1968.

I do hereby certify that the foregoing is
a complete record of the proceedings in
the Examination of Case No. 3217
heard on *March 19, 1965*.
Thurston R. [Signature], Examiner
New Mexico Oil Conservation Commission

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BEFORE THE
NEW MEXICO OIL CONSERVATION COMMISSION
Santa Fe, New Mexico
April 28, 1965

EXAMINER HEARING

IN THE MATTER OF: The hearing called by the
Oil Conservation Commission upon its own
motion to permit S. S. Sutton, dba Eddy Oil
Company and all other interested parties to
show cause why the Eddy Oil Company Stanolind
State Wells Nos. 1 and 2, located in Units G
and J, respectively, of Section 36, Township
19 South, Range 30 East, Eddy County, New
Mexico, should not be plugged in accordance
with a Commission approved plugging program.

Case No. 3217
(Continued.)

BEFORE: Daniel S. Nutter, Examiner

TRANSCRIPT OF HEARING

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SPECIALIZING IN: DEPOSITIONS, HEARINGS, STATEMENTS, EXPERT TESTIMONY, DAILY COPY, CONVENTIONS

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BEFORE THE
NEW MEXICO OIL CONSERVATION COMMISSION
Santa Fe, New Mexico
April 28, 1965

EXAMINER HEARING

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IN THE MATTER OF: The hearing called by the)
Oil Conservation Commission upon its own)
motion to permit S. S. Sutton, dba Eddy Oil)
Company and all other interested parties to)
show cause why the Eddy Oil Company Stanolind)
State Wells Nos. 1 and 2, located in Units G) Case No. 3217
and J, respectively, of Section 36, Township) (Continued)
19 South, Range 30 East, Eddy County, New)
Mexico, should not be plugged in accordance)
with a Commission approved plugging program.)
-----)

BEFORE: Daniel S. Nutter, Examiner

TRANSCRIPT OF HEARING

MR. NUTTER: The next case will be Case 3217.

MR. DURRETT: Continued from the March 10, 1965

Examiner Hearing, in the matter of the hearing called by the
Oil Conservation Commission upon its own motion to permit S. S.
Sutton, dba Eddy Oil Company and all other interested parties
to show cause why the Eddy Oil Company Stanolind-State Wells
Numbers 1 and 2, located in Units G and J, respectively, of
Section 36, Township 19 South, Range 30 East, Eddy County, New
Mexico, should not be plugged in accordance with a Commission
approved plugging program.

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SPECIALIZING IN: DEPOSITIONS, HEARINGS, STATEMENTS, EXPERT TESTIMONY, DAILY COPY, CONVENTIONS

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MR. HAINES: I am Owen Haines, representing the Eddy Oil Company.

MR. NUTTER: You wish to testify in this case?

MR. HAINES: I have a letter of evidence is all that I would like to present and ask for the time that is asked in this letter to put the wells in production.

MR. NUTTER: You want to go ahead and present your case?

MR. DURRETT: I have no objection to hearing what he has to say.

MR. NUTTER: Do you work for Eddy?

MR. HAINES: No, sir, I purchased the Eddy Oil Company equipment on these two wells.

MR. DURRETT: Then you are actually representing yourself, is that correct?

MR. HAINES: Yes, sir.

MR. DURRETT: The Commission will have no objection to Mr. Haines being sworn and giving any testimony that he would like prior to our presenting our case.

MR. NUTTER: You will defer your case then?

MR. DURRETT: Yes.

(Witness sworn.)

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

DIRECT EXAMINATION

BY MR. NUTTER:

Q State your name for the record, please.

A Owen Haines.

Q And you are the owner of Eddy Oil Company at this present time?

A We're doing business under the name of D and H Oil Company.

Q Has D and H Oil Company acquired the wells which are the subject of this hearing today?

A Yes.

Q Being Stanolind-State Wells Numbers 1 and 2 located in Units G and J, respectively, of Section 36, Township 19 South, Range 30 East, Eddy County, New Mexico?

A Yes, sir.

Q You are aware of the case that has been called by the Oil Conservation Commission, requiring any interested party to show cause why these wells should not be plugged in accordance with the Commission approved plugging program?

A Yes.

Q Is it your position that these wells should not be plugged at this present time?

A Yes, sir.

Q Would you explain why, please?

A The wells will produce, and I'm waiting on farmout agreement from the Tidewater to put them in production. I have a letter of evidence from Tidewater on this. They asked 60 days at the previous hearing, and until they could complete a deep test that was being drilled in the area.

Q Well, now, these are called the Stanolind-State Wells. This is an old Stanolind lease originally?

A Yes.

Q And is Tidewater the owner of the lease?

A Tidewater now owns the lease.

Q Would you read the contents of that letter into the record, please?

A "Receipt is hereby acknowledged, a copy of your letter to Mr. R. H. Coe, dated March 4, 1965. Terms of your request have been favorably received. Before a decision can be finalized, we must wait outcome of George State Number 1 Hackberry Deep Unit in Section 31-19-31, which is today drilling below the 10,363 feet, with a projected depth of 11,500. Tidewater has a 34.44 interest in this well.

The above information, upon presentation, should be sufficient evidence for Examiner, Mr. Daniel S. Nutter to grant you a 60-day postponement in Case 3217 called for March 10, 1965, as to why your wells should not be plugged in accordance with the Commission approved plugging program."

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Q What was the date of that letter?

A The date of this letter is March 8th.

Q Well, now, this case did come on for hearing on March 10th?

A Yes, sir.

Q And it was continued until the present time?

A Yes, sir.

Q The 60 days is actually almost up. What are you requesting now, a one month continuance, 30-day continuance?

A Yes.

Q That well that Tidewater refers to would be approximately five miles to the west of this area; it's in Section 31?

