

CASE 3721: MOTION OF THE OCC TO
PERMIT H.E. BARNES TO APPEAR &
SHOW CAUSE WHY WELLS SHOULD NOT
BE PLUGGED & ABANDONED.

Case No.

3721

Application, Transcript,
Small Exhibits, Etc.

OIL CONSERVATION COMMISSION

P. O. BOX 2088

SANTA FE, NEW MEXICO 87501

May 29, 1968

C
American Employers' Insurance Company
Surety Claim Department
Ward Building
Artesia, New Mexico

O
Attention: Mr. Doyle Cole, Superintendent

Re: \$5,000 One-Well Plugging \$5,000 One-Well Plugging
Bond, H. E. Barnes, SW NE, Bond, H. E. Barnes, SE NE,
Section 32, Township 7 South, Section 32, Township 7 South,
Range 26 East Range 26 East

P
Case No. 3721, Order No. R-3379

Y
Gentlemen:

We have now received approved plugging reports from our Artesia District Office concerning the subject wells. Enclosed are copies of the plugging reports for your file. This will close the case.

We appreciate the cooperation that you have shown in this case.

Very truly yours,

GEORGE M. HATCH
Attorney

GMH/esr
Enclosures

cc: American Employers' Insurance Company Mr. Bill Gressett
Surety Claim Department Supervisor, District 3
110 Milk Street Oil Conservation Commission
Boston, Massachusetts Drawer DD
Artesia, New Mexico

OIL CONSERVATION COMMISSION
P. O. BOX 2088
SANTA FE, NEW MEXICO 87501

May 29, 1968

Mr. Doyle Cole
American Employers' Insurance Company
Ward Building
Artesia, New Mexico

Re: \$5,000 One-Well Plugging Bond
H. E. Barnes
SW/4 NE/4, Section 32, Township
7 South, Range 26 East

\$5,000 One-Well Plugging Bond
H. E. Barnes
SE/4 NE/4, Section 32, Township
7 South, Range 26 East

Dear Mr. Doyle:

The Oil Conservation Commission hereby approves cancellation of the two (2) above-captioned One-Well Plugging Bonds.

Very truly yours,

A. L. PORTER, Jr.
Secretary-Director

ALP/IRT/esr

cc: Mr. H. E. Barnes
P. O. Box 1057
Roswell, New Mexico

Oil Conservation Commission:
Hobbs, Artesia, Aztec

C
O
P
Y

GOVERNOR
DAVID F. CARGO
CHAIRMAN

State of New Mexico
Oil Conservation Commission



LAND COMMISSIONER
GUYTON B. HAYS
MEMBER

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

P. O. BOX 2088
SANTA FE

May 29, 1968

Mr. H. E. Barnes
P. O. Box 1057
Roswell, New Mexico 88201

Re: \$5,000 One-Well Plugging	\$5,000 One-Well Plugging
Bond, H. E. Barnes, SW NE,	Bond, H. E. Barnes, SE NE,
Section 32, Township 7 South,	Section 32, Township 7 South,
Range 26 East	Range 26 East

Case No. 3721, Order No. R-3379

Dear Mr. Barnes:

We have now received approved plugging reports from our Artesia District Office indicating that the subject wells have been plugged and that the plugging was witnessed by a Commission representative. Enclosed are copies of the plugging reports.

We are, therefore, closing the above case.

Very truly yours,

George M. Hatch
GEORGE M. HATCH
Attorney

GMH/esr
Enclosures

cc: American Employers' Insurance Company	Mr. Bill Gressett
Surety Claim Department	Supervisor, District 3
Ward Building, Artesia, New Mexico	Oil Conservation Commission
Attn: Mr. Doyle Cole, Superintendent	Drawer DD
	Artesia, New Mexico
American Employers' Insurance Company	
Surety Claim Department	
110 Milk Street	
Boston, Massachusetts	

NO. OF COPIES RECEIVED	5
DISTRIBUTION	
SANTA FE	/
FILE	/
U.S.G.S.	
LAND OFFICE	
OPERATOR	/

RECEIVED
 NEW MEXICO OIL CONSERVATION COMMISSION
 MAY 21 1968
 D. C. C.
 ARTEGIA, OFFICE

Form C-103
 Supersedes Old
 C-102 and C-103
 Effective 1-1-65

SUNDY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT -" (FORM C-101) FOR SUCH PROPOSALS.)		5a. Indicate Type of Lease State <input checked="" type="checkbox"/> Fee <input type="checkbox"/>
1. OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/>		5. State Oil & Gas Lease No. E-4937
2. Name of Operator H. E. BARNES		7. Unit Agreement Name
3. Address of Operator P. O. Box 1057, Roswell, N. M. 88201		8. Farm or Lease Name Levers State
4. Location of Well UNIT LETTER G 1650 FEET FROM THE N LINE AND 1650 FEET FROM THE E LINE, SECTION 32 TOWNSHIP 7S RANGE 26E N.M.P.M.		9. Well No. 1
15. Elevation (Show whether DF, RT, GR, etc.)		10. Field and Pool, or Wildcat Pecos San Andres
12. County Chaves		

Check Appropriate Box To Indicate Nature of Notice, Report or Other Data			
NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input type="checkbox"/> TEMPORARILY ABANDON <input type="checkbox"/> PULL OR ALTER CASING <input type="checkbox"/> OTHER <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/> CHANGE PLANS <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/> COMMENCE DRILLING OPERATIONS <input type="checkbox"/> CASING TEST AND CEMENT JOB <input type="checkbox"/> OTHER <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/> PLUG AND ABANDONMENT <input checked="" type="checkbox"/>

17. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work) SEE RULE 1103.

May 8, 9 and 10th 1968:

Moved to location and rigged up. Pull rods and tubing, run tubing.

Set 15 sacks of cement at T. D. 1150

Pumped in mud, pull tubing up to 400', set 15 sacks cement plug at 400' and pumped in mud.

Pul. out tubing and set 5 sacks cement plug at top.

Set regulation steel marker.

Covered pits and clean location.

MAIN OFFICE

260 MAY 24 AM 8 52

Plugged in Compliance with Order R-3379.

18. I hereby certify that the information above is true and complete to the best of my knowledge and belief.

AMERICAN EMPLOYERS INSURANCE COMPANY

SIGNED George H. Chase TITLE Plugging & Contractor DATE 5-22-68

APPROVED BY W. A. Gressett TITLE OIL AND GAS INSPECTOR DATE MAY 23 1968

CONDITIONS OF APPROVAL, IF ANY:

NO. OF COPIES RECEIVED	5
DISTRIBUTION	
SANTA FE	1
FILE	1
U.S.G.S.	
LAND OFFICE	
OPERATOR	1

RECEIVED
NEW MEXICO OIL CONSERVATION COMMISSION

MAY 21 1968

O. C. C.
ARTESIA, OFFICE

Form C-103
Supersedes Old
C-102 and C-103
Effective 1-1-65

George Chavez

SUNDRY NOTICES AND REPORTS ON WELLS

(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR.
USE APPLICATION FOR PERMIT - 10 (FORM C-101) FOR SUCH PROPOSALS.)

1. OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/>	5a. Indicate Type of Lease State <input checked="" type="checkbox"/> Fee <input type="checkbox"/>
2. Name of Operator H. E. BARNES	5. State Oil & Gas Lease No. E-4937
3. Address of Operator P. O. Box 1057, Roswell, N. M. 88201	7. Unit Agreement Name
4. Location of Well UNIT LETTER H 1650 FEET FROM THE N LINE AND 330 FEET FROM THE E LINE, SECTION 32 TOWNSHIP 7S RANGE 26E NMPM.	8. Farm or Lease Name Levers State
15. Elevation (Show whether DF, RT, GR, etc.)	9. Well No. 2
	10. Field and Pool, or Wildcat Pecos San Andres
	12. County Chaves

16. Check Appropriate Box To Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	PLUG AND ABANDONMENT <input checked="" type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	OTHER <input type="checkbox"/>	CASING TEST AND CEMENT JOB <input type="checkbox"/>	OTHER <input type="checkbox"/>

17. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work) SEE RULE 1103.

May 10, 1968:
Moved to location and rigged up.
Fill hole with mud.
Set 5 sacks cement plug at top.
Set regulation steel marker.
Cover pits and clean location.

50 MAY 24 AM 12 52

Plugged in Compliance with Order R-3379.

18. I hereby certify that the information above is true and complete to the best of my knowledge and belief.

AMERICAN EMPLOYERS INSURANCE COMPANY

SIGNED *George H. Chavez* TITLE Plugging & Contractor DATE 5-22-68

APPROVED BY *W. A. Gressett* TITLE OIL AND GAS INSPECTOR DATE MAY 23 1968

CONDITIONS OF APPROVAL, IF ANY:

OIL CONSERVATION COMMISSION

P. O. BOX 2088

SANTA FE, NEW MEXICO 87501

May 29, 1968

C
O
P
Y

Mr. H. E. Barnes
P. O. Box 1057
Roswell, New Mexico 88201

Re: \$5,000 One-Well Plugging \$5,000 One-Well Plugging
Bond, H. E. Barnes, SW NE, Bond, H. E. Barnes, SE NE,
Section 32, Township 7 South, Section 32, Township 7 South,
Range 26 East Range 26 East

Case No. 3721, Order No. R-3379

Dear Mr. Barnes:

We have now received approved plugging reports from our Artesia District Office indicating that the subject wells have been plugged and that the plugging was witnessed by a Commission representative. Enclosed are copies of the plugging reports.

We are, therefore, closing the above case.

Very truly yours,

GEORGE M. HATCH
Attorney

GMH/esr
Enclosures

cc: American Employers' Insurance Company
Surety Claim Department
Ward Building, Artesia, New Mexico
Attn: Mr. Doyle Cole, Superintendent

American Employers' Insurance Company
Surety Claim Department
110 Milk Street
Boston, Massachusetts

Mr. Bill Gressett
Supervisor, District 3
Oil Conservation Commission
Drawer DD
Artesia, New Mexico

Memo

From

W.A. GRESSETT SUPER
& OIL & GAS INSP.

To George Hatch
attached please find a ~~copy~~ copy of the
plugging report on the H.C. Barnes
wells #1+2 Lewis State in 32-7-26.
Should we send a copy to Mr. Barnes
at the address shown or just
forget about him?

Please advise

Bill

KMA
P. O. BOX 437

May 2, 1968

Mr. W. A. Gressett, Supervisor
District 2, Oil Conservation Commission
Drewer DD
Artesia, New Mexico 88210

RE: \$5000. One-Well Plugging Bond, H. E. Barnes, SW NE, SEC. 32,
Township 7 South, Range 26 East.
\$5000. One-Well Plugging Bond, H. E. Barnes, SE NE, SEC. 32,
Township 7 South, Range 26 East

Dear Mr. Gressett:

We have signed a well plugging contract with Chase Well
Service of Artesia, to plug 2 wells in reference the order
of the Oil Commission of February 14, 1968.

