

Case No.

271

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Application, Transcript,  
Small Exhibits, Etc.

NOTICE OF PUBLICATION  
STATE OF 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 hearing to be held April 24, 1951 beginning at 10:00 o'clock a. m. on that day at Santa Fe, New Mexico in the Hall of Representatives in the Capitol.

STATE OF NEW MEXICO TO:

H. J. Cox, Las Vegas, New Mexico, National Surety Corporation of New York, New York, c/o James Russell Agency, Santa Fe, New Mexico as surety.

Case No. 271

In the matter of the application of the Oil Conservation Commission upon its own motion for an order directed to H. J. Cox, Las Vegas, New Mexico and National Surety Corporation New York, New York c/o James H. Russell Agency, Santa Fe, New Mexico, to show cause on the date hereinabove set out, why that certain well bore located in SE/4NE/4 Section 11 T. 19 N. R 21 E, N. M. P. M. Mora County, New Mexico, should not be ordered plugged and abandoned as an operation conducive of underground waste.

GIVEN under the seal of the Oil Conservation Commission of New Mexico, at Santa Fe, New Mexico, on this 2nd day of April, 1951.

STATE OF NEW MEXICO  
OIL CONSERVATION COMMISSION

*R. R. Spurrer*  
R. R. SPURRIER, Secretary

E. P. "TED" CHASE  
ATTORNEY AND COUNSELLOR AT LAW  
217 SOUTH SIXTH STREET - SUITE 6  
ALBUQUERQUE, N. M.

May 2, 1951

*Call 271*

Oil Conservation Commission  
Santa Fe, New Mexico

Gentlemen:

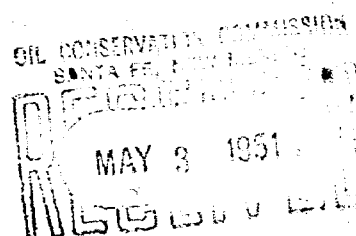
Enclosed you will find Agreement between  
U. S. Frigidice, Inc. and Charles L. Jenkins, and  
Agreement between H. J. Cox and Charles L. Jenkins.

Yours very truly,

hga

Edward P. Chase

Enc



## A G R E E M E N T

THIS AGREEMENT made and entered into in triplicate in the City of Albuquerque, State of New Mexico, on this the 26<sup>th</sup> day of April, 1951, by and between U. S. FRIGIDICE, INC. (NSL), a corporation duly created, organized and existing under, and by virtue of the laws of the State of New Mexico, and having its principal place of business at 217 South 6th Street, Albuquerque, New Mexico, (hereinafter called the "Corporation"); and CHARLES L. JENKINS, doing business as Jenkins Drilling Company, and having his principal place of business at the Franciscan Hotel, Albuquerque, New Mexico, (hereinafter called "Jenkins").

WHEREAS, an agreement has been entered into on even date hereof between H. J. Cox and Charles L. Jenkins, doing business as Jenkins Drilling Company, to complete a well located in Mora County, New Mexico, as described therein,

AND WHEREAS, Jenkins, immediately upon completion of said contract, expects to move his equipment and drill a well upon the following described location:

In the extreme SE corner of a 605-acre tract of land more particularly described as being Section 2, Township 19N, Range 21E, Mora County, New Mexico

NOW THEREFORE, in consideration of One Dollar and other good and valuable considerations it is mutually agreed as follows:

1. Jenkins agrees to drill an oil and/or gas and/or CO<sub>2</sub> well to the depth of approximately 1420 feet for a total consideration of \$22.00 per foot.
2. Jenkins agrees to furnish rig and all pipe used for drilling. The Corporation agrees to furnish surface casing, production string and pay for any and all pipe left in the completed hole. The Corporation further agrees to furnish all cement, rental of cementing equipment and expense of testing, shooting and drilling in.
3. The Corporation further agrees to pay Jenkins at the rate of \$12.50 per hour for the expense of testing, shooting and drilling, with the first 24 hours free time. Free time as used herein, is described

as follows: that time when drilling is completed, Corporation shall have 24 hours free use of the rig to further develop production.

4. The Corporation further agrees to pay Jenkins for drilling said well at the rate of \$22.00 per foot, or \$60.00 per 24-hour day waiting or standby time.

5. It is understood and agreed between the parties hereto that payments are to be made as follows: first payment due when a depth of 500 feet has been reached and upon receipt of invoice from Jenkins; second payment due when a depth of 1000 feet has been reached and upon receipt of invoice from Jenkins; third payment due when the Corporation advises Jenkins to cease drilling and upon receipt of invoice from Jenkins; and final payment due at completion of day work for testing, shooting, drilling in, etc., and upon receipt of invoice from Jenkins.

IN WITNESS WHEREOF, the parties hereto have hereunto set their hands and seals the day and year first above written.

IN THE PRESENCE OF:

U. S. FRIGIDICE, INC. (NSL)  
First Party

Edward A. Cherr

By

[Signature]

M. Fulton

Charles L. Jenkins  
Charles L. Jenkins  
Second Party

## AGREEMENT

THIS AGREEMENT made in the City of Albuquerque, State of New Mexico, on this the 11<sup>th</sup> day of April, 1951, by and between H. J. COX, of 217 South 6th Street, Albuquerque, New Mexico, hereinafter called First Party; and CHARLES L. JENKINS, an individual doing business as Jenkins Drilling Company, and having his principal place of business at the Franciscan Hotel, Albuquerque, New Mexico, hereinafter called Second Party.