A That's right.

Q It was drilling at over 10,000 feet on March 8th. What is the depth of the well at the present time?

A It was completed, and is plugged at the present time.

Q It was a dry hole?

A Yes.

Q Do you have anything further at this time, Mr. Haines?

A No, sir.

MR. NUTTER: Mr. Durrett, what is your position in this case?

MR. DURRETT: My position is, I would like to cross examine the witness, with your permission.

MR. NUTTER: Go ahead.

CROSS EXAMINATION

BY MR. DURRETT:

Q What is the name of your company again?

A D and H Oil Company.

Q D and H Oil Company?

A Yes, sir.

Q And you have a partner, or do you just own that individually?

A I have a partner, Mr. Davis, J. C. Davis of Lubbock.

Q Did you purchase these wells, or have you purchased these wells?

A Yes, sir.

Q From Eddy Oil Company, Mr. Sutton, is that correct?

A Yes, sir.

Q And when did you purchase the wells?

A Purchased those, it was, I don't have that date with me, but it was filed in January of '64 with the State Land Office.

Q So, approximately January, 1964?

A Yes.

Q Have you filed a Change in Ownership with the Commission, with the Oil Commission?

A Not with the Oil Commission, no, sir. I was under the impression that it had been filed, but in talking to my attorney,

he hasn't filed it with the Oil Commission; he filed it with the Land Office, but not with the Oil Commission.

Q Are you an oil operator as far as other wells go, Mr. Haines?

A Yes, sir.

Q Do you have a plugging bond on file with the Commission?

A No, sir.

Q Then you don't operate any wells, do you?

A They're operated under another, it's a Federal lease and they're operated under a lease owners bond.

Q The Federal bond?

A Yes, sir.

Q Do you plan to file a plugging bond with the Commission to qualify as an operator?

A Yes, sir.

Q When do you plan to do that?

A As soon as I can complete my farmout agreement.

Q I assume that would be within the 60 day period?

A Yes.

Q What are you requesting, 30 days?

A 30 days, yes.

Q And Tidewater has indicated by letter, and I suppose conversation with you, that they will give you the farmout?

A Yes, sir.

MR. DURRETT: That's all I have on cross examination, Mr. Examiner. We would request permission to go ahead and put our case on at this time.

REDIRECT EXAMINATION

BY MR. NUTTER:

Q Mr. Haines, you bought the wells from Eddy Oil Company but Tidewater owns the lease, is that right?

A Yes, sir, it is quite complicated. During the time that I bought the wells from Eddy Oil Company, at that time Stanolind owned the lease, and due to non-production the lease was cancelled and sold, and Tidewater bought the lease unbeknownst to me at the time.

Q So you own some wells but can't produce them?

A In reality I just own the equipment on them, I guess.

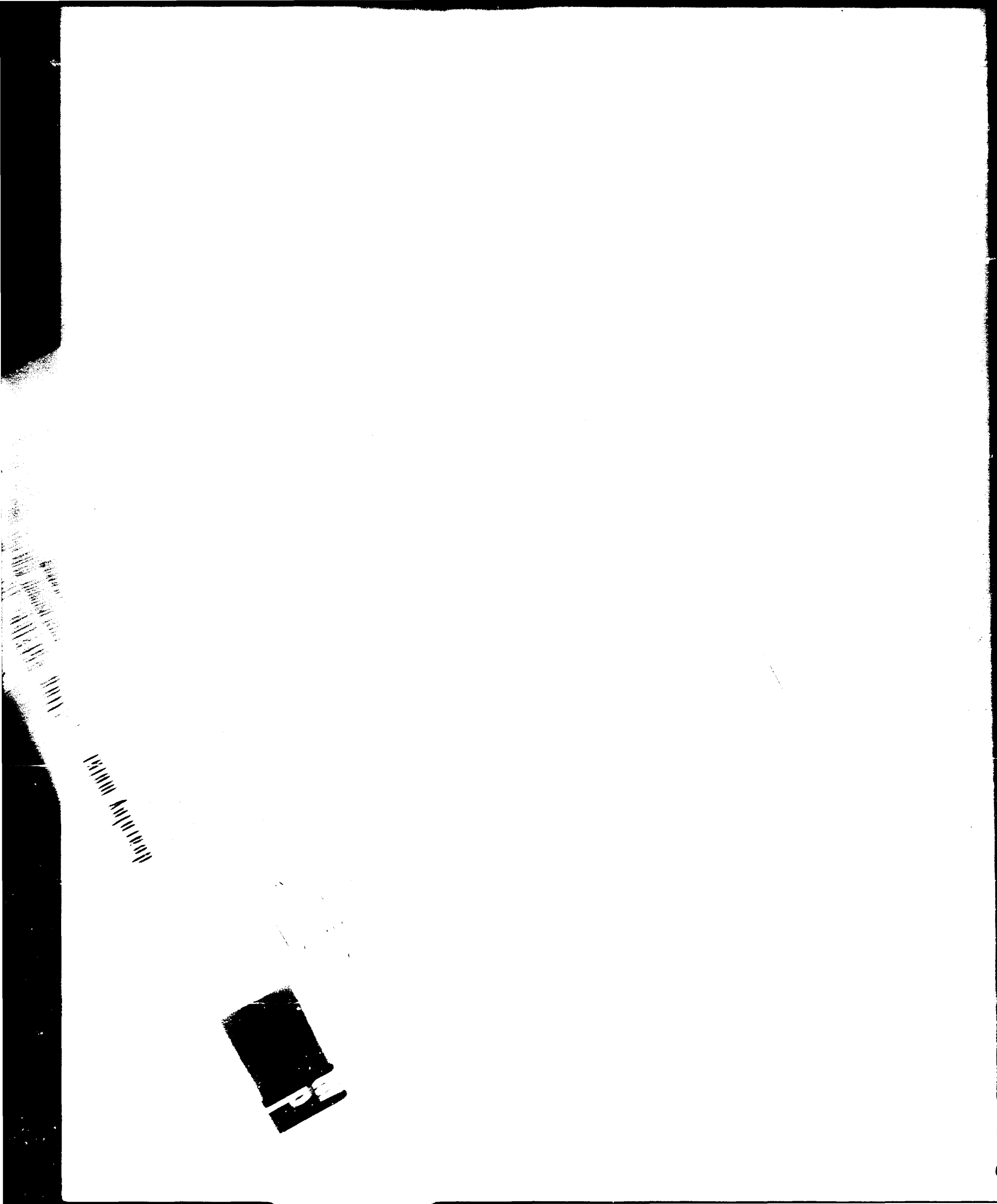
Q Have you had any further correspondence with Tidewater since the date of that letter?