I am sure that Mr. George Chase will be getting in touch
with you in the near future and make arrangements for plugging
these two wells, doing all necessary work in accordance with
the rules and regulations of the Oil Commission.

Sincerely,
Original Filed

Doyle Cole

Doyle Cole
Superintendent

DC:11

cc: Mr. George M. Hatch, Legal Division
Oil Conservation Commission
P. O. Box 2088
Santa Fe, New Mexico

'68 MAY 6 AM 7 57

No. 635791

RECEIPT FOR CERTIFIED MAIL—20¢

SENDER'S NAME American Employers' Insurance Company		DATE 15 2-14-68
STREET AND NO. Surety Claim Department		
CITY, STATE, AND ZIP CODE Ward Building		
Artesia, New Mexico		
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"/> 50¢ fee		
FEE ADDITIONAL TO 20¢ FEE		

POD Form 3800 July 1963 NO INSURANCE COVERAGE PROVIDED— (See other side)
NOT FOR INTERNATIONAL MAIL
Case 3721 - Order R-3379

POST OFFICE DEPARTMENT
FIRST CLASS PERMIT NO. 1000
NEW MEXICO

INSURANCE COMPANY
SURETY CLAIM DEPARTMENT
WARD BUILDING
ARTESIA, NEW MEXICO
ATTN: Mr. Doyle Cole, Supt.

INSTRUCTIONS: Show name and address below and complete instructions on other side, where applicable. Stamps placed on back and held firmly to back of card. Print on front of article RETURN RECEIPT REQUESTED.

PRAY FOR PEACE

RETURN TO

NAME OF SENDER
OIL CONSERVATION COMMISSION

STREET AND NO. OR P.O. BOX
P. O. BOX 2088

CITY, STATE, AND ZIP CODE
SANTA FE, NEW MEXICO 87501

CASE 3721 - Order R-3379 - GMH

1. Stick postage stamps to your article to pay:

BASIC CHARGES

(Postage 1¢ per 100¢)
Postage (inter-city or air-mail)

OPTIONAL SERVICES

Registered mail (10¢ or 35¢)
Insured (inter-city only—50¢)
Certified delivery

2. If you want this receipt postmarked, stick the gummed label on the left portion of the address side of the article, leaving the service selected, and present the article at a post office service window or hand it to your rural carrier. (no extra charge)
3. If you do not want this receipt postmarked, stick the gummed label on the left portion of the address side of the article, detach and retain the receipt, and mail the article.
4. If you want a return receipt, write the certified mail number and your name and address on a return receipt card, Form 3811, and attach it to the back of this article by means of the gummed ends. Endorse front of article RETURN RECEIPT REQUESTED. (Fee—10¢ or 35¢)
5. If you want the article delivered only to the addressee, endorse it on the front DELIVER TO ADDRESSEE ONLY. (Fee—5¢). Place the same endorsement in line 2 of the return receipt card.
6. Save this receipt and present it if you make inquiry.

* GPO: 1963-O-600000

INSTRUCTIONS TO DELIVERING EMPLOYEE

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

RECEIPT

Received the numbered article described below.

REGISTERED NO.	SIGNATURE OR NAME OF ADDRESSEE (Must always be filled in)
CERTIFIED NO. 635791	<i>Employee's Stamp</i> SIGNATURE OF ADDRESSEE'S AGENT, IF ANY
INSURED NO.	<i>Nancy Baker</i>
DATE DELIVERED 2-16-68	SHOW WHERE DELIVERED (only if requested)

655-16-71548-7 GPO

OIL CONSERVATION COMMISSION
P. O. BOX 2088
SANTA FE, NEW MEXICO 87501

LEGAL DIVISION
PHONE 827-2741

February 14, 1968

CERTIFIED - RETURN
RECEIPT REQUESTED

C
O
P
Y

American Employers' Insurance Company
Artesia Claim Department
Ward Building
Artesia, New Mexico

Attention: Mr. Doyle Cole, Superintendent

Re: Case No. 3721
Order No. R-3379

Gentlemen:

I am enclosing herewith a certified copy of the above order concerning Mr. H. E. Barnes, Principal, under American Employers' Insurance Company \$5,000 One-Well Plugging Bonds on file with the Commission.

Very truly yours,

GEORGE M. HATCH
Special Assistant
Attorney General

GME/esr
Enclosure

cc: Mr. H. E. Barnes
c/o 709 East Skelly
Hobbs, New Mexico

American Employers' Insurance Company
Surety Claim Department
110 Milk Street
Boston, Massachusetts

Mr. W. A. Gressett
Supervisor, District 2
Oil Conservation Commission
Drawer DD
Artesia, New Mexico

AMERICAN EMPLOYERS' INSURANCE COMPANY

SAMUEL APPLETON BUILDING

110 Milk Street, Boston 7, Massachusetts



FRANK J. CAREY
President

KMA
New Mexico Oil Conservation
Commission
Post Office Box 2088
Santa Fe, New Mexico 87501

Att: Legal Division

February 19, 1968

MAIN OFFICE

Gentlemen:

'68 FEB 21 AM 8 35

YOUR REFERENCE: CASE NO. 3721, ORDER NO. R-3379

We have received copy of your letter dated February 14, 1968, directed to our Artesia, New Mexico Claim Office, along with copy of Order concerning Mr. H. E. Barnes, requiring plugging of wells. This is having our immediate attention.

Very truly yours,

M. J. Hally
Assistant Superintendent
Home Office Claim Department

HBP:cb

THE EMPLOYERS' GROUP MAN IS THE MAN WITH THE PLAN

RECEIPT FOR CERTIFIED MAIL—20¢

SENT TO
Mr. H. E. Barnes

STREET AND NO.
c/o 709 East Skelly

CITY, STATE, AND ZIP CODE
Hobbs, New Mexico

POSTMARK
OR DATE
2-15-68

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

If you want delivery only to addressee, check here
☐ 50¢ fee

FEEs ADDITIONAL TO 20¢ FEE
POD Form 3800
July 1963

NOT FOR POSTAL USE ONLY
ORDER R 3379

(See other side)

**PENALTY FOR FAILURE TO AFFIX
POSTAGE OF \$10.00**

FOR POSTAGE AND FEE USE ONLY

U.S. MAIL PERMIT NO. 789 NEW MEXICO

**NO POSTAGE
NECESSARY
IF MAILED
IN THE
UNITED STATES**

RETURN TO

THE CONSERVATION COMMISSION

P.O. BOX 2088

SANTA FE, NEW MEXICO 87501

Case 3721 - Order R-3379 - GMH

1. Put postage stamps on your article to pay:
- BASIC CHARGES**
 Certified Mail (3¢)
 Postage (first class or second)

OPTIONAL SERVICES
 Return Receipt (10¢ or 35¢)
 Insured (1¢ per \$100 up to \$500)

2. If you want this receipt put on the article, stick the receipt on the left portion of the address side of the article. Before the receipt, stick on the left portion of the service window or hand it to your rural carrier. (For other instructions, see the left portion of the article at a post office.)
3. If you do not want this receipt put on the article, stick the receipt on the left portion of the address side of the article, detach and put in the return receipt envelope and address on the return receipt card, Form 3811, and attach it to the back of the article by means of the gummed ends. (For more front of article RETURN RECEIPT REQUESTED. (Fees—10¢ or 35¢))
4. If you want a return receipt, write the name and address of the person to whom you want the article delivered only to the addressee, endorse it on the front DELIVER TO ADDRESSEE ONLY. (Fees—10¢ or 35¢). Place the same endorsement in line 2 of the return receipt card.
5. Save this receipt and present it if you make inquiry.

★ GPO: 1962-2-00000

INSTRUCTIONS TO DELIVERING EMPLOYEE	
<input type="checkbox"/> Show to whom and when delivered	<input type="checkbox"/> Show to whom, when, and address where delivered
<input type="checkbox"/> Deliver ONLY to addressee	
(Additional charges required for these services)	
RECEIPT	
Received the numbered article described below.	
REGISTERED NO.	SIGNATURE OR NAME OF ADDRESSEE (Must always be filled in)
CERTIFIED NO. 635790	SIGNATURE OF ADDRESSEE'S AGENT, IF ANY
INSURED NO.	DATE DELIVERED
SHOW WHERE DELIVERED (only if requested)	
2-17-68	

OIL CONSERVATION COMMISSION

P. O. BOX 2088

SANTA FE, NEW MEXICO 87501

LEGAL DIVISION
PHONE 827-2741

February 14, 1968

**CERTIFIED - RETURN
RECEIPT REQUESTED**

**Mr. H. S. Barnes
c/o 709 East Skelly
Hobbs, New Mexico**

**Re: Case No. 3721
Order No. R-3379**

Dear Mr. Barnes:

I am enclosing herewith a certified copy of the above order which requires you to plug your Levers State Wells Nos. 1 and 2 located in Units G and H, respectively, of Section 32, Township 7 South, Range 26 East, NMPM, Pecos-San Andres Pool, Chaves County, New Mexico.

Please note that the plugging operations must be completed on or before March 15, 1968, and that you must notify the District Supervisor, District 2, Oil Conservation Commission, Artesia, New Mexico, of the exact date and time plugging operations are to commence on each well.

Very truly yours,

**GEORGE M. HATCH
Special Assistant
Attorney General**

**GMH/esr
Enclosure**

**cc: American Employers' Insurance Company
Surety Claim Department
Attn: Mr. Doyle Cole, Supt.
Ward Building - Artesia, New Mexico

American Employers' Insurance Company
Surety Claim Department
110 Milk Street
Boston, Massachusetts**

**Mr. W. A. Gressett
Supervisor, District 2
Oil Conservation Commission
Drawer DD
Artesia, New Mexico**

No. 635788

RECEIPT FOR CERTIFIED MAIL—20¢

SENT TO Mr. H. E. Barnes		POSTMARK OR DATE 1-26-68
STREET AND NO. c/o 709 East Skelly		
CITY, STATE, AND ZIP CODE Hobbs, New Mexico 88240		
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		If you want delivery only to addressee, check here <input type="checkbox"/> 50¢ fee
FEES ADDITIONAL TO 20¢ FEE NO INSURANCE COVERAGE PROVIDED— NOT FOR INTERNATIONAL MAIL Ltr 1-26-68 - CASE 3721		

POD Form 3800 July 1963 (See other side)

No. 635789

RECEIPT FOR CERTIFIED MAIL—20¢

SENT TO American Employers' Insurance Company		POSTMARK OR DATE 1-26-68
STREET AND NO. Surety Claim Department		
CITY, STATE, AND ZIP CODE Attn: Mr. Doyle Cole, Supt. Ward Building Artesia, New Mexico 88210		
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		If you want delivery only to addressee, check here <input type="checkbox"/> 50¢ fee
FEES ADDITIONAL TO 20¢ FEE NO INSURANCE COVERAGE PROVIDED— NOT FOR INTERNATIONAL MAIL Ltr 1-26-68 CASE No. 3721		

POD Form 3800 July 1963 (See other side)

POST OFFICE DEPARTMENT
OFFICIAL BUSINESS

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

American Employers' Insurance Company
Surety Claim Department
Attn: Mr. Doyle Cole, Supt.
Ward Building
Artesia, New Mexico 88210

POSTMARK OF
DELIVERING OFFICE

**RETURN
TO**

INSTRUCTIONS: Show name and address below and
complete instructions on other side, where applicable.
Mailing prepared ends, attach and hold firmly to back
of article. Print on front of article **RETURN
RECEIPT REQUESTED.**

NAME OF SENDER

OIL CONSERVATION COMMISSION

STREET AND NO. OR P.O. BOX

P. O. BOX 2088

CITY, STATE, AND ZIP CODE

SANTA FE, NEW MEXICO 87501

Ltr 1-26-66 CASE No. 3721

1968

INSTRUCTIONS TO DELIVERING EMPLOYEE

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

RECEIPT

Received the numbered article described below.