WHEREAS, First Party is desirous of having Second Party complete a certain well in Mora County, New Mexico, the location thereof is described as follows:

In the SE of the SE $\frac{1}{4}$  of the NE $\frac{1}{4}$ , Section 11,  
Township 19, Range 21E, Mora County, New Mexico

WHEREAS, First Party desires that Second Party drill said well to approximately 1420 feet,

AND WHEREAS, Second Party is willing to undertake to do so upon the following terms and conditions.

NOW THEREFORE, in consideration of One Dollar and other good and valuable considerations it is mutually agreed as follows:

1. Second Party will move one of his drilling rigs upon said property at a date within 35 days from date hereof. It is mutually agreed between the parties hereto that Second Party shall complete certain contracts with his drilling rigs that he now has under contract. Thereafter a definite and certain time upon which Second Party shall move one of his drilling rigs upon said property will be mutually agreed upon between the parties hereto. In this connection it is expected that Second Party should be ready to move one of said rigs upon said property on or before 35 days from the date hereof, and Second Party will notify First Party at the above address the exact date he expects to move said rig upon said property. It is mutually agreed between the parties that they will immediately get together and set a date certain.

2. It is distinctly understood and agreed between the parties hereto that Second Party agrees to complete said well at a rate of \$12.50

per hour drilling time or \$60.00 per 24-hour day waiting or standby time. In connection with said waiting or standby time it is mutually understood that the first two hours breakdown time due to motor or rig trouble shall be paid by First Party. Any breakdown time exceeding two hours shall be borne by Second Party.

3. It is further understood and agreed between the parties hereto that First Party shall make payments every 15 days upon receipt of invoices from Second Party.

4. It is distinctly understood and agreed that First Party shall furnish all pipe, casing, cement and cementing equipment, together with any testing, shooting, etc. desired by First Party.

5. It is distinctly understood and agreed between the parties hereto that this drilling contract is in conjunction with a certain contract entered into on even date hereof between Second Party and U. S. Frigidice, Inc. In the event Second Party is prohibited from moving his drilling rig upon the property of U. S. Frigidice, Inc. by fault of First Party, then and in that event, First Party agrees to pay Second Party the original expense in moving said rig to location and Second Party's expense in moving to a new location not exceeding 150 miles radius from the hereinabove described location in Mora County, New Mexico.

6. It is understood and agreed between the parties hereto that drilling time shall begin on the above-described well when rigging up commences and shall end when rig is dismantled and ready to move.

IN WITNESS WHEREOF, the parties hereto have hereunto set their hands and seals the day and year first above written.

IN THE PRESENCE OF,

Edward P. Chase  
M. F. H. H.

H. J. Cox  
H. J. Cox, First Party

Jenkins Drilling Company

By Charles L. Jenkins  
Charles L. Jenkins, Second Party

E. P. "TED" CHASE  
ATTORNEY AND COUNSELLOR AT LAW  
217 SOUTH SIXTH STREET - SUITE 6  
ALBUQUERQUE, N. M.  
TELEPHONE 3-4829

August 20, 1951

Mr. R. R. Spurrier,  
Secretary-Director  
New Mexico Oil Conservation Commission  
Post Office Box 871  
Santa Fe, New Mexico

RS

Dear Mr. Spurrier:

This will acknowledge receipt of your letter dated  
August 13, 1951, re Case No. 271.

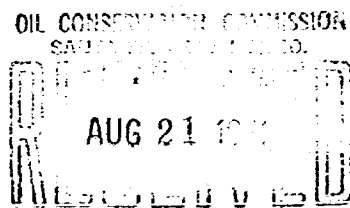
The same was called to the attention of Jenkins Drilling Company, and Mr. Austin Sankey stated he tried to call you last week but talked with Mr. Barnes. Mr. Barnes stated that he would send necessary forms to Jenkins Drilling Company, Franciscan Hotel, Albuquerque, New Mexico, and requested that your letter be answered.

Mr. Jenkins has advised that operations are getting under way immediately and that he expects to be drilling in the well in Section 11-19 N, Range 21 E by Wednesday of this week.

Yours very truly,

*Edward P. Chase*  
Edward P. Chase

h



August 13, 1951

Mr. Ted Chase  
217 South 6th Street  
Albuquerque, New Mexico

Dear Mr. Chase:

At a hearing conducted before the Oil Conservation Commission on April 24, 1951, you represented a Mr. H. J. Cox in Case No. 271.

In this case, the Commission issued a notice to Mr. Cox to show cause why a well in Section 11-19N-21E should not be plugged and abandoned. We also note, that according to the record, Mr. Cox was requested to forward certain forms and samples to the Commission. This will constitute a 15-day notice for Mr. Cox to comply with our request or the Commission will, after the 15-day length of time, issue an order to plug and abandon this well. We also note in reading over the record and in looking at the contract which Mr. Cox has, that it does not take a lawyer to see that the contract is worthless.

No date is specified and the well could be left in its present condition indefinitely if the Commission were to recognize the contract. Unless Mr. Cox takes proper steps to temporarily abandon or continue operations and get the necessary forms and samples to this office, the Commission will issue the above-mentioned order.

Very truly yours,

R. R. SPURRIER,  
Secretary-Director

RRS/lr

STATE OF NEW MEXICO  
OFFICE OF STATE GEOLOGIST  
SANTA FE, NEW MEXICO

April 3, 1951

C  
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P  
Y  
  
Editor,  
Las Vegas Daily Optic  
Las Vegas, New Mexico

Re: Notice of Publication  
Case 271

Dear Sir:

Please publish the enclosed notice one time immediately on receipt of this request. Please proofread the notice carefully and send a copy of the paper carrying such notice to this office.

Upon completion of the publication, send publisher's affidavit in duplicate.

For payment, please submit statement in duplicate, and sign and return the enclosed voucher.

PLEASE PUBLISH NOT LATER THAN APRIL 7, 1951.