A Just telephone conversation is all.

Q Do you think that since they got a dry hole in Section 31 they'll be more favorable to giving you a farmout than they might have been if they had gotten a producer?

A Yes, sir.

Q You recognize the fact that as far as our files are concerned Eddy Oil Company, S. S. Sutton is the owner of these wells?



A Yes, sir.

Q And you have no bond on file with the Commission, you've never filed any change of ownership of the wells or anything.

A Yes, sir.

MR. NUTTER: Are there further questions of Mr. Haines at this time? The witness may be excused.

(Witness excused.)

MR. NUTTER: Mr. Durrett.

MR. DURRETT: If the Examiner please, the Commission will call Mr. M. L. Armstrong as a witness, and we would like to have him sworn.

(Witness sworn.)

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

DIRECT EXAMINATION

BY MR. DURRETT:

Q Mr. Armstrong, will you please state your name and position for the record?

A M. L. Armstrong, Oil Conservation Commission District Supervisor.

Q Is that the Artesia District?

A Yes.

Q Are you familiar with the two wells known as the Eddy Oil Company Stanolind-State Wells Number 1 and 2 which are

located in Unit G and J of Section 36, Township 19 South, Range 30 East in Eddy County, New Mexico?

A Yes, sir.

Q Are those wells located within your district as the supervisor of District 2?

A Yes, sir.

Q Do you have in your possession, Mr. Armstrong, the Commission's official file concerning these wells, the well files?

A Yes.

Q Would you please refer to those files and state to the Examiner when it was these wells were drilled?

A They made the application to drill Number 1 April 1, 1957.

Q Who made that application, Mr. Armstrong?

A Robert L. Bunnell.

Q How do you spell that?

A B-u-n-n-e-l.

Q He drilled Well Number 1, is that correct?

A Yes.

Q That is the file on the Well Number 1 that you have in your possession there?

A Yes.

Q What formation did that well go to; where was it

completed?

A The Yates.

Q The Yates?

A It must be, that's what the log says.

Q It was probably drilled as a wildcat at that time, or was it projected to a pool?

A No, I don't think so. It's in the Hackberry-Yates.

Q Hackberry-Yates Pool?

A Yes.

Q And production was encountered, is that correct?

A Yes.

Q How long had that well produced, according to your records, Mr. Armstrong?

A It had an allowable of six barrels in 6-30-1957.

Q June 30, 1957?

A Yes.

Q So we assume it produced from that time on until when?

A Until May the 1st of 1963. That's the last production report we received.

Q And that's the last report you have on the well. What is the date?

A It is May, 1963, May 1st.

Q What did that report indicate?

A Well, that report is on the C-115, it's just how much

they produced for that month.

Q Do you have that figure?

A No, I don't.

Q Have you received any correspondence concerning this well, or any reports of production, or anything?

A Nothing.

Q From that date?

A From that date.

Q Do you have a plugging program for this well, Mr. Armstrong, that you would recommend that the Examiner take note of?

A Yes.

Q What is that?

A Twenty-five sack plug at T. D., which is 2,055; and a 25 sack plug at 1,780. That should be about the base of the salt. And a 25 sack plug at 600 with regulation marker. That 600, however, should be the top of the salt.

Q Do you recommend a surface plug?

A Yes, a surface plug of five sacks, and with mud between all plugs.

Q Are you of the opinion that the plugging program that you recommend would confine the oil and other hydrocarbons in this well, or in the wellbore to the strata in which they were originally contained?

A I believe it would.

Q Do you feel that this well should be plugged in order to prevent waste, Mr. Armstrong?

A Yes, I do.

Q Would you please refer to your other file there on the Well Number 2.

A That's in 36-19-30.

Q What unit?

A Unit J.

Q And the Well Number 1 that we were previously discussing is it located in Unit G of the same section, township and range?

A I believe that's right. That's right.

Q Will you please refer back to your well file on the Well Number 2, and state to the Examiner when that well was drilled?

A Started on August 24, 1953.

Q What pool was it completed in, Mr. Armstrong?

A A wildcat.

Q It was a wildcat well?

A Yes.

Q And it did encounter production, is that correct?

A That's right.

Q Do you have the approximate date that it started producing?

A 9-6-'53.

Q What was the allowable?

A No, 10-16-'53, excuse me.

Q It was in October, October 16, 1953?

A Right.

Q What was the allowable?

A Of course, I don't know just what the allowable was at that time, but it said it made 91 barrels of oil and no water.

Q That's on a test?

A Yes.

Q So did that well produce, Mr. Armstrong, according to your records, for some time?

A Yes, up 'till the same time as the other one, in May, 1963, May 1st, 1963.

Q The last report that you have concerning the well --

A That's the last report that we have on it.

Q Do you have a plugging program concerning that well, Mr. Armstrong?

A Yes, it's the same as the other. Is that okay?