REGISTERED NO. 635789	SIGNATURE OR NAME OF ADDRESSEE (Must always be filled in)
CERTIFIED NO.	
INSURED NO.	SIGNATURE OF ADDRESSEE'S AGENT, IF ANY
DATE DELIVERED 1-22-68	SHOW WHERE DELIVERED (only if requested) <i>D. J. Sawyer</i>

655-16-71548-7 GPO

1. Attach postage stamps to your article to pay:

BASIC CHARGES

Certified mail—\$2.00

Postage (first class or airmail)

OPTIONAL SERVICES

Return receipt (10¢ or 35¢)

Delivery to addressee only—50¢

Insured delivery
 2. If you want the receipt printed, stick the gummed stub on the left portion of the address side of the article, leaving the receipt attached, and present the article at a post office.
 3. If you do not want this receipt printed, stick the gummed stub on the left portion of the address side of the article, detach and retain the receipt, and mail the article.
 4. If you want a return receipt, write the certified-mail number and your name and address on a return receipt (FD-381), and attach it to the back of the article by means of the gummed ends. To learn front of article RETURN RECEIPT REQUESTED. (Fee—10¢ or 35¢)
 5. If you want the article delivered only to the addressee, endorse it on the front DELIVER TO ADDRESSEE ONLY. (Fee—50¢). Place the same endorsement in line 2 of the return receipt card.
 6. Save this receipt and present it if you make inquiry.
- ★ GPO: 1963-O-585899

INSTRUCTIONS TO DELIVERING EMPLOYEE

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

RECEIPT

Received the numbered article described below.

REGISTERED NO. 635789	SIGNATURE OR NAME OF ADDRESSEE (Must always be filled in)
CERTIFIED NO.	<i>Employer's Group</i>
INSURED NO.	SIGNATURE OF ADDRESSEE'S AGENT, IF ANY
DATE DELIVERED 1-29-68	SHOW WHERE DELIVERED (only if requested) <i>Nancy Baker</i>

655-16-71548-7 GPO

1. Attach postage stamps to your article to pay:

BASIC CHARGES

Certified mail—\$2.00

Postage (first class or airmail)

OPTIONAL SERVICES

Return receipt (10¢ or 35¢)

Delivery to addressee only—50¢

Insured delivery
 2. If you want the receipt printed, stick the gummed stub on the left portion of the address side of the article, leaving the receipt attached, and present the article at a post office.
 3. If you do not want this receipt printed, stick the gummed stub on the left portion of the address side of the article, detach and retain the receipt, and mail the article.
 4. If you want a return receipt, write the certified-mail number and your name and address on a return receipt (FD-381), and attach it to the back of the article by means of the gummed ends. To learn front of article RETURN RECEIPT REQUESTED. (Fee—10¢ or 35¢)
 5. If you want the article delivered only to the addressee, endorse it on the front DELIVER TO ADDRESSEE ONLY. (Fee—50¢). Place the same endorsement in line 2 of the return receipt card.
 6. Save this receipt and present it if you make inquiry.
- ★ GPO: 1963-O-585899

OIL CONSERVATION COMMISSION

P. O. BOX 2066

SANTA FE, NEW MEXICO 87501

LEGAL DIVISION
PHONE 827-2741

January 26, 1968

CERTIFIED - RETURN
RECEIPT REQUESTED

Mr. H. E. Barnes
c/o 709 East Skelly
Hobbs, New Mexico

American Employers' Insurance Company
Surety Claim Department
Attention: Mr. Doyle Cole, Superintendent
Ward Building
Artesia, New Mexico

Re: \$5,000 One-Well Plugging Bond, \$5,000 One-Well Plugging Bond,
H. E. Barnes, SW NE, Section 32. H. E. Barnes, SE NE, Section 32,
Township 7 South, Range 26 East Township 7 South, Range 26 East

Gentlemen:

I am enclosing a copy of the docket of the Examiner Hearing that will be held on Wednesday, February 7, 1968, at 9 a.m., in the Oil Conservation Commission Conference Room, State Land Office Building, Santa Fe, New Mexico. Case No. 3721 concerns the above-captioned subject matter.

Very truly yours,

GEORGE M. HATCH
Special Assistant Attorney General

GMH/esr
Enclosure

cc: American Employers' Insurance Company
Surety Claim Department
110 Milk Street
Boston, Massachusetts 02107

Oil Conservation Commission
Drawer DD
Artesia, New Mexico

OIL CONSERVATION COMMISSION

P. O. BOX 2088

SANTA FE, NEW MEXICO 87501

January 19, 1968

C
O
P
Y

Mr. Doyle Cole
Superintendent
American Employers' Insurance Company
Surety Claim Department
Ward Building
Artesia, New Mexico

Re: \$5,000 One-Well Plugging \$5,000 One-Well Plugging
Bond, H. E. Barnes, SW NE, Bond, H. E. Barnes, SE NE,
Section 32, Township 7 Section 32, Township 7
South, Range 26 East South, Range 26 East

Dear Mr. Cole:

Thank you for your letter of January 11, 1968,
regarding the subject wells.

Case No. 3721 concerning the subject matter has
been docketed for the February 7, 1968, Examiner Hear-
ing, and a copy of the docket will be mailed to you
within the next few days.

Very truly yours,

GEORGE M. HATCH
Attorney

GMH/esr

cc: Oil Conservation Commission
Drawer DD
Artesia, New Mexico

The Employers' Group
OF INSURANCE COMPANIES

ARTESIA CLAIM DEPARTMENT
WARD BUILDING, ARTESIA, NEW MEXICO

THE EMPLOYERS' LIABILITY Insurance Corporation, Ltd.
AMERICAN EMPLOYERS' Insurance Company
The EMPLOYERS' FIRE Insurance Company
The NORTHERN Insurance Company of America
The EMPLOYERS' LIFE Insurance Company of America

RECEIVED
JAN 15 1968

Case 3721

Mr. George M. Hatch, Attorney
Oil Conservation Commission
Post Office Box 2088
Santa Fe, New Mexico

January 11, 1968

RE: \$5,000 One-Well Plugging
Bond, H. E. Barnes, SW NE,
Section 32, Township 7
South, Range 26 East

\$5,000 One-Well Plugging
Bond, H. E. Barnes, SE NE
Section 32, Township 7
South, Range 26 East

Dear Mr. Hatch:

I have your correspondence and enclosures of January 8,
1968.

Since Dr. Dunn's Estate is no longer interested in obtaining
the above lease, and Mr. Forest Levers of Roswell informed
the writer that he was not interested in this lease; I see
no reason why this case could not be set for formal hearing
and the necessary Order issued for plugging.

Sincerely,

Doyle Cole
Doyle Cole
Superintendent

DC:nb
CC:El Paso Claims

Bond



THE MAN WITH THE PLAN®

OIL CONSERVATION COMMISSION
P. O. BOX 2088
SANTA FE, NEW MEXICO 87501

LEGAL DIVISION
PHONE 827-2741

January 8, 1968

Case 3721

C
O
P
Y

Mr. Doyle Cole
Superintendent
American Employers' Insurance Company
Surety Claim Department
Ward Building
Artesia, New Mexico

Re: \$5,000 One-Well Plugging \$5,000 One-Well Plugging
Bond, H. E. Barnes, SW NE, Bond, H. E. Barnes, SE NE,
Section 32, Township 7 Section 32, Township 7
South, Range 26 East South, Range 26 East

Dear Mr. Cole:

I am enclosing, for your information, copies of
correspondence from Mr. Ray J. Diekemper, Jr., concern-
ing the subject wells.

Very truly yours,

GEORGE M. HATCH
Attorney

GMH/ear
Enclosures

GLENN CLARK
GENERAL SUPERINTENDENT
PO 3-1263

SAM G. DUNN OIL OPERATIONS
P. O. BOX 3095
LUBBOCK, TEXAS 79410

January 4, 1968

MRS. LOU DIEKEMPER
MANAGER
BW 9-7737

Re: Your No. E 4937

Page 3721

Commissioner of Public Lands
State of New Mexico
P. O. Box 1148
Santa Fe, N. M.

Attention: Mr. Ray D. Graham

Gentlemen:

In connection with my telephone call with your Mr. Graham this date, and our call at his office on December 26, 1967, please find enclosed our check for \$80.00 to cover the delay rental due on the NW/4 of Section 32, T 7 S, R 26 E, known as our Levers State Lease.

Although the delay rental was sent to Forrest E. Levers et al and covered the entire N/2 of Section 32, we have no legal interest in the NE/4 of this Section, nor do we have any interest in acquiring this lease at the present time. Some time before his death, Dr. Dunn had expressed an interest in purchasing this lease in the NE/4 if good title could be obtained. At the time it could not be, and due to subsequent developments the Executors of his estate desire to drop any efforts to make this purchase.

We sincerely appreciate the pleasant reception given us by Mr. Graham and his help in this matter.

Sincerely,

[Signature]
Ray J. Diekemper, Jr.

MAINT OFFICE
JAN 8 AM 6 53

RJD/s

cc Mr. Forrest Levers, Roswell
Mr. A. D. Solsbery, Roswell
First National Bank, Lubbock
McWhorter, Cobb and Johnson, Lubbock
George M. Hatch, Santa Fe

Memo

From

George M. Hatch
General Counsel

To

~~Suspense~~

~~Pull Sept 15, 1967~~

~~at that time check
with Jason as to
the Dr - and call~~

~~Mr. Ward (Banding Co.)~~

Case 3721

1/11

Suspense
Pull about
Oct 20 —

11-17-67 - Talked to
Mr. Cole. He will check
with Mr. Lewis as to whether
Mr. Lewis wants to take over the
well. If not - Cole will probably
ask that we build a bearing to
plug the ~~the~~ well —
~~Staff~~

Pull about Dec. 7, 1967

*Ethel
please file this
and check on status
again about Aug. 10, 1967
George*

3721

Samuel G. Dunn, M. D., F.A.C.S.
West Texas Clinic
1312 Main
Lubbock, Texas

June 30, 1967

RE: \$5,000 One-Well Plugging
Bond, H. E. Barnes, SW NE,
Section 32, Township 7
South, Range 26 East

\$5,000 One-Well Plugging
Bond, H. E. Barnes, SE NE
Section 32, Township 7
South, Range 26 East

Dear Doctor Dunn:

We checked with Mr. Forest Levers in Roswell, and he informed the writer that a Mr. Salisbury, your attorney, has filed suit in reference to the two above locations in order to have the above leases returned to Mr. Levers, who in turn will assign them to you.