Very truly yours,

STATE OF NEW MEXICO  
OIL CONSERVATION COMMISSION

R. R. SPURNIER,  
Secretary-Director

RRS/ir  
Enclosure

BEFORE THE OIL CONSERVATION

COMMISSION

TRANSCRIPT OF PROCEEDINGS

CASE NO. 271

April 24, 1951

E. E. GREESON  
COURT REPORTER  
UNITED STATES COURT HOUSE  
TELEPHONE 2-0872  
ALBUQUERQUE, NEW MEXICO



BEFORE THE  
OIL CONSERVATION COMMISSION

April 24, 1951

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CASE NO. 271: H. J. Cox plugging well in 11-19N-21E,  
Mora County.

MR. SPURRIER: The next case is Case No. 271. Mr.  
Graham, read the notice please.

(MR. Graham reads notice of publication.)

MR. TED CHASE: In order to save the Commission's  
time, may it please the Commission, we don't have any evidence  
in our possession, we don't have a Scintilla of  
evidence that there is any reason for the well to be plugged  
and abandoned unless - is there a field man here or anybody  
in behalf of the Commission?

MR. UTZ: How do you want to proceed, Mr. Chairman?

MR. SPURRIER: If you want to have Mr. Utz, he can  
make his report.

MR. McCORMICK: I suppose that Mr. Utz can be put  
on and he can make his report.

(Witness sworn.)

E L V I S    U T Z,

having been first duly sworn, testified as follows:

DIRECT EXAMINATION.

By MR. CHASE:

MR. UTZ: How do you want to proceed?

MR. SPURRIER: Just make the report of your inspection  
of the well.

MR. UTZ: Yesterday afternoon I visited the location of the Cox Berlier No. 1, Section 11, 19 north, 21 east, northeast of the southeast quarter. It appeared from what I could see at the location, it was vacated, no one was around; that probably no operations have been in process for probably a month, would be my estimation.

MR. COX: Since the 15th of December.

MR. SPURRIER: Mr. Utz is testifying, Mr. Cox.

MR. COX: I am sorry, I apologize.

MR. UTZ: The location was as most locations are generally, cluttered, the pits were dry enough to walk on. There was about 400 feet of about four and a half drill pipe at the location. An old Shamrock International truck which looked as though it hadn't been used for many weeks -

MR. COX: (Interrupting) It has.

MR. UTZ: I am merely testifying as to what I think I saw.

MR. COX: Thank you.

MR. CHASE: Don't testify while he is testifying.

MR. COX: I won't say another word.

MR. UTZ: There was no evidence at the location or in the doghouse as to the drilling depth, no log available. There was approximately 12 used bits on the location. The only casing that was visible was ten and three-quarter inch which was open underneath the derrick floor, rig floor rather, no blow-out preventer.

The drill pipe was still in the hole slips being set immediately below the Kelley, which led me to wonder if after setting, how much drill pipe there was in the hole and if possibly some difficulty might be encountered in retrieving it after setting for quite a length of time. That is about all I have.

MR. McCORMICK: Mr. Utz, what reports have been filed by Mr. Cox on this well?

MR. UTZ: All reports up to and including permission to drill the well. There has been no casing report made as to setting any casing.

MR. McCORMICK: Has any application been made for temporary abandon?

MR. UTZ: No there has not been. I do not know what the total depth is. I do not know whether there has been any casing set or not or how much. I know there is at least probably one joint in that is visible. Other than that, we have no information, no samples, nothing to go by.

MR. SPURRIER: Would you care to put Mr. Cox on, Mr. Chase?

MR. CHASE: I would like to ask Mr. Utz a question or two.

MR. SPURRIER: All right.

MR. CHASE: Did you receive any complaint from any person regarding this well?

MR. UTZ: No, I didn't receive any complaint. It is just a routine matter of maintaining office records and inspection.

MR. CHASE: You couldn't tell how far the surface casing went down in the hole could you?

A No, I could not. With the drill pipe in the hole there was no way of my telling how deep it was.

MR. CHASE: I have asked if there was any casing. There is ten inch set there.

A I couldn't tell whether it was cemented.

MR. CHASE: YOU couldn't tell whether it is cemented or not?

A No, I couldn't.

MR. COX: It is.

MR. UTZ: I didn't take a shovel and dig down around it.

MR. CHASE: You don't know how far it goes down the hole?

A No.

MR. CHASE: That is all, thank you.

(Witness sworn)

H. J. COX,

having been first duly sworn, testified as follows:

DIRECT EXAMINATION

By MR. CHASE:

Q Mr. Cox, is there any casing in that hole?

A Yes, sir.

Q How much surface casing is set in it?

A Exactly, the amount I don't know but it is set and we bought the cement from MacArthur Company and put 40 sacks behind it, set down in lime rock and cemented.

Q How deep does the surface casing go down in the hole?

A I don't know for sure.

Q How deep is the hole?

A We had it to 1300 and twenty feet and we - my drunken drilling crew twisted it off above the drill collar and we plugged it back then. Now the hole is 1106 feet.

Q On your last operation there did you hire Eastman and Company?

A I employed the Eastmen diagonal drilling company, their headquarters are in Denver, and out of Odessa, Texas

Q What was the purpose in hiring the Eastman Company?

A They assured me that they would side track this drill collar that was in the hole - that it was twisted off.

Q Going back just a little bit, Mr. Cox, are you familiar with Crews No. 1 well?

A Yes, sir.

Q Who drilled that well?

A Arkansas Fuel Oil and Gas Company, subsidiary of the Standard Oil. Their office is now in Shreveport, Louisiana.