Q That's fine. Do you feel that will confine the oil in that well, or other hydrocarbons, to the strata in which they were originally found?

A I believe it will.

Q Do you feel that well should be plugged to prevent waste?

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A I sure do.

Q Refer to your file on the Well Number 2. I believe we neglected to state for the record who drilled that well.

A Claude E. Aikman.

Q Was it subsequently transferred to another operator?

A Yes, Cactus Drilling Company, on January 25, 1954.

Q Did they transfer it again?

A To Bunnel on 7-1-'55.

Q What's the name?

A Robert L. Bunnel.

Q Did he transfer it again?

A Yes, it seems to be on January 2nd in '60.

Q Who was the operator at that time?

A Eddy Oil Company.

Q Mr. Bunnel transferred the well to Eddy Oil Company?

A Yes.

Q Is that Mr. S. S. Sutton, doing business as Eddy Oil Company?

A Yes.

Q Is that the last operator that you have in your file as the official operator of this well?

A It is.

Q Refer back to your file on the Well Number 1, please, Mr. Armstrong, and state who the last operator of that well is.

A The last report on that well was Eddy Oil Company.

Q It was transferred to Eddy Oil Company --

A You mean when it was transferred to the Eddy Oil Company, or who owns it now?

Q Who owns it now?

A Eddy Oil Company.

Q When did they assume the ownership of this well, according to your file?

A It was on January 23, 1961.

MR. DURRETT: Thank you, Mr. Armstrong. That will conclude my direct examination of Mr. Armstrong. We would move the Examiner to take administrative notice of the Commission's official well files concerning both of these wells.

MR. NUTTER: The Commission will take notice of its files in this matter.

CROSS EXAMINATION

BY MR. NUTTER:

Q Mr. Armstrong, are these wells in the Potash oil area as defined by Order R Number 111A?

A They are just out 330 feet.

Q Adjacent to the Potash?

A Yes, or one of them is, I believe. I'm not sure about the other, but I look on the map and one is 330 out.

Q Is it your recommendation in this plugging program

for these wells that the casing that's presently in the wells be left there?

A Yes, I believe in these cases it will have to be left, I believe they are cemented.

Q So the wells would be plugged in accordance with the three 25 sack plugs, the five sack plug, mud in between, and the casing in the hole?

A Right.

MR. NUTTER: Any questions of Mr. Armstrong? Do you have any questions, Mr. Haines?

MR. HAINES: No, sir.

MR. NUTTER: He may be excused.

(Witness excused.)

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

MR. DURRETT: No, we do not, Mr. Nutter.

MR. NUTTER: Do you have anything further you wish to offer in this case, Mr. Haines?

MR. HAINES: No, sir.

MR. NUTTER: We will not continue the case at this time. We will take the case under advisement and we'll wait a reasonable time before making any recommendation to the Commission for an order for final disposition of the case. If we've heard from you, Mr. Haines, and it appears that you have the wells restored to production and you have a bond and the transfer of

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SPECIALIZING IN: DEPOSITIONS, HEARINGS, STATEMENTS, EXPERT TESTIMONY, DAILY COPY, CONVENTIONS

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ownership has been approved, we'll certainly take that into consideration.

MR. HAINES: Thank you.

MR. NUTTER: We'll take the case under advisement.

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 Examiner at Santa Fe, New Mexico, is a true and correct record to the best of my knowledge, skill and ability.

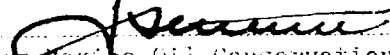
IN WITNESS WHERE OF I have affixed my hand and notarial seal this 5th day of May, 1965.


Notary Public - Court Reporter

My Commission Expires:

June 19, 1967.

I do hereby certify that the foregoing is a correct record of the proceedings in the State of New Mexico of case No. 3217, signed by me on 4/28, 1965.


Examiner
New Mexico Oil Conservation Commission

DOCKET: EXAMINER HEARING - WEDNESDAY - APRIL 28, 1965

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
Elvis A. Utz, Alternate Examiner:

- CASE 3217: (Continued from the March 10, 1965 examiner hearing)
In the matter of the hearing called by the Oil Conservation Commission upon its own motion to permit S. S. Sutton, dba Eddy Oil Company and all other interested parties to show cause why the Eddy Oil Company Stanolind-State Wells Nos. 1 and 2, located in Units G and J, respectively, of Section 36, Township 19 South, Range 30 East, Eddy County, New Mexico, should not be plugged in accordance with a Commission approved plugging program.
- CASE 3240: Application of Gulf Oil Corporation for a unit agreement, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of the Central Drinkard Unit Area comprising 2,600 acres, more or less, of State and Fee lands in Township 21 South, Range 37 East, Lea County, New Mexico.
- CASE 3241: Application of Gulf Oil Corporation for a waterflood project, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a waterflood project in the Drinkard Pool, Lea County, New Mexico, in its Central Drinkard Unit Area by the injection of water into the Drinkard formation through six wells in Sections 28, 29, and 32, Township 21 South, Range 37 East.
- CASE 2676: In the matter of the application of Gulf Oil Corporation to
(Reopened) reopen Case No. 2676 to reconsider applicant's request that a full 80-acre proration unit comprising the S/2 NW/4 of Section 23, Township 24 South, Range 37 East, Fowler Ellenburger Pool, Lea County, New Mexico, be approved for applicant's Lillie Well No. 3 located 2310 feet from the North line and 330 feet from the West line of said Section 23.
- CASE 3242: Application of Austral Oil Company Incorporated, for an unorthodox location, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks an exception to the well location requirements for the Blanco-Mesaverde Gas Pool for its Bunny et al Well No. 1 at an unorthodox location 1040 feet from the South line and 1190 feet from the East line of Section 10, Township 27 North, Range 9 West, San Juan County, New Mexico.