If suit has been initiated in this case please forward me copies of these instruments so we may have record that you are in the process of obtaining these leases.

I was sorry to hear that you became quite ill and were confined to the Dallas Hospital. I hope that you have made a full recovery and this letter finds that you are in good health.

Yours very truly,

Doyle Cole
Superintendent

DC:nb

cc: Mr. Forest Levers
713 N. Main Street
Roswell, New Mexico

1967 JUL 5 AM 8 17

Samuel G. Dunn, M. D.

RE: Well Plugging Bonds - H. E. Barnes

June 30, 1967

✓cc: Mr. George H. Ketch
Special Assistant
Attorney General
Oil Conservation Commission
Post Office Box 2088
Santa Fe, New Mexico

Mr. W. A. Grossett
Supervisor, District 2
Oil Conservation Commission
Drawer DD
Artesia, New Mexico

OIL CONSERVATION COMMISSION

P. O. BOX 2088

SANTA FE, NEW MEXICO

Case 3721
LEGAL DIVISION
PHONE 827-2741

May 31, 1967

C

O

Mrs. Lou Diekenper
1312 Main
Lubbock, Texas

P

Re: \$5,000 One-Well Plugging \$5,000 One-Well Plugging
Bond, H. E. Barnes, SW NE, Bond, H. E. Barnes, SE NE,
Section 32, Township 7 Section 32, Township 7
South, Range 26 East South, Range 26 East

Y

Dear Mrs. Diekenper:

This will acknowledge receipt of your letter of May 20, 1967, with copies of letters to The Employers' Group of Insurance Companies and Mr. Forrest Levers concerning the subject wells. Thank you for writing us.

We are sorry that Dr. Dunn is ill and wish him a speedy recovery.

Very truly yours,

GEORGE M. HATCH
Attorney

GMH/esr

SAM G. DUNN, M.D., F.A.C.S.

SURGERY

WEST TEXAS CLINIC 1312 MAIN
LUBBOCK, TEXAS

May 20, 1967

IN OFFICE

MAY 23 AM 8 00

Re: \$ 5,000 One-well plugging
Bond, H. E. Barnes, SW NE,
Sec. 32, T 7 S R 26E

\$ 5,000 One-well plugging
Bond, H. E. Barnes, SE NE,
Sec. 32, T7S R 26E

Mr. George M. Hatch
Special Assistant
Attorney General
Oil Conservation Commission
P. O. Box 2088
Santa Fe, N. M.

Dear Mr. Hatch:

On behalf of my father, Dr. Dunn, we are enclosing copies of two letters which is hoped will initiate action to transfer legal title on the above lease from H. E. Barnes to Sam G. Dunn.

As my father has a malignancy, he is very anxious for this transaction to be completed.

Sincerely yours,

Lou Diekemper
(Mrs.) Lou Diekemper

ID/s

May 20, 1967

Re: \$ 5,000 One-well plugging bond
H. E. Barnes, SW NE, Sec 32
T 7 S, R 26E

\$ 5,000 One-well Plugging Bond,
H. E. Barnes, SE NE Sec. 32
T 7", R 26E

The Employers' Group of Insurance Companies
Ward Building
Artesia, N. M.

Attn: Mr. Doyle Cole
Superintendent

Dear Mr. Cole:

At the request of my father who is quite ill in a Dallas hospital, I wrote Mr. Forrest Levers this date and requested that he file suit to have the above lease returned to him.

Should Mr. Levers not file suit, Dr. Dunn wanted me to ask you if it is possible for him to initiate suit.

Sincerely yours,

Sam G. Dunn, M. D.

by

(Mrs.) Lou Diekemper

SGD:ld

cc: Mr. George K. Hatch
Special Assistant
Attorney General
Oil Conservation Commission
P. O. Box 2088
Santa Fe, N. M.

May 20, 1967

Re: \$ 5,000 One-well plugging bond
H. E. Barnes, SW NE, Sec. 32
T 7, S, R 26E

\$ 5,000 One-well Plugging Bond,
H. E. Barnes, SE NE Sec. 32
T7 S, R 26E

Mr. Forrest Lavers
713 N. Main Street
Roswell, N. M.

Dear Mr. Lavers:

At my father's request, I am writing you in regard to the above wells.

He would appreciate your filing suit in order to have the lease returned to you and then reassigning it to him.

He is anxious to have this transaction completed as soon as possible, as are all concerned.

Dr. Dunn is ill and has asked me to contact you.

Sincerely yours,

Sam G. Dunn, M. D.

by

(Mrs.) Lou Diekemper

SGD:ld

cc: Mr. George M. Hatch
Special Assistant
Attorney General
Oil Conservation Commission
P. O. Box 2088
Santa Fe, N. M.

TEXAS EMPLOYERS' INSURANCE ASSOCIATION
TEXAS' LARGEST WRITER OF WORKMEN'S COMPENSATION INSURANCE

From the desk of:

RAY J. DIEKEMPER, JR.

TO: Mr. Hatch

YOUR WORLD OF PROTECTION

I thought that you might be interested in this. I tried to locate Mr. Solsbery in Roswell, but he was "out of pocket". I also understand that Barnes was last heard of from Alaska. It is possible that the State can get the NE/4 back for non-payment of rental on March 10 and then offer this lease for sale. There is some well equipment on it.

Thanks again for your kindness, and I wish to assure you that we intend to take care of our business in a business like manner and in accordance with the law, so if we don't seem to measure up, let me know.

Ray

EMPLOYERS INSURANCE OF TEXAS: Texas Employers' Insurance Association, Employers Casualty Company, Employers National Life Insurance Company, Employers National Insurance Company.

SM

FROM THE SURGICAL SECTION
OF
SAM G. DUNN, M.D., F.A.C.S.
WEST TEXAS CLINIC
LUBBOCK, TEXAS 7. 40'
April 2, 1967

Chad 3721

Mr. Porter
Oil and Gas Conservation Commission
Box 1148
Santa Fe, New Mexico

Dear Mr. Porter:

My apologies for bothering you with the enclosed matter. May I give you a brief resume of the situation.

When I first started my operations northeast of Roswell I took over these leases paying \$10.00 an acre to Mr. H.E. Barnes who guaranteed the Titles. He, as you know folded up financially and the Title happened to be clouded so that a law suit was inevitable. There was approximately \$11,000 judgements against this land from the Pendergrass end of the matter and I paid this off in cash. My legal fees amounted to over \$2,000 which has already been paid. A compromise was effected with the Pendergrass's wherein they would retain half of their royalty. This matter is in the final stages of being cleared up. It is waiting now for Mr. Frazier who was the attorney for the Pendergrass Interest to fix up the final papers for my signature. I have been waiting for over three weeks for this and I have called them as well as writing them trying to get things flanged up before I leave tomorrow for Egypt and Greece to be gone one month. The runs from this lease will not average over two (2) barrels a day in its total. Mr. Bickford and Mr. Sturgeon own part of the royalty and since the law suit was compromised the Pendergrass Interest and myself own the rest. I believe it amounts to considerably more than Mr. Bickford's and Mr. Sturgeon's portion. I have never received a penny from any of the runs on this, nor has anyone else, as McWood Corporation who has been buying the oil has kept all of the runs in Escrow.

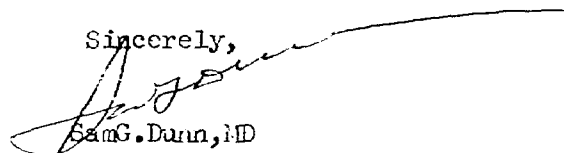
FROM THE SURGICAL SECTION
OF
SAM G. DUNN, M.D., F.A.C.S.
WEST TEXAS CLINIC
LUBBOCK, TEXAS 79401

-page 2-

If it is satisfactory with the Permian Corporation, who took over the McWood operations, I will be glad to pay Mr. Sturgeon and Mr. Bickford their portion of the runs even though I have not received a penny myself. As you know the production has been very disappointment in that area and we are planning on using secondary recovery methods in the very near future but so far it has been nothing but headaches.

My apologies again for bothering you with this but I did want you to know every facet in the matter.

Sincerely,



Sam G. Dunn, MD

SGD/jf

Memo

From

George M. Hatch
General Counsel

To 3-29-67

Talked to Mr. Cole of
the Bonding Co. today. Advised
him that the Commission is
willing to wait a reasonable
period of time in which
to allow Mr. Dunn to
arrange to take over the subject
well or wells.

George

Case 3721

Memo

From

George M. Hatch
General Counsel

To

Case 3721

Is Mr. Dunn interested in both wells?

How long does he think it will take him to ~~get~~ become the operator? and will he start some work on the well or wells right away -

We don't want this to hang fire for a year or two.

SWA

April 1, 1967

Dr. Sam Dunn
1312 Main Street
Lubbock, Texas

Page 3721

RE: Sturgeon-Bickford Lease

Dear Dr. Dunn:

It has been some time now since you agreed to get this oil runs straightened out in the above lease for myself and Mr. Sturgeon.

Since we feel that you have had ample time to clear the matter, if you do not do something definite within the next 15 days, we will take the whole thing and lay it in the lap of the New Mexico Oil and Gas Commission. We will ask that they padlock the wells and allow us to take all oil until we get what we are entitled to.

We hate to take this step knowing what effect it might have on your future operations in New Mexico, but, after all, we have to protect ourselves.

David M. Bickford

DAVID M. BICKFORD

W. A. Sturgeon

W. A. STURGEON

DMH

MAIN OFFICE

'67 APR 6 AM 8 06

Sam O. Dunn, M. D., F. A. C. S.
West Texas Clinic
Lubbock, Texas 79401

April 5, 1967

Case 3721

RE: \$5,000 One-Well Plugging
Bond, H. E. Barnes, SW NE,
Section 32, Township 7
South, Range 26 East

\$5,000 One-Well Plugging
Bond, R. E. Barnes, SE NE
Section 32, Township 7
South, Range 26 East

Dear Doctor Dunn:

This letter will verify our telephone conversation of April 3, 1967, where I informed you that I had discussed the two wells in question with Mr. George Hatch with the Oil Conservation Commission in Santa Fe.

At that time he informed me that the Commission would approve your taking over the lease from Mr. Barnes, providing that this legal action did not consume too much time. Mr. Hatch did state he did not want this legal action to obtain legal title to this lease to draw out for a period of a year or so. I informed him that I would get in touch with you and see if you could get the necessary suit filed immediately so this transaction could be completed in the very near future.