Q Where was this location, the well you are now drilling in connection with the Crews well. <sup>Forty feet</sup>

A Forty feet west of the Charley Crews No. 1.

Q Did you first attempt to go into the Crews well?

A Yes, sir, I did.

Q Were you able to open that well up?

A Around 800 feet I ran into steel that was in the hole. I couldn't go any farther.

Q Did you properly plug that well when you were through?

A I certainly did.

Q How much cement?

A Sixty sacks.

Q In the well you are drilling, is there any gas or oil carbondioxide escaping at this time?

A Not a drop that I know of.

Q What are your intentions in regard to the Cox No. 1 well?

A My intention - I have a contract with the Charley Jenkins drilling company has his office in the Franciscan Hotel Lobby, to drill this well in for me in my contract is - and my agreement with him to set pipe before we get down to this gas and cement it and then drill on into it with our controls on top.

MR. CHASE: If the Commission please, is the Commission familiar with C. L. Jenkins Drilling Company?

MR. SPURRIER: Yes, sir.

MR. CHASE: Then I won't need to explain to the Commission the standing of that company.

Q Is this a copy of the agreement that you have entered into with Charles L. Jenkins doing business as Jenkins Drilling Company?

A Yes, sir, that is a copy of the original contract.

Q Just for the information of the Commission, is Mr. Jenkins to complete this hole for you?

A He is to set pipe before he gets down to the gas and put the controls on top so the well won't get away and bring it

in a skillful like manner and business like manner.

Q Now, just for the record, Jenkins agrees to drill?

MR. McCORMICK: You could just <sup>leave</sup> a copy of that with

us.

MR. CHASE: I prefer not to because the originals have been sent to Jenkins for his signature. He will sign it. He is in Texas somewhere now. I have this one copy. I will be glad to send a single copy to the Commission and introduce it in evidence.

MR. SPURRIER: That is all right.

MR. CHASE: If that is satisfactory, I will send a single copy here.

MR. SPURRIER: Fine.

Q Mr. Jenkins is to put in a production string?

A Yes. He is to get me that but I am to pay for it and he is to set it.

Q His contract -

A He is to use all of his big hole pipe that is necessary.

Q How much are you to pay Mr. Jenkins?

A I think it runs a little better than thirty thousand.

Q No, in this contract.

A I have -

Q How much per hour are you to pay him?

A Twelve dollars and a half per hour that I am to pay him for completing this well for me.

Q He is going to bring it in then?

A That's right.

Q What was Mr. Jenkins estimate on the time that it will take him to complete the well?

A Six to ten days after he gets his rig on there, he thought.

Q Does he intend to use any of the equipment that you have there now?

A No. We are going to push it aside and he is going to put his own drilling rig on there and bring it in.

Q What kind of a rig do you have up there?

A Portable rotary about a three thousand foot rig.

Q What kind of rig will Mr. Jenkins use to complete the hole?

A He will use a thirty-six L spudder.

Q Is that a cable tool type?

A Yes, that is one of the best.

Q Is that hard drilling there?

A Yes, it is very hard, lime rock.

Q When does Mr. Jenkins figure on starting, when will he begin to complete the hole?

A As soon as he can get a rig released. He has several and as soon as he gets one released, -

Q The contract provides within 35 days.

A Yes.

Q Or upon mutual agreement?

A That's right.

Q I believe that is all.

MR. McCORMICK: How was it you haven't filed your reports up to date?

A I will tell you, sir, I have been absolutely down most of the time since the 15th of Last December, on account of bad weather and snow up in there and I two drilling crews that I had to let go on account of they just got the foot on the bar and wouldn't get it off. We caught samples every five feet and we had them out there. That was my instructions. We had a doghouse out there. We had drilling tools in there and I have stuff taken away from me to the extent of three thousand dollars worth of equipment. I kept the Deputy Sheriff of Mora County up there for weeks but I let him go home on Christmas because it was cold and he wanted to go home and see his folks and that is the time they stole the other equipment up there, including an overshot which is worth seven or eight hundred and a lot of other stuff. But I have never, gentlemen, in my life - I have been an operator three years, and this is the first time that I have ever been called before the Commission.

MR. McCORMICK: You are in a position to file these reports that are now delinquent, are you not?

A I will be glad to file anything that is fair, and to cooperate with this Commission. That I can do anytime or at any place. I don't want to violate the rules of the

Commission, I want to cooperate with them and I want to do right at all times. All I need to do is just to be advised as to what to do and that is what I will try to do.

Q You don't recall how much surface casing you set in this hole?

A I don't know for sure but my order shows sixty-two thousand dollars in the operation of this thing and the Arkansas Fuel Oil and Gas Company which is a subsidiary of the Standard, I understand, I don't know for sure, is supposed to have spent some hundred and eighty thousand dollars in the drilling of the well right close to where I am drilling and got to twenty-six hundred and thirteen feet in 1925 and 1926 and was right close to a year doing that job.

MR. UTZ: You cannot recall, you don't have any estimate as to how much surface casing you set?

A I don't know for sure because I wasn't there. This Emritto misrepresented himself to me. He set the surface pipe when I wasn't there and cemented it and we first tried to get into the old hole and we set ten inch surface - ten inch surface pipe three times and the gas was buckling it.

MR. CHASE: In other words, you have had a lot of grief up there?

A Plenty.

MR. CHASE: From here on you are going to contract

your drilling?

A I wouldn't hire another drilling crew. The most competent drilling contractor that I can possible get.

MR. SPURRIER: How do you propose to comply with the Commissions rules and regulations about submitting forms if you don't know how much pipe is in the hole?

A Well, sir, I will tell you that. I try to find out and I will report to you.

MR. SPURRIER: That is all I have.