Examiner Hearing - April 28, 1965

- CASE 3243: Application of Monsanto Company for special pool rules, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks the promulgation of special pool rules for the Dagger Draw-Strawn Gas Pool and the Dagger Draw-Morrow Gas Pool, Eddy County, New Mexico, including a provision for 640-acre gas well spacing units.
- CASE 3003: In the matter of Case No. 3003 being reopened pursuant to the provisions of Order No. R-2685, which order established temporary 80-acre proration units for the Tobac-Pennsylvanian Pool, Chaves County, New Mexico, for a period of one year. All interested parties may appear and show cause why said pool should not be developed on 40-acre spacing units.
(Reopened)
- CASE 2997: In the matter of Case No. 2997 being reopened pursuant to the provisions of Order No. R-2677, which order established 80-acre spacing units for the Vacuum-Lower Pennsylvanian Pool, Lea County, New Mexico, for a period of one year. All interested parties may appear and show cause why said pool should not be developed on 40-acre spacing units.
(Reopened)
- CASE 3244: Application of James E. Logan for a unit agreement, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval of the Rain Spring Unit Area comprising 10,542.00 acres, more or less, of State, Federal and Fee lands in Townships 22 and 23 South, Ranges 24 and 25 East, Eddy County, New Mexico.

GOVERNOR
JACK M. CAMPBELL
CHAIRMAN

State of New Mexico
Oil Conservation Commission

LAND COMMISSIONER
GUYTON B. HAYS
MEMBER

P. O. BOX 2088
SANTA FE

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

LEGAL DIVISION
PHONE 827-2741

September 13, 1965

Mr. S. S. Sutton
dba Eddy Oil Company
Post Office Box 1316
Artesia, New Mexico

American Employers' Insurance Company
Artesia Claims Department
Attention: Mr. Doyle Cole, Superintendent
Post Office Box 437
Artesia, New Mexico

Re: Case No. 3217

Gentlemen:

I am enclosing for your file a copy of Order No. R-2961
dismissing the above case.

Very truly yours,



J. M. DURRETT, Jr.
Attorney

JMD/esr
Enclosure

cc: Mr. M. L. Armstrong
Supervisor, District 2
Oil Conservation Commission
Drawer DD
Artesia, New Mexico

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION COMMISSION UPON ITS OWN MOTION TO PERMIT S. S. SUTTON, DBA EDDY OIL COMPANY AND ALL OTHER INTERESTED PARTIES TO SHOW CAUSE WHY THE EDDY OIL COMPANY STANGLIND-STATE WELLS NOS. 1 AND 2, LOCATED IN UNITS G AND J, RESPECTIVELY, OF SECTION 36, TOWNSHIP 19 SOUTH, RANGE 30 EAST, NMPN, EDDY COUNTY, NEW MEXICO, SHOULD NOT BE PLUGGED IN ACCORDANCE WITH A COMMISSION-APPROVED PLUGGING PROGRAM.

CASE No. 3217
Order No. R-2961

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on April 28, 1965, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 13th day of September, 1965, 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 this case should be dismissed.

IT IS THEREFORE ORDERED:

That Case No. 3217 is hereby dismissed.

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

JACK H. CAMPBELL, Chairman

GUYTON D. GARD, Member

S E R L

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

esr/

OIL CONSERVATION COMMISSION

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

**LEGAL DIVISION
PHONE 827-2741**

September 13, 1965

**Mr. S. S. Sutton
dba Eddy Oil Company
Post Office Box 1316
Artesia, New Mexico**

**American Employers' Insurance Company
Artesia Claims Department
Attention: Mr. Doyle Cole, Superintendent
Post Office Box 437
Artesia, New Mexico**

Re: Case No. 3217

Gentlemen:

**I am enclosing for your file a copy of Order No. R-2961
dismissing the above case.**

Very truly yours,

**J. M. DURRETT, Jr.
Attorney**

**JMD/esr
Enclosure**

**cc: Mr. M. L. Armstrong
Supervisor, District 2
Oil Conservation Commission
Drawer DD
Artesia, New Mexico**

OIL CONSERVATION COMMISSION

P. O. BOX 2088

SANTA FE, NEW MEXICO

LEGAL DIVISION
PHONE 827-2741

April 16, 1965

C
O
P
Y

Mr. S. S. Sutton
dba Eddy Oil Company
Post Office Box 1316
Artesia, New Mexico

American Employers' Insurance Company
Artesia Claims Department
Attention: Mr. Doyle Cole, Superintendent
Post Office Box 437
Artesia, New Mexico

Re: Case No. 3217

Gentlemen:

Reference is made to our letter of March 16, 1965,
concerning the subject case.

I am enclosing herewith a docket for the April 28,
1965, Examiner Hearing.

Very truly yours,

J. M. DURRETT, Jr.
Attorney

JMD/esr

cc: Mr. M. L. Armstrong
Supervisor, District 2
Oil Conservation Commission
Drawer DD
Artesia, New Mexico

June 11, 1965

Oil Conservation Commission
P. O. Drawer 88
Artesia, New Mexico

Attention: Mr. M. L. Armstrong

Gentlemen:

The D & H Oil Company has made application for a \$10,000.00 Oil Producing Bond and the bond will be forwarded to your office as soon as it can be returned to us.

Very truly yours,

FOUNDATION INVESTMENT COMPANY

William S. Hunter
William S. Hunter
Secretary

WSH/1p

cc: Oil & Gas Commission, Santa Fe, New Mexico
Attention: Mr. Gurrett

Memo

From

JAMES M. DURRETT JR.
GENERAL COUNSEL

7-7-65

To T T Mose

Haynes called Mose
today. Said we should
receive bond tomorrow as he
was going to Lapa to make
sure bond was issued today.
Told Mose to advise him
slugging order would issue
Monday 12th if no bond.