As brought out in our telephone conversation, you informed me that you planned to call Mr. Forrest Lavers in Roswell, and inform him to file suit to return the lease to him and then he would reassign it to you.

By carbon copy of this letter to Mr. Hatch and to Mr. Lavers I am notifying them of our conversation. I will be checking with you and Mr. Lavers in approximately thirty days to see what progress you have made in this suit.

Sincerely,

Doyle Cole
Superintendent

EC:ab

Page 2

April 6, 1967

Sam H. Dunn, M. D.

cc: Mr. Forrest Lavers
713 N. Main Street
Roswell, New Mexico

✓ Mr. George M. Hatch
Special Assistant
Attorney General
Oil Conservation Commission
Post Office Box 2088
Santa Fe, New Mexico

Mr. W. A. Gressett
Supervisor, District 2
Oil Conservation Commission
Drawer DD
Artesia, New Mexico

The Employers' Group
OF INSURANCE COMPANIES

ARTESIA CLAIM DEPARTMENT
WARD BUILDING, ARTESIA, NEW MEXICO

THE EMPLOYERS' LIABILITY Insurance Corporation, Ltd.
AMERICAN EMPLOYERS' Insurance Company
THE EMPLOYERS' FIRE Insurance Company
THE NORTHERN Insurance Company of America
THE EMPLOYERS' LIFE Insurance Company of America

March 22, 1967

DW

Mr. George M. Hatch
Special Assistant
Attorney General
Oil Conservation Commission
Post Office Box 2088
Santa Fe, New Mexico

Case 3721

RE: \$5,000 One-Well Plugging
Bond, H. E. Barnes, SW NE
Section 32, Township 7
South, Range 26 East

\$5,000 One-Well Plugging
Bond, H. E. Barnes, SE NE
Section 32, Township 7
South, Range 26 East

Dear Mr. Hatch:

In line with your letter of March 14, 1967, when you enclosed a copy of Dr. Dunn's letter, I am at this time inquiring whether or not you think there is a possibility of Dr. Dunn taking over the one or both of the wells on the lease that is in question. In reviewing Dr. Dunn's letter, it reflects that he would definitely be interested in having one producing well.

We would appreciate hearing from you in reference to the above at your earliest convenience.

Sincerely,

Doyle Cole
Doyle Cole
Superintendent

cc: Sam G. Dunn, M.D.
West Texas Clinic
Lubbock, Texas

DC/nc



THE MAN WITH THE PLAN®

March 23, 1967

MAI '67 MAR 26 PM 7 27

14957

Mr. Doyle Cole, Superintendent
The Employers Group Insurance Co.
Box 437
Artesia, New Mexico

Case 3721

Re: H.E. Barnes-Well Plugging Bond
Sec. 32, T7S, R26E
Chaves County, New Mexico

Dear Mr. Cole:

I was not aware that there was more than one well in the NE/4 of Section 32. Since he has not paid rentals on the whole of the NE/2 of Section 32 for several years Mr. Forest Lovers gave me a farmout on this and the lease is still in good shape as far as rentals are concerned. I talked to Mr. Lovers in Roswell last Sunday and we thought the best plan to follow was to have him file suit for return of the lease and then he said he would assign it to me. Since this will take some time I am concerned whether or not the Oil and Gas Conservation Commission would allow this time. I will have Mr. Lovers start proceedings at his earliest convenience. There is one well that I know of that might produce if it was worked over. I do not know the status of the other well.

Please let me have your views on this matter at your earliest convenience as I will be out of the United States for one month beginning on April 4, 1967.

Sincerely,

Sam G. Dunn
Sam G. Dunn, MD

SGD/jf
cc. Mr. George M. Hatch
Oil Conservation Commission
P.O. Box 2088
Santa Fe, New Mexico

Re: 2 have paid the rentals last year

OIL CONSERVATION COMMISSION

P. O. BOX 2088

SANTA FE, NEW MEXICO

LEGAL DIVISION

PHONE 827-2741

March 14, 1967

Mr. Doyle Cole
Superintendent
American Employers' Insurance Company
Surety Claim Department
Ward Building
Artesia, New Mexico

Case 3721

Re: \$5,000 One-Well Plugging	\$5,000 One-Well Plugging
Bond, H. E. Barnes, SW NE,	Bond, H. E. Barnes, SE NE,
Section 32, Township 7	Section 32, Township 7
South, Range 26 East	South, Range 26 East

Dear Mr. Cole:

Perhaps the enclosed copy of a letter received by the Commission is an answer to your inquiry as to whether Dr. Sam G. Dunn had taken over operation of the subject wells.

Very truly yours,

GEORGE M. HATCH
Attorney

GMH/esr
Enclosure

FROM THE SURGICAL SECTION
OF
SAM G. DUNN, M.D., F.A.C.S.
WEST TEXAS CLINIC
LUBBOCK, TEXAS 79401
March 13, 1967

SM

Mr. George M. Hatch
Oil Conservation Commission
Box 2088
Santa Fe, New Mexico

Case 3721

Dear Mr. Hatch:

Dr. Jack Dunn's office sent me a carbon copy of the letter Mr. Doyle Cole wrote to Mr. Barnes sending a copy of it also to your office. I do not know how they got Dr. Jack Dunn mixed up because as far as I know he has never operated in New Mexico.

I have the offset lease to the west and I would be interested in taking over the lease and working over the one well that is on the lease at present, I was not aware there were two wells on this lease. However, Mr. Barnes has about six or eight different partners in this venture and it is my opinion that the State will have to take back the lease before I could get a Title to the well that the company taking the oil would honor. I do not know what the situation is on the well but the log looks like it might be a very small commercial producer if worked over. The only way I see you could get a clear Title and save the plugging expense would be for the State to take the lease back and put it up for bids and not plug the well until who ever bought the lease had the opportunity to either produce it or go ahead and abandon this lease. As you know about all one could hope to get in the way of production would be a 3 barrel well at the most. However, at that depth I have been able to commercially produce all my wells from this area. I do not think you will ever be able to find Mr. Barnes. He owes everyone and is taking bankruptcy in the usual escape route and this keeps him from paying his bills. I would appreciate hearing from you relative to this at your earliest convenience since the 20th of March seems to be the deadline for plugging these wells.

Sincerely,

[Signature]
Sam G. Dunn, MD

SGD/jf

cc: Mr. W.A. Gresset - Artesia, N.M.
cc: Mr. Ted Bilbery - Roswell, N.M.
cc: Mr. Forest Levers - Roswell, N.M.

GOVERNOR
DAVID F. CARGO
CHAIRMAN

State of New Mexico
Oil Conservation Commission



P. O. DRAWER DD
ARTESIA

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

LAND COMMISSIONER
GUYTON B. HAYS
MEMBER

February 10, 1967

Mr. George Hatch
Oil Conservation Commission
P. O. Box 2088
Santa Fe, New Mexico

Dear George:

Here is the plugging program for the H. E. Barnes wells
as per your request.

#1 - SW NE 32-7S-26E TD1167 PB1151
Spot a 15 sack plug @ TD 1151
" " 15 " " @ 400
" " 5 " " @ surface with marker

Intervals between plugs to be filled with mud.

#2 - SE NE 32-7S-26E

The only forms received on this well is the Notice of
Intention to Drill. However, according to the Scout Report,
he drilled it to a TD of 101' and cemented 8 5/8" @101 W/50
sacks cement. If this report is correct, they could fill it
with mud and set a 5 sack plug at the surface with the marker.

Very truly yours,

OIL CONSERVATION COMMISSION

W. A. Gressett

W. A. Gressett
Supervisor, District No. II

WAG/bh

Just

March 10, 1967

CERTIFIED, H. H. R.

Mr. H. E. Barnes
709 East Skelly
Hobbs, New Mexico

Case 3721

RE: \$5,000 One-Well Plugging
Bond, H. E. Barnes
SE NE Section 32, Township
7 South, Range 26 East

\$5,000 One-Well Plugging
Bond, H. E. Barnes, SE NE
Section 32, Township 7
South, Range 26 East

Dear Mr. Barnes:

On February 17, 1967, our Company was informed by the Oil Conservation Commission of the State of New Mexico, that they were unable to receive any response from you in reference to the plugging and abandoned of two wells, H. E. Barnes Levers State Well No. 1, located in Unit G of Section 32, Township 7 South, Range 26 East, NMPM, Chaves County, New Mexico, and the H. E. Barnes Levers State Well No. 2, located in Unit H of Section 32, Township 7 South, Range East, NMPM, Chaves County, New Mexico.

We are your bonding company, and formal demand has been made upon The American Employers' Insurance Company to plug the above described wells. We have been asked by the Oil Conservation Commission to contact them on or before March 20, 1967, and make the necessary arrangements with them to plug the two wells. If it becomes necessary for our Company to plug these two wells under your bonds, our Company will naturally be looking to you for reimbursement of all of our expenses connected with plugging. It is our suggestion that you contact the Oil Conservation Commission as soon as possible and make the necessary arrangements with them as to the plugging of the two wells.

By carbon copy of this letter to Mr. Forrest Levers and to Jack Dunn, Jr., M.D., we would like to know if you have any objection in reference to our Company plugging these two wells, providing it becomes necessary? Since Mr. Levers was the first lease owner and might have some interest, and since we were informed that Dr. Dunn has a producing well on next location; we feel that we

Page 2
March 10, 1967

should definitely inform both of you of the circumstances of this demand made by the Oil Conservation Commission. If either of you are interested in these two wells, it is our suggestion that you contact Mr. W. A. Gressett, Supervisor, District 2, Oil Conservation Commission, Artesia, New Mexico and inform him as to your interest.

If we do not hear from you in the next twenty days, I am sure that the Oil Conservation Commission will set this case on the docket, and the order will be that the wells be plugged immediately.

Sincerely,

Doyle Cole
Superintendent

cc: Mr. Forrest Lavers
713 N. Main Street
Roswell, New Mexico

Jack Dunn, Jr., M.D.
3703 19th. Street
Lubbock, Texas

Mr. George M. Hatch
Special Assistant
Attorney General
Oil Conservation Commission
P. O. Box 2088
Santa Fe, New Mexico

Mr. W. A. Gressett
Supervisor, District 2
Oil Conservation Commission
Drawer DD
Artesia, New Mexico

DC/nc

OIL CONSERVATION COMMISSION
P. O. BOX 2088
SANTA FE, NEW MEXICO

March 1, 1967

C
O
P
Y
Mr. J. S. Ward
J. S. Ward & Son, Inc.
101 South Fourth Street
Artesia, New Mexico

Re: \$5,000 One-Well Bond to State of New
Mexico - SWNE-32, 7S, 26E - H. E. Barnes
Bond No. SY 320161 and

\$5,000 One-Well Bond to State of New
Mexico - SENE-32, 7S, 26E - H. E. Barnes
Bond No. SY 321817

Dear Mr. Ward:

Reference is made to our letter of February 24, 1967,
concerning the subject wells.