A I will certainly cooperate with you every way on earth that I can. You call Chairman Thompson of Amarillo, Texas, the Chairman of the Board of Railroad Commission of Texas and he will tell you that he has never had me before his Board and I have never violated a rule or regulation and I don't want to. That isn't my intention at any time or any place.

MR. CHASE: That is all.

MR. UTZ: I do have a couple more questions.

Are these samples that you are keeping available now?

A Yes, I think so unless the boy took them off.

Q There are no samples on the location.

A My orders was for them to catch the samples every five feet as I understood the rules and regulations of the Oil and Gas Conservation Commission of this state required and that is what I wanted to do.

Q If the samples are not in the doghouse now, they are propabl, not available.

A They may not be there.

Q They are not there because I just looked there yesterday.

A When we drill into this well call the Oil Conservation Commission and make an official report of this well and report it to this Commission which they are entitled to know and which I want to cooperate with them in every way on earth that I can.

Q In regard to the plugging of the old Crews Well were you not aware that it was the Commission's wishes that you put a marker at the top of the bore of the well? That is, I am assuming that the old diggers or the old cellar that is located some forty feet northeast.

A Just forty feet west of where my rig is setting now.

Q Well, were you not aware that you should set a four inch by four feet steel marker at the top of the well?

A As I understand it - please, sir, my intention is to set seven inch - twenty-four pound pipe at least ten or twelve feet on top of this gas before we drill again and put our controls or save controls on top.

Q I am speaking of the old Crews well that you plugged.

A Yes, sir.

Q There is a regulation of the Commission to mark all plugged wells by a marker four inches in diameter and four feet tall, set in cement at the bore of the plugged well. I was unable to locate a marker on that well and I only assumed -

A You mean the old Crews well that I tried to get into?

Q That's right.

A We put six to ten sacks of cement in that well at three different intervals and plugged it properly, to where it is

sure plugged.

Q But in case anyone wants to find the well, how will they find it?

A Sir?

Q I will make my question - would you be willing now to set a steel marker in the top of the old Crews well so that it may be located?

A I certainly would. I will do anything to cooperate with this Commission every way in the world that I can to comply with the rules and regulations.

MR. CHASE: Mr. Utz, let me ask you a question. In the event that he is unable to obtain a log of the well that is what you want, the samples for a log?

MR. UTZ: That's right.

MR. CHASE: Would it satisfy the Commission to send a copy of the log of the Crews well which is forty feet from it.

MR. COX: I might say that the Oil and Gas Conservation Commission has a log of the Charley Crews No. 1, filed and published in Bulletin No. 9 and it is published by the School of Mines of the State of New Mexico.

MR. SPURRIER: What kind of a log, a Driller's log?

MR. UTZ: We have a copy of that log here.

MR. COX: Yes, sir.

MR. CHASE: We have also a letter from the Interior Department from Washington calling the legal numbers, the date and the depth of this well and from the Interior Depart-

ment at Washington, and also from the Government Department  
of the -

MR. SPURRIER: I think we have heard enough, Mr.

Chase.

MR. CHASE: This is from Amarillo, the Government

plant.

MR. COX: I will assure the Commission I will

cooperate with you everyway possible.

MR. SPURRIER: The meeting will be adjourned.

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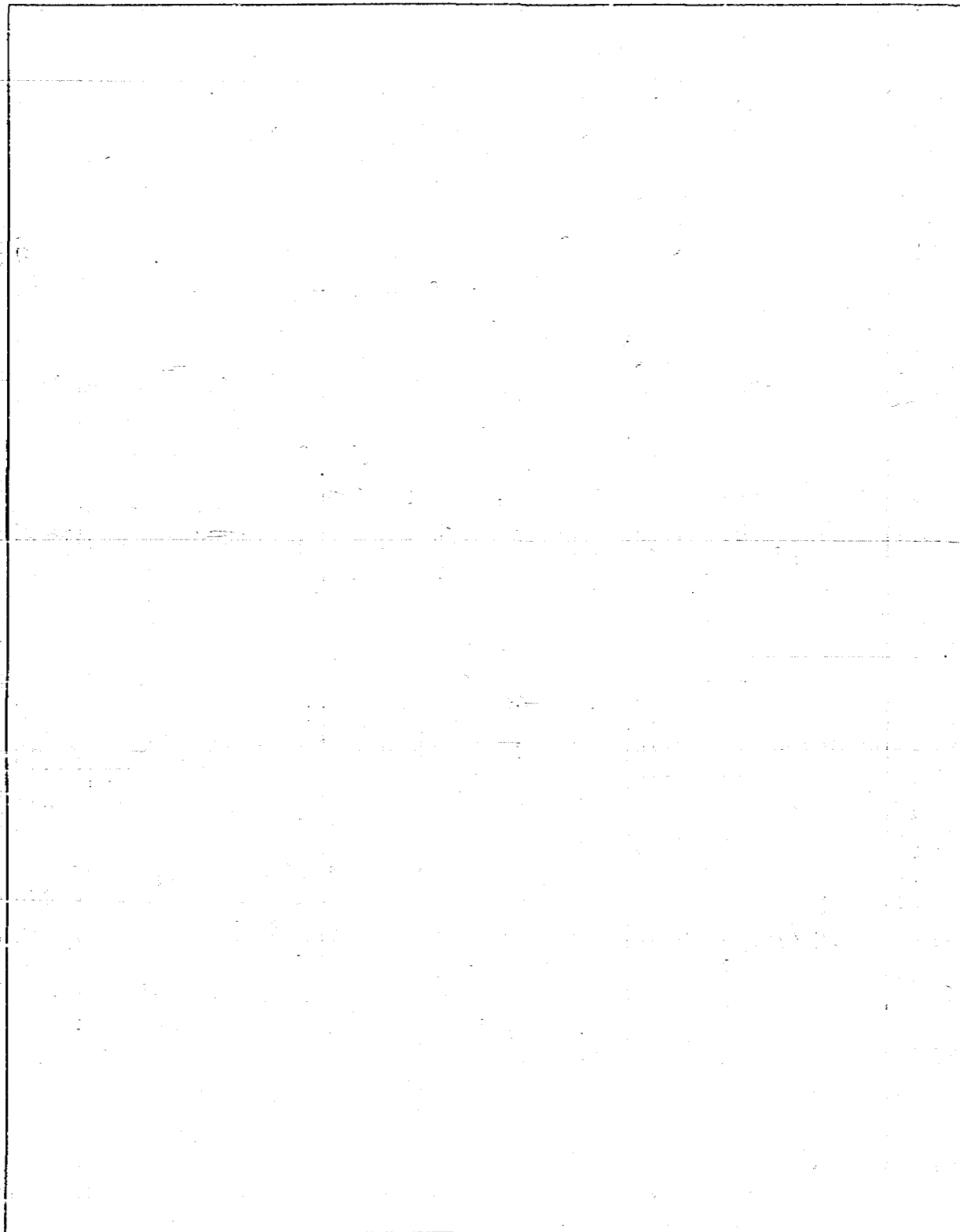
STATE OF NEW MEXICO )  
COUNTY OF BERNALILLO : ) SS