Memo

From

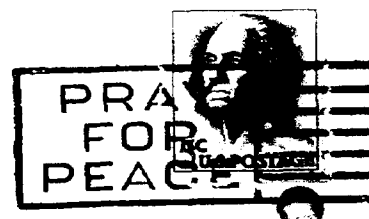
JAMES M. DURRETT JR.
GENERAL COUNSEL

6-28-65

To T T Mose

Mose received phone call
from bond man in Artesia this
A.M. Bond has been forwarded
to home office - anticipate
approval in 2 or 3 days.
Call Mose fri if we haven't
received bond.

FOUNDATION INVESTMENT COMPANY
P. O. DRAWER J
ARTESIA, NEW MEXICO 88210



State of New Mexico
Oil & Gas Commission
Santa Fe, New Mexico

Attn: Mr. Durrett

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

July 12, 1965

Mr. M. L. Armstrong
Supervisor, District 2
Oil Conservation Commission
Drawer DD
Artesia, New Mexico

Re: Case No. 3217

Dear Mose:

We have received a bond for each of the wells in this case and will issue an order of dismissal when a transfer of ownership form has been filed for each well.

Please advise me when you have received the forms.

Very truly yours,

J. M. DURRETT, Jr.
Attorney

JMD/esr

C
O
P
Y

See Serial

OIL CONSERVATION COMMISSION

P. O. BOX 2088

SANTA FE, NEW MEXICO

July 9, 1965

C
O
P
Y

Hibler-Turner Agency
1602 Avenue N
Lubbock, Texas

Re: \$5,000 One-Well Plugging Bond,
J. C. Davis and Owen Haynes, dba
D & H Oil Company, SW NE, Section
36, Township 19 South, Range 30 East,
\$5,000 One-Well Plugging Bond,
J. C. Davis and Owen Haynes, dba
D & H Oil Company, NW SE, Section
36, Township 19 South, Range 30 East.

Gentlemen:

The Oil Conservation Commission hereby approves the
two (2) above-captioned One-Well Plugging Bonds, each to
cover a well to a depth of 2,200 feet.

Very truly yours,

A. L. PORTER, Jr.,
Secretary-Director

ALP/IRT/og

cc: D & H Oil Company
c/o Owen Haynes
Artesia, New Mexico

Oil Conservation Commission:
Artesia, Aztec, Hobbs

Memo

From

JAMES M. DURRETT JR.
GENERAL COUNSEL

6-2-65

To J. L.

T. T. Mose

He will contact Haynes
& advise him plugging
order will issue on 6-21
if he has not finalized
arrangements to take over
well.

for the 1st of 10

25 100 100 1000

25 100 100 1000

25 100 100 1000

5 100 100 1000

100 100 100 1000

100 100 100 1000

100 100 100 1000

OIL CONSERVATION COMMISSION

P. O. BOX 2088

SANTA FE, NEW MEXICO

March 16, 1965

Mr. S. S. Sutton
dba Eddy Oil Company
Post Office Box 1316
Artesia, New Mexico

American Employers' Insurance Company
Artesia Claims Department
Attention: Mr. Doyle Cole, Superintendent
Post Office Box 437
Artesia, New Mexico

This Copy
For

Re: Case No. 3217

Gentlemen:

The above case has been continued to the examiner hearing to be held on April 28, 1965, at 9 o'clock a.m., Oil Conservation Commission Conference Room, State Land Office Building, Santa Fe, New Mexico. A copy of the hearing docket will be forwarded to you in the near future.

Very truly yours,

J. M. DURRETT, Jr.
Attorney

JMD/ir

cc: Mr. M. L. Armstrong
Oil Conservation Commission
Drawer DD
Artesia, New Mexico

COPIES FILED

Date 3-15-65

File - Co. 3217

3-8-65

Telephone to Mose

Owen Haynes, Artesia, has contacted Mose and advised that he has purchased wells from Sutton & wants to place wells back on production if he can get a bond & farmout from Tidewater. State revoked lease for lack of production & Tidewater purchased at subsequent sale.

Haynes says it will take 30 days to consummate arrangements to place back on production - wants plugging case continued.

[Signature]

POST OFFICE DEPARTMENT
OFFICIAL BUSINESS

AMERICAN EMPLOYERS' INSURANCE CO.
Artesia Claims Department
Attn: Mr. Doyle Cole, Supt.
P. O. Box 437
Artesia, New Mexico

INSTRUCTIONS: Fill in items below and complete #1 on other side, when applicable. Moisten gummed ends and attach to back of article. Print on front of article RETURN RECEIPT REQUESTED.

REGISTERED NO. NAME OF SENDER
OIL CONSERVATION COMMISSION

CERTIFIED NO. STREET AND NO. OR P. O. BOX
277241 JMD
P. O. BOX 2088

INSURED NO. CITY, ZONE AND STATE
SANTA FE, NEW MEXICO

NOTICE - Case 3217

No. 277241

RECEIPT FOR CERTIFIED MAIL—20¢

SENT TO American Employers' Insurance Co.
Artesia Claims Department
Attn: Mr. Doyle Cole, Supt.
P. O. Box 437
Artesia, New Mexico

POSTMARK OR DATE
2-24-65

If you want a return receipt, check which
☐ 10¢ shows to whom and when delivered
☐ 35¢ shows to whom, when, and address where delivered
☐ 50¢ fee

FEES ADDITIONAL TO 20¢ FEE

POD Form 3800
Jul 1957 Notice - Case 3217

POST OFFICE DEPARTMENT
OFFICIAL BUSINESS

AMERICAN EMPLOYERS' INSURANCE CO.
Artesia Claims Department
Attn: Mr. Doyle Cole, Supt.
P. O. Box 437
Artesia, New Mexico

INSTRUCTIONS: Fill in items below and complete #1 on other side, when applicable. Moisten gummed ends and attach to back of article. Print on front of article RETURN RECEIPT REQUESTED.