I am enclosing a photocopy of letter dated February 27,
1967, from W. A. Gressett, Supervisor of the Artesia District
Office of the Commission, which is self-explanatory.

Very truly yours,

GEORGE M. HATCH
Attorney

GMH/esr
Enclosure

Case 3721

OIL CONSERVATION COMMISSION

P. O. BOX 2088

SANTA FE, NEW MEXICO

LEGAL DIVISION

PHONE 827-2741

February 24, 1967

Case 3721

C
O
P
Y

Mr. J. S. Ward
J. S. Ward & Son, Inc.
101 South Fourth Street
Artesia, New Mexico

Re: \$5,000 One-Well Bond to State of New
Mexico - SWNE-32, 7 S, 26E - H. E. Barnes
Bond No. SY 320161 and

\$5,000 One-Well Bond to State of New
Mexico - SENE-32, 7 S, 26E - H. E. Barnes
Bond No. SY 321817

Dear Mr. Ward:

A search has been made of the records in the Santa Fe Office of the Oil Conservation Commission and we have found no record of a transfer of the above-captioned wells to Dr. Dunn.

By separate letter, I am requesting a similar search to be made of our records in the Artesia Office of the Oil Conservation Commission.

Very truly yours,

GEORGE M. HATCH
Attorney

GMH/esr



J. S. Ward & Son, Inc.

101 SOUTH FOURTH STREET

746-2796

Artesia, New Mexico

February 21, 1967

FIRE
CASUALTY
SURETY
LIFE

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

Re: \$5,000 One-Well Bond to State of New
Mexico - SWNE-32, 7S, 26E - H. E. Barnes
Bond No. SY 320161 and

\$5,000 One-Well Bond to State of New
Mexico - SENE-32, 7S, 26E - H. E. Barnes
Bond No. SY 321817

Gentlemen:

As Attorney-in-Fact for American Employers' Insurance Company we executed the above captioned bonds on March 19, 1964 and May 9, 1964. We have lost contact with Mr. Barnes and we understand that there is a possibility that these wells were transferred to Sam G. Dunn, M.D. of Lubbock, Texas, and that they may now be covered either under individual bonds or a blanket bond in Dr. Dunn's name. We would appreciate your examining the record and if such is the case, giving us a letter of release under the bonds.

Very truly yours,

J. S. WARD & SON, INC.

EHV:md

GOVERNOR
DAVID F. CARGO
CHAIRMAN

State of New Mexico
Oil Conservation Commission



P. O. DRAWER 20
ARTESIA

LAND COMMISSIONER
GUYTON B. KAYS
MEMBER

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

Page 3721

February 27, 1967

DMH

Mr. George Hatch
Oil Conservation Commission
P. O. Box 2088
Santa Fe, New Mexico

Dear George:

> I have checked our records as per your letter
of February 24, 1967, and find that the two wells
in question are still carried as H. E. Barnes.

Very truly yours,

OIL CONSERVATION COMMISSION

W. A. Gressett
W. A. Gressett
Supervisor, District No. II

WAG/bh

OIL CONSERVATION COMMISSION

P. O. BOX 2088

SANTA FE, NEW MEXICO

LEGAL DIVISION

PHONE 827-2741

February 24, 1967

Case 3721

C
O
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Y

Mr. Bill Gressett
Supervisor, District 2
Oil Conservation Commission
Drawer DD
Artesia, New Mexico

Dear Bill:

I am enclosing a copy of a letter from Mr. J. S. Ward that is self-explanatory. I have made a search of our records here and have found no record of such a transfer. Please search your records and let me know whether or not you have any record of such a transfer.

Very truly yours,

GEORGE M. HATCH
Attorney

GMH/ear
Enclosure

No. 635769

RECEIPT FOR CERTIFIED MAIL—20¢

American Employers' Ins. Co. Surety Claim Department		POSTMARK OR DATE 2-17-67
STREET AND NO. Ward Building		
CITY, STATE, AND ZIP CODE Artesia, New Mexico		
ATTENTION: Mr. Doyle Code <input type="checkbox"/> 10¢ shows to whom and when delivered <input type="checkbox"/> 35¢ shows to whom, when, and address where delivered If you want delivery only to addressee, check here <input type="checkbox"/> 50¢ fee		
FEES ADDITIONAL TO 20¢ FEE		

PD Form 3800 July 1963 NO INSURANCE COVERAGE PROVIDED— (See other side)
NOT FOR INTERNATIONAL MAIL
Ltr 2-17-67 - H.E. Barnes wells

INSTRUCTIONS TO DELIVERING EMPLOYEE		
<input type="checkbox"/> Show to whom and when delivered	<input type="checkbox"/> Show to whom, when, and address where delivered	<input type="checkbox"/> Deliver ONLY to addressee
(Additional charges required for these services)		

RECEIPT

Received the numbered article described below.

REGISTERED NO.	SIGNATURE OR NAME OF ADDRESSEE (Must always be filled in) <i>American Employers' Ins. Co.</i>
CERTIFIED NO. 635769	
INSURED NO.	
DATE DELIVERED FEB 20 1967	SIGNATURE OF ADDRESSEE'S AGENT, IF ANY <i>Robert H. Clarke</i>
SHOW WHERE DELIVERED (only if requested)	

1. Stick postage stamps to your article to pay:
BASIC CHARGES
Certified mail
Postage (first class or airmail)
2. If you want this receipt postmarked, stick the stamped stub on the left portion of the address side of the article, leaving the receipt attached, and present the article at a post office service window or hand it to your mail carrier. (Postage stamps)
3. If you do not want this receipt postmarked, stick the stamped stub on the left portion of the address side of the article, detach and retain the receipt, and mail the article.
4. If you want a return receipt, write the name of the addressee and your name and address on the front of the article, and attach the return receipt by means of the gummed ends. Endorse front of article: **RETURN RECEIPT REQUESTED**. (Postage 6¢ or 35¢)
5. If you want the article delivered only to the addressee, endorse it on the front **DELIVER TO ADDRESSEE ONLY**. (Postage 6¢). Place the same endorsement in line 2 of the return receipt card.
6. Save this receipt and present it if you make inquiry.

OPTIONAL SERVICES

Registered Mail (10¢ or 35¢)
Insured to \$500 only—50¢

Signature Required

★ GOV. 10-7-67

POST OFFICE SUBMITTANT OFFICIAL BUSINESS		STICK HERE FOR PRIVATE USE TO AVOID PAYMENT OF POSTAGE DUE	
American Employers' Ins. Co. Surety Claim Department Ward Building Artesia, New Mexico Attn: Mr. Doyle Cole		POSTMARK OF DELIVERING OFFICE	
PRINT NAME, ADDRESS, AND ADDRESS BELOW AND COMPLETE INSTRUCTIONS ON OTHER SIDE, WHERE APPLICABLE. Machine gummed ends, attach and hold firmly to back of article. Print on front of article RETURN RECEIPT REQUESTED .		RETURN TO	
NAME OF SENDER			
OIL CONSERVATION COMMISSION			
STREET AND NO. OR P.O. BOX			
P. O. BOX 2088			
CITY, STATE, AND ZIP CODE			
SANTA FE, NEW MEXICO			

Ltr 2-17-67 - H.E. Barnes wells

OIL CONSERVATION COMMISSION

P. O. BOX 2088

SANTA FE, NEW MEXICO

LEGAL DIVISION

PHONE 827-2741

Case 3721

February 17, 1967

C
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CERTIFIED - RETURN
RECEIPT REQUESTED

American Employers' Insurance Company
Surety Claim Department
Ward Building
Artesia, New Mexico

Attention: Mr. Doyle Cole

Gentlemen:

As Mr. W. A. Gressett, Supervisor, District 2, Oil Conservation Commission, Artesia, New Mexico, has recommended that the H. E. Barnes Levers State Well No. 1 located in Unit G of Section 32, Township 7 South, Range 26 East, NMPM, Chaves County, New Mexico, and the H. E. Barnes Levers State Well No. 2 located in Unit H of said Section 32 be plugged and abandoned and the Commission has been unable to receive a response from your principal, Mr. H. E. Barnes, the Commission hereby makes demand upon the American Employers' Insurance Company to plug the above-described wells in accordance with a Commission-approved plugging program.

Enclosed is a copy of a recommended plugging program for the subject wells.

OIL CONSERVATION COMMISSION

P. O. BOX 2088

SANTA FE, NEW MEXICO

-2-

February 17, 1967

American Employers' Insurance Company
Surety Claim Department
Ward Building
Artesia, New Mexico

C
Mr. Gressett must be given an opportunity to witness
the plugging of the wells.

O
If this office or Mr. Gressett has not been contacted
on or before March 20, 1967, and appropriate arrangements
made to plug the subject wells, the Commission will docket
a case concerning this matter.

P
Very truly yours,

GEORGE M. HATCH
Special Assistant
Attorney General

Y
GMH/esr
Enclosure

cc: American Employers' Insurance Company
Surety Claim Department
110 Milk Street
Boston, Massachusetts

Mr. H. E. Barnes
c/o Rowan Drilling Company
Anchorage, Alaska

Mr. W. A. Gressett
Supervisor, District 2
Oil Conservation Commission
Drawer DD
Artesia, New Mexico

No. 635767

RECEIPT FOR CERTIFIED MAIL—20¢

SENT TO Mr. H. E. Barnes		POSTMARK OR DATE 1-17-67
STREET AND NO. c/o 709 East Skelly		
CITY, STATE, AND ZIP CODE Hobbs, New Mexico		
<small>If you want a return receipt, check which</small> <input type="checkbox"/> <small>10¢ shows to whom and when delivered</small> <input type="checkbox"/> <small>35¢ shows to whom, when, and address where delivered</small>		<small>If you want delivery only to addressee, check here</small> <input type="checkbox"/> <small>50¢ fee</small>
FEES ADDITIONAL TO 20¢ FEE		
<small>POD Form 3800 July 1965</small> NO INSURANCE COVERAGE PROVIDED—NOT FOR INTERNATIONAL MAIL (See other side)		

LETTERS - January 16, 1967

INSTRUCTIONS TO DELIVERING EMPLOYEE		
<input type="checkbox"/> Show to whom and when delivered	<input type="checkbox"/> Show to whom, when, and address where delivered	<input type="checkbox"/> Deliver ONLY to addressee
<small>(Additional charges required for these services)</small>		

RECEIPT

Received the numbered article described below.