I HEREBY CERTIFY, that the foregoing and attached  
transcript of the hearing in Case no. 271, before the Oil  
Conservation Commission, on April 24, 1951, at Santa Fe, is  
a true and complete record of the same to the best of my  
knowledge, skill and ability.

DATED at Albuquerque, this 21st day of May, 1951.

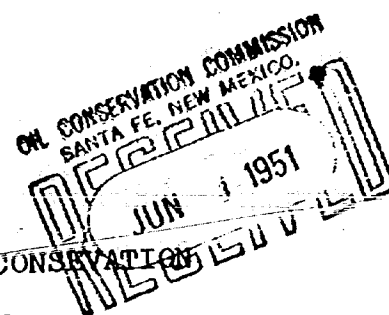
ADA DEARNLEY, Reporter





E. E. GREESON  
COURT REPORTER  
UNITED STATES COURT HOUSE  
TELEPHONE 2-0672  
ALBUQUERQUE, NEW MEXICO

BEFORE THE OIL CONSERVATION  
COMMISSION



TRANSCRIPT OF PROCEEDINGS

CASE NO. 271

April 24, 1951

E. E. GREESON  
COURT REPORTER  
UNITED STATES COURT HOUSE  
TELEPHONE 2-0672  
ALBUQUERQUE, NEW MEXICO

BEFORE THE  
OIL CONSERVATION COMMISSION

April 24, 1951

-----  
CASE NO. 271: H. J. Cox plugging well in 11-19N-21E,  
Mora County.

MR. SPURRIER: The next case is Case No. 271. Mr.  
Graham, read the notice please.

(MR. Graham reads notice of publication.)

MR. TED CHASE: In order to save the Commission's  
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and abandoned unless - is there a field man here or anybody  
in behalf of the Commission?

MR. UTZ: How do you want to proceed, Mr. Chairman?

MR. SPURRIER: If you want to have Mr. Utz, he can  
make his report.

MR. McCORMICK: I suppose that Mr. Utz can be put  
on and he can make his report.

(Witness sworn.)

E L V I S     U T Z,

having been first duly sworn, testified as follows:

DIRECT EXAMINATION.

By MR. CHASE:

MR. UTZ: How do you want to proceed?

MR. SPURRIER: Just make the report of your inspection  
of the well.

MR. UTZ: Yesterday afternoon I visited the location of the Cox Berlier No. 1, Section 11, 19 north, 21 east, northeast of the southeast quarter. It appeared from what I could see at the location, it was vacated, no one was around; that probably no operations have been in process for probably a month, would be my estimation.

MR. COX: Since the 15th of December.

MR. SPURRIER: Mr. Utz is testifying, Mr. Cox.

MR. COX: I am sorry, I apologize.

MR. UTZ: The location was as most locations are generally, cluttered, the pits were dry enough to walk on. There was about 400 feet of about four and a half drill pipe at the location. An old Shamrock International truck which looked as though it hadn't been used for many weeks -

MR. COX: (Interrupting) It has.

MR. UTZ: I am merely testifying as to what I think I saw.

MR. COX: Thank you.

MR. CHASE: Don't testify while he is testifying.

MR. COX: I won't say another word.

MR. UTZ: There was no evidence at the location or in the doghouse as to the drilling depth, no log available. There was approximately 12 used bits on the location. The only casing that was visible was ten and three-quarter inch which was open underneath the derrick floor, rig floor rather, no blow-out preventer.

The drill pipe was still in the hole slips being set immediately below the Kelley, which led me to wonder if after setting, how much drill pipe there was in the hole and if possibly some difficulty might be encountered in retrieving it after setting for quite a length of time. That is about all I have.

MR. McCORMICK: Mr. Utz, what reports have been filed by Mr. Cox on this well?

MR. UTZ: All reports up to and including permission to drill the well. There has been no casing reports made as to setting any casing.

MR. McCORMICK: Has any application been made for temporary abandon?

MR. UTZ: No there has not been. I do not know what the total depth is. I do not know whether there has been any casing set or not or how much. I know there is at least probably one joint in that is visible. Other than that, we have no information, no samples, nothing to go by.

MR. SPURRIER: Would you care to put Mr. Cox on, Mr. Chase?