REGISTERED NO. NAME OF SENDER
OIL CONSERVATION COMMISSION

CERTIFIED NO. STREET AND NO. OR P. O. BOX
277241 JMD
P. O. BOX 2088

INSURED NO. CITY, ZONE AND STATE
SANTA FE, NEW MEXICO

NOTICE - Case 3217

No. 277242

RECEIPT FOR CERTIFIED MAIL—20¢

SENT TO Mr. S. S. Sutton
dba Eddy Oil Company
P. O. Box 1316
Artesia, New Mexico

POSTMARK OR DATE
2-24-65

If you want a return receipt, check which
☐ 10¢ shows to whom and when delivered
☐ 35¢ shows to whom, when, and address where delivered
☐ 50¢ fee

FEES ADDITIONAL TO 20¢ FEE

POD Form 3800
Jul 1957 Notice - Case 3217

POST OFFICE DEPARTMENT
OFFICIAL BUSINESS

AMERICAN EMPLOYERS' INSURANCE CO.
Artesia Claims Department
Attn: Mr. Doyle Cole, Supt.
P. O. Box 437
Artesia, New Mexico

INSTRUCTIONS: Fill in items below and complete #1 on other side, when applicable. Moisten gummed ends and attach to back of article. Print on front of article RETURN RECEIPT REQUESTED.

REGISTERED NO. NAME OF SENDER
OIL CONSERVATION COMMISSION

CERTIFIED NO. STREET AND NO. OR P. O. BOX
859717 JMD
P. O. BOX 2088

INSURED NO. CITY, ZONE AND STATE
SANTA FE, NEW MEXICO

LETTER 1-15-65

No. 859717

RECEIPT FOR CERTIFIED MAIL—20¢

SENT TO Mr. S. S. Sutton
dba Eddy Oil Company
P. O. Box 1316
Artesia New Mexico

POSTMARK OR DATE
1-15-65

If you want a return receipt, check which
☐ 10¢ shows to whom and when delivered
☐ 35¢ shows to whom, when, and address where delivered
☐ 50¢ fee

FEES ADDITIONAL TO 20¢ FEE

POD Form 3800
Jul 1957 LETTER 1-15-65

POST OFFICE DEPARTMENT
OFFICIAL BUSINESS

AMERICAN EMPLOYERS' INSURANCE CO.
Artesia Claims Department
Attn: Mr. Doyle Cole, Supt.
P. O. Box 437
Artesia, New Mexico

INSTRUCTIONS: Fill in items below and complete #1 on other side, when applicable. Moisten gummed ends and attach to back of article. Print on front of article RETURN RECEIPT REQUESTED.

REGISTERED NO. NAME OF SENDER
OIL CONSERVATION COMMISSION

CERTIFIED NO. STREET AND NO. OR P. O. BOX
859718 JMD
P. O. BOX 2088

INSURED NO. CITY, ZONE AND STATE
SANTA FE, NEW MEXICO

LETTER 1-15-65

No. 859718

RECEIPT FOR CERTIFIED MAIL—20¢

SENT TO American Employers' Insurance Co.
Company - Artesia Claims Dept.
Attn: Mr. Doyle Cole Supt.
P. O. Box 437
Artesia New Mexico

POSTMARK OR DATE
1-15-65

If you want a return receipt, check which
☐ 10¢ shows to whom and when delivered
☐ 35¢ shows to whom, when, and address where delivered
☐ 50¢ fee

FEES ADDITIONAL TO 20¢ FEE

POD Form 3800
Jul 1957 LETTER 1-15-65

#1-INSTRUCTIONS TO DELIVERING EMPLOYEE

☐ Deliver ONLY to addressee ☐ Show address where delivered
(Additional charges required for these services)

RETURN RECEIPT

Received the numbered article described on other side.

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

American Employers Ins Co.

SIGNATURE OF ADDRESSEE'S AGENT, IF ANY

R. H. Clarke

DATE DELIVERED ADDRESS WHERE DELIVERED (only if requested in item #1)

CSS-16-71548-4 GPO

RECEIPT FOR CERTIFIED MAIL-20¢

SENT TO	American Employers Insurance Co. Artesia Claims Department	POSTMARK OR DATE
STREET AND NO.	Attn: Mr. Doyle Cole, Supt. P. O. Box 437	
CITY AND STATE	Artesia, New Mexico	2-24-65
If you want a return receipt, check which: <input type="checkbox"/> 10¢ shows to whom and when delivered <input type="checkbox"/> 35¢ shows to whom, when, and address where delivered <input type="checkbox"/> If you want restricted delivery, check here 50¢ fee		
FEES ADDITIONAL TO 20¢ FEE		
POD Form 3800 Jul 1957 Notice - Case 32117		

No 277241

RECEIPT FOR CERTIFIED MAIL-20¢

SENT TO	Mr. S. S. Sullivan dba Eddy Oil Company	POSTMARK OR DATE
STREET AND NO.	P. O. Box 1316	
CITY AND STATE	Artesia, New Mexico	2-24-65
If you want a return receipt, check which: <input type="checkbox"/> 10¢ shows to whom and when delivered <input type="checkbox"/> 35¢ shows to whom, when, and address where delivered <input type="checkbox"/> If you want restricted delivery, check here 50¢ fee		
FEES ADDITIONAL TO 20¢ FEE		
POD Form 3800 Jul 1957 Notice - Case 32117		

No 277242

RECEIPT FOR CERTIFIED MAIL-20¢

SENT TO	Mr. S. S. Sullivan dba Eddy Oil Company	POSTMARK OR DATE
STREET AND NO.	P. O. Box 1316	
CITY AND STATE	Artesia New Mexico	1-15-65
If you want a return receipt, check which: <input type="checkbox"/> 10¢ shows to whom and when delivered <input type="checkbox"/> 35¢ shows to whom, when, and address where delivered <input type="checkbox"/> If you want restricted delivery, check here 50¢ fee		
FEES ADDITIONAL TO 20¢ FEE		
POD Form 3800 Jul 1957 Notice - Case 32117		

No 859717

#1-INSTRUCTIONS TO DELIVERING EMPLOYEE

☐ Deliver ONLY to addressee ☐ Show address where delivered
(Additional charges required for these services)

RETURN RECEIPT

Received the numbered article described on other side.