REGISTERED NO.	SIGNATURE OR NAME OF ADDRESSEE (Must always be present)
CERTIFIED NO. 635767	SIGNATURE OF ADDRESSEE'S AGENT, IF ANY <i>D. F. Sawyer</i>
INSURED NO.	SHOW WHERE DELIVERED (only if requested)
DATE DELIVERED 1-19-67	

655-16-71549-7 GPO

1. Send postpaid stamps to your article to pay:
BASIC CHARGES
Postage (according to distance)

OPTIONAL SERVICES

Return receipt (10¢ or 35¢)
Insurance (according to value only—50¢)
Registered Mail (35¢)

2. If you want a return receipt, stick the gummed tabs on the left portion of the address side of the article, leaving the return receipt attached, and present the article at a post office service window or large letter box.
3. If you do not want a return receipt, stick the gummed tabs on the left portion of the address side of the article, leaving the return receipt attached, and mail the article.
4. If you want a return receipt, stick the gummed tabs on the left portion of the address side of the article, leaving the return receipt attached, and mail the article.
5. If you want the article delivered only to the addressee, place it on the front **DELIVER TO ADDRESSEE ONLY**. (Fee—50¢). Place the return receipt in line 2 of the return receipt card.
6. Save this receipt and present it if you make inquiry.

* GPO:1967-O-385399

POST OFFICE DEPARTMENT OFFICIAL MAIL SERVICE		PENALTY FOR PRIVATE USE TO AVOID FORFEITURE OF FINE, \$300	
Mr. H. E. Barnes c/o 709 East Skelly Hobbs, New Mexico		POSTMARK OF DELIVERING OFFICE SANTA FE, N.M. JAN 16 1967	
INSTRUCTIONS: Show name and address below and complete instructions on other side, where applicable. No return gummed ends, attach and hold firmly to back of article. Print on front of article RETURN RECEIPT REQUESTED .			
NAME OF SENDER OIL CONSERVATION COMMISSION			
STREET AND NO. OR P.O. BOX P. O. BOX 2088			
CITY, STATE, AND ZIP CODE SANTA FE, NEW MEXICO			

LETTERS - January 16, 1967

CIL CONSERVATION COMMISSION
P. O. BOX 2038
SANTA FE, NEW MEXICO

LEGAL DIVISION
PHONE 827-2741

January 16, 1967

Case 3721

CERTIFIED - RETURN
RECEIPT REQUESTED

Mr. M. E. Barnes
c/o 709 East Skelly
Hobbs, New Mexico

Dear Mr. Barnes:

Please refer to the enclosed copy of a letter dated December 9, 1966, advising you that certain wells should be plugged and abandoned on or before January 10, 1967. Please note that as the Commission has not received the return receipt requested, the Commission, by letter of this date, is extending the time until February 7, 1967, in order to be sure you have received notification of its intentions.

Very truly yours,

GEORGE M. HATCH
Special Assistant
Attorney General

GMH/esr
Enclosure

cc: Mr. Doyle Cole
Artesia Claim Department
The Employers' Group of
Insurance Companies
Ward Building
Artesia, New Mexico

Mr. W. A. Gressett
Supervisor, District 2
Oil Conservation Commission
Drawer DD
Artesia, New Mexico

C
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OIL CONSERVATION COMMISSION

P. O. BOX 2088

SANTA FE, NEW MEXICO

LEGAL DIVISION

PHONE 827-2741

January 16, 1967

C
CERTIFIED - RETURN
RECEIPT REQUESTED

O
Mr. H. E. Barnes
c/o 709 East Skelly
Hobbs, New Mexico

Dear Mr. Barnes:

P
Mr. W. A. Gressett, Supervisor of District 2, New Mexico Oil Conservation Commission, has recommended that the following wells in Chaves County, New Mexico, be plugged and abandoned in order to confine the crude petroleum oil, natural gas, or water in the strata in which they are found, and to prevent them from escaping into other strata:

Y
Operator - Lease Well No. Unit Section Township Range
H. E. Barnes Levers State - 1 G 32 7 South 26 East

Well completed December 29, 1961

Last production reported February, 1964

H. E. Barnes Levers State - 2 H 32 7 South 26 East

Drilled to approximately 100 feet

The Commission wishes to advise you that if the above wells have not been plugged in accordance with Rule 202 of the Commission

OIL CONSERVATION COMMISSION

P. O. BOX 2088

SANTA FE, NEW MEXICO

-2-

January 16, 1967

Mr. H. E. Barnes
c/o 709 East Skelly
Hobbs, New Mexico

C
O
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Y
Rules and Regulations on or before February 7, 1967, or good cause shown for not so plugging, the Commission will enter a case on its docket to show cause why the subject wells should not be plugged.

Very truly yours,

GEORGE M. HATCH
Special Assistant
Attorney General

GH/esr

cc: Mr. Doyle Cole
Artesia Claim Department
The Employers' Group of Insurance Companies
Ward Building
Artesia, New Mexico

Mr. W. A. Gressett
Supervisor, District 2
Oil Conservation Commission
Drawer DD
Artesia, New Mexico

The Employers' Group
OF INSURANCE COMPANIES

ARTESIA CLAIM DEPARTMENT
WARD BUILDING, ARTESIA, NEW MEXICO

Jan 18 1967
The EMPLOYERS' LIABILITY Insurance Corporation, Ltd.
AMERICAN EMPLOYERS' Insurance Company
The EMPLOYERS' FIRE Insurance Company
The NORTHERN Insurance Company of America
The EMPLOYERS' LIFE Insurance Company of America

January 13, 1967

Hand letter to H.E. Barnes in care of this address
Oil Conservation Commission
Post Office Box 2088
Santa Fe, New Mexico

Attention: Mr. George M. Hatch,
Special Assistant Attorney General

RE: \$5,000 One-Well Plugging
Bond, H. E. Barnes,
SE NE Section 32, Township
7 South, Range 26 East

\$5,000 One-Well Plugging
Bond, H. E. Barnes, SE NE
Section 32, Township 7
South, Range 26 East

Dear Mr. Hatch:

Since you do not seem to have much luck in getting Mr. Barnes to answer your letters, I am at this time advising you that Mrs. Barnes is residing at 709 East Skelly, Hobbs, New Mexico. I am sure that Mrs. Barnes will in turn make sure that Mr. Barnes answers your correspondence as he might have moved to a new location and is no longer receiving his mail in care of the Rowan Drilling Company in Anchorage, Alaska.

If we can be of any further assistance, please advise.

Sincerely,

Doyle Cole
Doyle Cole
Superintendent

cc: El Paso Claim Department
El Paso, Texas

DC/nc



THE MAN WITH THE PLAN®

No. 635766

RECEIPT FOR CERTIFIED MAIL—20¢

SENT TO Mr. H. E. Barnes		POSTMARK OR DATE 1-9-67
STREET AND NO. c/o Rowan Drilling Company		
CITY, STATE, AND ZIP CODE Anchorage, Alaska		
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 delivery only to addressee, check here <input type="checkbox"/> 50¢ fee		
FEE ADDITIONAL TO 20¢ FEE		
POD Form 3800 July 1963 NO INSURANCE COVERAGE PROVIDED—NOT FOR INTERNATIONAL MAIL (See other side)		

Letters — January 9, 1967

INSTRUCTIONS TO DELIVERING EMPLOYEE

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

RECEIPT

Received the numbered article described below.

REGISTERED NO. _____ SIGNATURE OR NAME OF ADDRESSEE (Must always be filled in)
H. E. Barnes

CERTIFIED NO. **635766** SIGNATURE OF ADDRESSEE'S AGENT, IF ANY
Gene Holt

INSURED NO. _____ SHOW WHERE DELIVERED (only if insured)
ANCHORAGE

ANCHORAGE

655-10-71348-7 GPO

1. Check postage stamps to your article to pay:
 BASIC CHARGES
 Certified mail
 Postage (surface or airmail)

OPTIONAL SERVICES
 Registered mail (10¢ or 35¢)
 Return receipt only—50¢
 Insured delivery
 Delivery on the left portion of the article at a post office

2. If you want the article insured, stick the return receipt on the left portion of the article at a post office.
3. If you want the article insured, stick the return receipt on the left portion of the article at a post office.
4. If you want the article insured, stick the return receipt on the left portion of the article at a post office.
5. If you want the article delivered only to the addressee, enforce it on the front **DELIVER TO ADDRESSEE ONLY** (10¢ or 35¢). This is the same endorsement in line 2 of the return receipt.
6. Save this receipt and present it if you make inquiry.

★ 650,100-Q-00000

POST OFFICE DEPARTMENT OFFICIAL BUSINESS		NEVERLY FOR PERSON USE TO AVOID REMARKS OF POSTAGE, 900	
Mr. H. E. Barnes c/o Rowan Drilling Company Anchorage, Alaska		POSTMARK OF DELIVERING OFFICE	
INSTRUCTIONS: Show name and address below and complete instructions on other side, where applicable. Moisture gummed ends, attach and hold firmly to back of article. Print on front of article RETURN RECEIPT REQUESTED .		RETURN TO	
NAME OF SENDER OIL CONSERVATION COMMISSION			
STREET AND NO. OR P.O. BOX P. O. Box 2066			
CITY, STATE, AND ZIP CODE SAN ANTONIO, NEW MEXICO 87501			

Letters—January 9, 1967

OIL CONSERVATION COMMISSION

P. O. BOX 2088

SANTA FE, NEW MEXICO

LEGAL DIVISION

PHONE 827-2741

Case 3721

January 9, 1967

CERTIFIED - RETURN
RECEIPT REQUESTED

Mr. H. E. Barnes
c/o Rowan Drilling Company
Anchorage, Alaska

Dear Mr. Barnes:

Please refer to the enclosed copy of a letter dated December 9, 1966, advising you that certain wells should be plugged and abandoned on or before January 10, 1967. Please note that as the Commission has not received the return receipt requested, the Commission, by letter of this date, is extending the time until February 7, 1967, in order to be sure you have received notification of its intentions.

Very truly yours,

GEORGE M. HATCH
Special Assistant
Attorney General

GMH/esr
Enclosure

cc: Mr. Doyle Cole
Artesia Claim Department
The Employers' Group of
Insurance Companies
Ward Building
Artesia, New Mexico

Mr. W. A. Gressett
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

January 9, 1967

C

CERTIFIED - RETURN
RECEIPT REQUESTED

O

Mr. H. E. Barnes
c/o Rowan Drilling Company
Anchorage, Alaska

Dear Mr. Barnes:

P

Mr. W. A. Gressett, Supervisor of District 2, New Mexico Oil Conservation Commission, has recommended that the following wells in Chaves County, New Mexico, be plugged and abandoned in order to confine the crude petroleum oil, natural gas, or water in the strata in which they are found, and to prevent them from escaping into other strata:

Y

Operator - Lease	Well No.	Unit	Section	Township	Range
H. E. Barnes	Lavers State - 1	G	32	7 South	26 East

Well completed December 29, 1961
Last production reported February, 1964

H. E. Barnes	Lavers State - 2	H	32	7 South	26 East
--------------	------------------	---	----	---------	---------

Drilled to approximately 100 feet

The Commission wishes to advise you that if the above wells have not been plugged in accordance with Rule 202 of the Commission

OIL CONSERVATION COMMISSION

P. O. BOX 2088

SANTA FE, NEW MEXICO

-2-

January 9, 1967

Mr. H. E. Barnes
c/o Rowan Drilling Company
Anchorage, Alaska

C Rules and Regulations on or before February 7, 1967, or good cause
shown for not so plugging, the Commission will enter a case on its
docket to show cause why the subject wells should not be plugged.