MR. CHASE: I would like to ask Mr. Utz a question or two.

MR. SPURRIER: All right.

MR. CHASE: Did you receive any complaint from any person regarding this well?

MR. UTZ: No, I didn't receive any complaint. It is just a routine matter of maintaining office records and inspection.

MR. CHASE: You couldn't tell how far the surface casing went down in the hole could you?

A No, I could not. With the drill pipe in the hole there was no way of my telling how deep it was.

MR. CHASE: I have asked if there was any casing. There is ten inch set there.

A I couldn't tell whether it was cemented.

MR. CHASE: YOU couldn't tell whether it is cemented or not?

A No, I couldn't.

MR. COX: It is.

MR. UTZ: I didn't take a shovel and dig down around it.

MR. CHASE: You don't know how far it goes down the hole?

A No.

MR. CHASE: That is all, thank you.

(Witness sworn)

H. J. COX

having been first duly sworn, testified as follows:

DIRECT EXAMINATION

By MR. CHASE:

Q Mr. Cox, is there any casing in that hole?

A Yes, sir.

Q How much surface casing is set in it?

A Exactly, the amount I don't know but it is set and we bought the cement from MacArthur Company and put 40 sacks behind it, set down in lime rock and cemented.

Q How deep does the surface casing go down in the hole?

A I don't know for sure.

Q How deep is the hole?

A We had it to 1300 and twenty feet and we - my drunken drilling crew twisted it off above the drill collar and we plugged it back then. Now the hole is 1106 feet.

Q On your last operation there did you hire Eastman and Company?

A I employed the Eastmen diagonal drilling company, their headquarters are in Denver, and out of Odessa, Texas

Q What was the purpose in hiring the Eastman Company?

A They assured me that they would side track this drill collar that was in the hole - that it was twisted off.

Q Going back just a little bit, Mr. Cox, are you familiar with Crews No. 1 well?

A Yes, sir.

Q Who drilled that well?

A Arkansas Fuel Oil and Gas Company, subsidiary of the Standard Oil. Their office is now in Shreveport, Louisiana.

Q Where was this location, the well you are now drilling in connection with the Crews well. Perry Cox

A Forty feet west of the Charley Crews No. 1.

Q Did you first attempt to go into the Crews well?

A Yes, sir, I did.

Q Were you able to open that well up?

A Around 800 feet I ran into steel that was in the hole. I couldn't go any farther.

Q Did you properly plug that well when you were through?

A I certainly did.

Q How much cement?

A Sixty sacks.

Q In the well you are drilling, is there any gas or oil carbondioxide escaping at this time?

A Not a drop that I know of.

Q What are your intentions in regard to the Cox No. 1 well?

A My intention - I have a contract with the Charley Jenkins drilling company has his office in the Franciscan Hotel Lobby, to drill this well in for me in m, contract is - and my agreement with him to set pipe before we get down to this gas and cement it and then drill on into it with our controls on top.

MR. CHASE: If the Commission please, is the Commission familiar with C. L. Jenkins Drilling Company?

MR. SPURRIER: Yes, sir.

MR. CHASE: Then I won't need to explain to the Commission the standing of that company.

Q Is this a copy of the agreement that you have entered into with Charles L. Jenkins doing business as Jenkins Drilling Company?

A Yes, sir, that is a copy of the original contract.

Q Just for the information of the Commission, is Mr. Jenkins to complete this hole for you?

A He is to set pipe before he gets down to the gas and put the controls on top so the well won't get away and bring it

in a skillful like manner and business like manner.

Q Now, just for the record, Jenkins agrees to drill?

MR. McCORMICK: You could just <sup>leave</sup> a copy of that with us.

MR. CHASE: I prefer not to because the originals have been sent to Jenkins for his signature. He will sign it. He is in Texas somewhere now. I have this one copy. I will be glad to send a single copy to the Commission and introduce it in evidence.

MR. SPURRIER: That is all right.

MR. CHASE: If that is satisfactory, I will send a single copy here.

MR. SPURRIER: Fine.

Q Mr. Jenkins is to put in a production string?

A Yes. He is to get me that but I am to pay for it and he is to set it.

Q His contract -

A He is to use all of his big hole pipe that is necessary.

Q How much are you to pay Mr. Jenkins?

A I think it runs a little better than thirty thousand.

Q No, in this contract.

A I have -

Q How much per hour are you to pay him?

A Twelve dollars and a half per hour that I am to pay him for completing this well for me.

Q He is going to bring it in then?

A That's right.

Q What was Mr. Jenkins estimate on the time that it will take him to complete the well?

A Six to ten days after he gets his rig on there, he thought.

Q Does he intend to use any of the equipment that you have there now?

A No. We are going to push it aside and he is going to put his own drilling rig on there and bring it in.

Q What kind of a rig do you have up there?

A Portable rotary about a three thousand foot rig.

Q What kind of rig will Mr. Jenkins use to complete the hole?

A He will use a thirty-six L spudder.

Q Is that a cable tool type?

A Yes, that is one of the best.

Q Is that hard drilling there?

A Yes, it is very hard, lime rock.

Q When does Mr. Jenkins figure on starting, when will he begin to complete the hole?

A As soon as he can get a rig released. He has several and as soon as he gets one released, -

Q The contract provides within 35 days.

A Yes.

Q Or upon mutual agreement?

A That's right.

Q I believe that is all.

MR. McCORMICK: How was it you haven't filed your reports up to date?