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

American Employers Ins Co.

SIGNATURE OF ADDRESSEE'S AGENT, IF ANY

Robert H. Clarke

DATE DELIVERED ADDRESS WHERE DELIVERED (only if requested in item #1)

1-16-65

CSS-16-71548-4 GPO

RECEIPT FOR CERTIFIED MAIL-20¢

SENT TO	American Employers Insurance Co. Company - Artesia Claims Dept.	POSTMARK OR DATE
STREET AND NO.	Attn: Mr. Doyle Cole Supt. P. O. Box 437	
CITY AND STATE	Artesia New Mexico	1-15-65
If you want a return receipt, check which: <input type="checkbox"/> 10¢ shows to whom and when delivered <input type="checkbox"/> 35¢ shows to whom, when, and address where delivered <input type="checkbox"/> If you want restricted delivery, check here 50¢ fee		
FEES ADDITIONAL TO 20¢ FEE		
POD Form 3800 Jul 1957 Notice - Case 32117		

No 859718

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

CASE NO. 3217

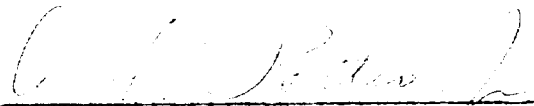
In the matter of the hearing called by the Oil Conservation Commission upon its own motion to permit S. S. Sutton, dba Eddy Oil Company and all other interested parties to show cause why the Eddy Oil Company Stanolind-State Wells Nos. 1 and 2, located in Units G and J, respectively, of Section 36, Township 19 South, Range 30 East, Eddy County, New Mexico, should not be plugged in accordance with a Commission-approved plugging program.

TO: Mr. S. S. Sutton
dba Eddy Oil Company
P. O. Box 1316
Artesia, New Mexico


American Employers' Insurance Company
Artesia Claims Department
Attention: Mr. Doyle Cole, Superintendent
P. O. Box 437
Artesia, New Mexico

N O T I C E

PLEASE TAKE NOTICE THAT THE ABOVE ENTITLED AND NUMBERED CAUSE WILL COME BEFORE THE OIL CONSERVATION COMMISSION AT THE MARCH 10, 1965, EXAMINER HEARING, AT 9 O'CLOCK A.M., OIL CONSERVATION COMMISSION CONFERENCE ROOM, STATE LAND OFFICE BUILDING, SANTA FE, NEW MEXICO.


A. L. PORTER, Jr.
Secretary-Director

I hereby certify that I have mailed a copy of this Notice to the above-named parties on this 24th day of February, 1965.


J. M. DURRETT, Jr.
General Counsel

OIL CONSERVATION COMMISSION

P. O. BOX 2088

SANTA FE, NEW MEXICO

LEGAL DIVISION
PHONE 827-2741

January 15, 1965

CERTIFIED - RETURN
RECEIPT REQUESTED

Mr. S. S. Sutton
dba Eddy Oil Company DOCKET MAILED
P. O. Box 1316
Artesia, New Mexico

American Employers' Insurance Company
Artesia Claims Department
Attention: Mr. Doyle Cole, Superintendent
P. O. Box 437
Artesia, New Mexico

Re: Eddy Oil Company Stanolind-State Well No. 1,
Unit G, and Eddy Oil Company Stanolind-State
Well No. 2, Unit J, Section 36, Township 19
South, Range 30 East, NMPM, Eddy County, New
Mexico

Gentlemen:

Mr. M. L. Armstrong, Supervisor, District 2, Oil Conservation
Commission, Artesia, New Mexico, has advised this office that the
above wells have been abandoned for a considerable length of time
and should be plugged or placed on production in the near future.

If satisfactory arrangements to plug the wells or place them
back on production have not been made with Mr. Armstrong by February
15, 1965, the Commission will docket a case to require that the wells
be plugged in accordance with a Commission-approved plugging program.

Very truly yours,

J. M. DURRETT, Jr.
Special Assistant Attorney General

JMD/esr

cc: Mr. M. L. Armstrong
Supervisor, District 2
Oil Conservation Commission
Drawer 66, Artesia, New Mexico

G. VERNOR
JACK M. CAMPBELL
CHAIRMAN

State of New Mexico
Oil Conservation Commission



LAND COMMISSIONER
E. B. JOHNNY WALKER
MEMBER

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

P. O. DRAWER DD
ARTESIA, NEW MEXICO

January 6, 1965

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

Attention: Mr. Jim Durrett

Dear Mr. Durrett:

We have two wells that belong to the Eddy Oil Company that hasn't reported any production since January, 1963. I think these wells should be plugged, but I don't know where the owner, S. S. Sutton, is living at the present time. I have heard he is in Abilene, Texas, but I am not sure. The wells are located, #1, SW NE, 36-19S-30E and #2 NW SE, 36-19S-30E.

Very truly yours,

OIL CONSERVATION COMMISSION

M. L. Armstrong

M. L. Armstrong
Supervisor, District No. II

MIA/bh