A I will tell you, sir, I have been absolutely down most of the time since the 15th of Last December, on account of bad weather and snow up in there and I two drilling crews that I had to let go on account of they just got the foot on the bar and wouldn't get it off. We caught samples every five feet and we had them out there. That was my instructions. We had a doghouse out there. We had drilling tools in there and I have stuff taken away from me to the extent of three thousand dollars worth of equipment. I kept the Deputy Sheriff of Mora County up there for weeks but I let him go home on Christmas because it was cold and he wanted to go home and see his folks and that is the time they stole the other equipment up there, including an overshot which is worth seven or eight hundred and a lot of other stuff. But I have never, gentlemen, in my life - I have been an operator three years, and this is the first time that I have ever been called before the Commission.

MR. McCORMICK: You are in a position to file these reports that are now delinquent, are you not?

A I will be glad to file anything that is fair, and to cooperate with this Commission. That I can do anytime or at any place. I don't want to violate the rules of the

Commission, I want to cooperate with them and I want to do right at all times. All I need to do is just to be advised as to what to do and that is what I will try to do.

Q You don't recall how much surface casing you set in the hole?

A I don't know for sure but my order shows sixty-two thousand dollars in the operation of this thing and the Arkansas Fuel Oil and Gas Company which is a subsidiary of the Standard, I understand, I don't know for sure, is supposed to have spent some hundred and eighty thousand dollars in the drilling of the well right close to where I am drilling and got to twenty-six hundred and thirteen feet in 1925 and 1926 and was right close to a year doing that job.

MR. UTZ: You cannot recall, you don't have any estimate as to how much surface casing you set?

A I don't know for sure because I wasn't there. This Emritto misrepresented himself to me. He set the surface pipe when I wasn't there and cemented it and we first tried to get into the old hole and we set ten inch surface - ten inch surface pipe three times and the gas was buckling it.

MR. CHASE: In other words, you have had a lot of grief up there?

A Plenty.

MR. CHASE: From here on you are going to contract

your drilling?

A I wouldn't hire another drilling crew. The most competent drilling contractor that I can possible get.

MR. SPURRIER: How do you propose to comply with the Commissions rules and regulations about submitting forms if you don't know how much pipe is in the hole?

A Well, sir, I will tell you that. I try to find out and I will report to you.

MR. SPURRIER: That is all I have.

A I will certainly cooperate with you every way on earth that I can. You call Chairman Thompson of Amarillo, Texas, the Chairman of the Board of Railroad Commission of Texas and he will tell you that he has never had me before his Board and I have never violated a rule or regulation and I don't want to. That isn't my intention at any time or any place.

MR. CHASE: That is all.

MR. UTZ: I do have a couple more questions.

Are these samples that you are keeping available now?

A Yes, I think so unless the boy took them off.

Q There are no samples on the location.

A My orders was for them to catch the samples every five feet as I understood the rules and regulations of the Oil and Gas Conservation Commission of this state required and that is what I wanted to do.

Q If the samples are not in the doghouse now, they are propably not available.

A They may not be there.

Q They are not there because I just looked there yesterday.

A When we drill into this well call the Oil Conservation Commission and make an official report of this well and report it to this Commission which they are entitled to know and which I want to cooperate with them in every way on earth that I can.

Q In regard to the plugging of the old Crews Well were you not aware that it was the Commission's wish that you put a marker at the top of the bore of the well? That is, I am assuming that the old diggers or the old cellar that is located some forty feet northeast.

A Just forty feet west of where my rig is setting now.

Q Well, were you not aware that you should set a four inch by four feet steel marker at the top of the well?

A As I understand it - please, sir, my intention is to set seven inch - twenty-four pound pipe at least ten or twelve feet on top of this gas before we drill again and put our controls or save controls on top.

Q I am speaking of the old Crews well that you plugged.

A Yes, sir.

Q There is a regulation of the Commission to mark all plugged wells by a marker four inches in diameter and four feet tall, set in cement at the bore of the plugged well. I was unable to locate a marker on that well and I only assumed -

A You mean the old Crews well that I tried to get into?

Q That's right.

A We put six to ten sacks of cement in that well at three different intervals and plugged it properly, to where it is.

sure plugged.

Q But in case anyone wants to find the well, how will they find it?

A Sir?

Q I will make my question - would you be willing now to set a steel marker in the top of the old Crews well so that it may be located?

A I certainly would. I will do anything to cooperate with this Commission every way in the world that I can to comply with the rules and regulations.

MR. CHASE: Mr. Utz, let me ask you a question. In the event that he is unable to obtain a log of the well that is what you want, the samples for a log?

MR. UTZ: That's right.

MR. CHASE: Would it satisfy the Commission to send a copy of the log of the Crews well which is forty feet from it.

MR. COX: I might say that the Oil and Gas Conservation Commission has a log of the Charley Crews No. 1, filed and published in Bulletin No. 9 and it is published by the School of Mines of the State of New Mexico.

MR. SPURRIER: What kind of a log, a driller's log?

MR. UTZ: We have a copy of that log here.

MR. COX: Yes, sir.

MR. CHASE: We have also a letter from the Interior Department from Washington calling the legal numbers, the date and the depth of this well and from the Interior Depart-

ment at Washington, and also from the Government Department of the -

MR. SPURRIER: I think we have heard enough, Mr. Chase.

MR. CHASE: This is from Amarillo, the Government plant.

MR. COX: I will assure the Commission I will cooperate with you everyway possible.

MR. SPURRIER: The meeting will be adjourned.

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STATE OF NEW MEXICO    )  
                              : SS  
COUNTY OF BERNALILLO    )

I HEREBY CERTIFY, that the foregoing and attached transcript of the hearing in Case no. 271, before the Oil Conservation Commission, on April 24, 1951, at Santa Fe, is a true and complete record of the same to the best of my knowledge, skill and ability.

DATED at Albuquerque, this 21st day of May, 1951.

ADA DEARNLEY, Reporter



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