Very truly yours,

GEORGE M. HATCH
Special Assistant
Attorney General

P GML/esr

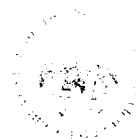
cc: Mr. Doyle Cole
Artesia Claim Department
The Employers' Group of Insurance Companies
Ward Building
Artesia, New Mexico

Y Mr. W. A. Gressett
Supervisor, District 2
Oil Conservation Commission
Drawer DD
Artesia, 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

December 9, 1966

CERTIFIED - RETURN
RECEIPT REQUESTED

Mr. H. E. Barnes
c/o Rowan Drilling Company
Anchorage, Alaska

Dear Mr. Barnes:

Mr. W. A. Gressett, Supervisor of District 2, New Mexico Oil Conservation Commission, has recommended that the following wells in Chaves County, New Mexico, be plugged and abandoned in order to confine the crude petroleum oil, natural gas, or water in the strata in which they are found, and to prevent them from escaping into other strata:

Operator - Lease	Well No.	Unit	Section	Township	Range
H. E. Barnes	Levers State - 1	G	32	7 South	26 East

Well completed December 29, 1961
Last production reported February, 1964

H. E. Barnes	Levers State - 2	H	32	7 South	26 East
--------------	------------------	---	----	---------	---------

Drilled to approximately 100 feet

The Commission wishes to advise you that if the above wells have not been plugged in accordance with Rule 202 of the Commission

-2-

December 9, 1966

Mr. H. E. Barnes
c/o Rowan Drilling Company
Anchorage, Alaska

Rules and Regulations on or before January 10, 1967, or good cause shown for not so plugging, the Commission will enter a case on its docket to show cause why the subject wells should not be plugged.

Very truly yours,



GEORGE M. HATCH
Special Assistant
Attorney General

GMH/esr

cc: Mr. Doyle Cole
Artesia Claim Department
The Employers' Group of Insurance Companies
Ward Building
Artesia, New Mexico

Mr. W. A. Gressett
Supervisor, District 2
Oil Conservation Commission
Drawer DD
Artesia, New Mexico

No. 635765

RECEIPT FOR CERTIFIED MAIL—20¢

SENT TO Mr. H. E. Barnes		POSTMARK OR DATE 12-9-66
STREET AND NO. c/o Rowan Drilling Company		
CITY, STATE, AND ZIP CODE Anchorage, Alaska		
<small>If you want a return receipt, check which</small> <input type="checkbox"/> <small>10¢ shows to whom and when delivered</small> <input type="checkbox"/> <small>35¢ shows to whom, when, and address where delivered</small> <input type="checkbox"/> <small>If you want delivery only to addressee, check here</small> <small>50¢ fee</small>		

POD Form 3800 July 1963 **NO INSURANCE COVERAGE PROVIDED—** (See other side)
NOT FOR INTERNATIONAL MAIL
Letter - December 9, 1966

1. Stick postage stamps to your article to pay:

BASIC CHARGES

Postage (see 22)

Postage (insurance or return)

OPTIONAL SERVICES

Registered mail (10¢ or 35¢)

Insurance to addressee only—50¢

Special delivery

2. If you want this receipt postmarked, stick the gummed stub on the left portion of the address side of the article, leaving the receipt attached, and present the article at a post office service window or hand it to your rural carrier. (No cash charge)
3. If you do not want this receipt postmarked, stick the gummed stub on the left portion of the address side of the article, detach and retain the receipt, and mail the article.
4. If you want a return receipt, write the certified mail number and your name and address on a return receipt card (Form 3811) and attach it to the back of the article by means of the gummed stub. For terms front of article RETURN RECEIPT FORM 3811. (Post—10¢ or 35¢)
5. If you want the article delivered only to the addressee, endorse it on the front **DELIVER TO ADDRESSEE ONLY**. (Post—50¢). Place the same endorsement in line 2 of the return receipt card.
6. Keep this receipt and present it if you make inquiry.

* GPO: 1964-O-555555

When you receive your article, please return this receipt to the post office.

OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

LEGAL DIVISION
PHONE 827-2741

December 9, 1966

Case 3721

C
O
P
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CERTIFIED - RETURN
RECEIPT REQUESTED

Mr. E. E. Barnes
c/o Rowan Drilling Company
Anchorage, Alaska

Dear Mr. Barnes:

Mr. W. A. Gressett, Supervisor of District 2, New Mexico Oil Conservation Commission, has recommended that the following wells in Chaves County, New Mexico, be plugged and abandoned in order to confine the crude petroleum oil, natural gas, or water in the strata in which they are found, and to prevent them from escaping into other strata:

Operator - Lease	Well No.	Unit	Section	Township	Range
H. E. Barnes	Lavers State - 1	G	32	7 South	26 East

Well completed December 29, 1961
Last production reported February, 1964

H. E. Barnes	Lavers State - 2	H	32	7 South	26 East
--------------	------------------	---	----	---------	---------

Drilled to approximately 100 feet

The Commission wishes to advise you that if the above wells have not been plugged in accordance with Rule 202 of the Commission

OIL CONSERVATION COMMISSION

P. O. BOX 2088

SANTA FE, NEW MEXICO

-2-

December 9, 1966

Mr. M. E. Barnes
c/o Rowan Drilling Company
Anchorage, Alaska

C Rules and Regulations on or before January 10, 1967, or good cause shown for not so plugging, the Commission will enter a case on its docket to show cause why the subject wells should not be plugged.

O Very truly yours,

GEORGE M. HATCH
Special Assistant
Attorney General

P GME/csr

cc: Mr. Doyle Cole
Artesia Claim Department
The Employers' Group of Insurance Companies
Ward Building
Artesia, New Mexico

Y Mr. W. A. Gressett
Supervisor, District 2
Oil Conservation Commission
Drawer 10
Artesia, New Mexico

The Employers' Group
OF INSURANCE COMPANIES

ARTESIA CLAIM DEPARTMENT
WARD BUILDING, ARTESIA, NEW MEXICO

THE EMPLOYERS' LIABILITY Insurance Corporation, Ltd.
AMERICAN EMPLOYERS' Insurance Company
THE EMPLOYERS' FIRE Insurance Company
THE NORTHERN Insurance Company of America
THE EMPLOYERS' LIFE Insurance Company of America

OIL CONSERVATION COMMISSION
State of New Mexico
Post Office Box 2088
Santa Fe, New Mexico

December 2, 1966

ATTENTION: Mr. I. R. Trujillo

RE: \$5,000 One-Well Plugging
Bond, H. E. Barnes,
SE NE Section 32, Township
7 South, Range 26 East

\$5,000 One-Well Plugging
Bond, H. E. Barnes, SE NE
Section 32, Township
South, Range 26 East

Dear Mr. Trujillo:

I am writing as a representative of the insurance company that has the two above captioned Bonds. At this time I would like to know whether or not Mr. H. E. Barnes has cleared-up this problem with the State in reference plugging of these wells under the above Bonds.

If you wish to correspond with Mr. Barnes he is now working for the Rowan Drilling Company and can receive mail in-care-of this company in Anchorage, Alaska.

Please advise us at your earliest convenience whether or not we will be asked to plug any wells under our Bonds.

Sincerely,

Doyle Cole
Doyle Cole
Superintendent

DC:nb

cc: El Paso Claim Department



THE MAN WITH THE PLAN²

Case 372/
Heard. 2-7-68
Rec. - 2-7-68.

Write an order to pay the Barnes.
1 & 2 wells in record and with
O.C.C. Exhibit #1. I presume
since Mr. Barnes is not
available the order should be
to the bonding Co.

J. H. H. R.

Docket No. 4-68

DOCKET: EXAMINER HEARING - WEDNESDAY - FEBRUARY 7, 1968

9 A.M. - OIL CONSERVATION COMMISSION CONFERENCE ROOM,
STATE LAND OFFICE BUILDING - SANTA FE, NEW MEXICO

The following cases will be heard before Elvis A. Utz, Examiner, or Daniel S. Nutter, Alternate Examiner:

CASE 3719: Application of Amerada Petroleum Corporation for salt water disposal, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the Siluro-Devonian formation in the interval from 11,010 feet to 11,325 feet in its L. H. Chambers Well No. 1 located in Unit F of Section 11, Township 12 South, Range 33 East, Bagley Field, Lea County, New Mexico.

CASE 3720: Application of Sinclair Oil & Gas Company for salt water disposal, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the Abo formation in the interval from 6982 to 7092 feet in its Turner "B" Well No. 73, located in Unit C of Section 29, Township 17 South, Range 31 East, Cedar Lake-Abo Pool, Eddy County, New Mexico.

CASE 3348: (Reopened)

In the matter of Case No. 3348 being reopened pursuant to the provisions of Order No. R-3019-A, which order extended 80-acre spacing units for the South Prairie-San Andres Pool, Roosevelt County, New Mexico, for a period of 14 months. All interested parties may appear and show cause why said pool should not be developed on 40-acre spacing units.

CASE 3351: In the matter of Case No. 3351 being reopened pursuant to the provisions of Order No. R-3022-A, which order extended 640-acre spacing units for the Dos Hermanos-Morrow Gas Pool, Lea County, New Mexico, for a period of 14 months. All interested parties may appear and show cause why said pool should not be developed on 320-acre spacing units.

CASE 3520: (Reopened)

In the matter of Case No. 3520 being reopened pursuant to the provisions of Order No. R-3184, which order established 80-acre spacing units for the Northeast Bagley-Wolfcamp 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.

CASE 3721: In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit H. E. Barnes and all other interested parties to appear and show cause why the H. E. Barnes Levers State Well No. 1 and the H. E. Barnes Levers State Well No. 2, located in Units G and H, respectively, of Section 32, Township 7 South, Range 26 East, Pecos-San Andres Pool, Chaves County, New Mexico, should not be ordered plugged and abandoned in accordance with a Commission-approved plugging program.

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION COMMISSION ON ITS OWN MOTION TO PERMIT H. E. BARNES AND ALL OTHER INTERESTED PARTIES TO APPEAR AND SHOW CAUSE WHY THE H. E. BARNES LEVERS STATE WELL NO. 1 AND THE H. E. BARNES LEVERS STATE WELL NO. 2, LOCATED IN UNITS G & H, RESPECTIVELY, OF SECTION 32, TOWNSHIP 7 SOUTH, RANGE 26 EAST, NMPM, PECOS-SAN ANDRES POOL, CHAVES COUNTY, NEW MEXICO, SHOULD NOT BE ORDERED PLUGGED AND ABANDONED IN ACCORDANCE WITH A COMMISSION-APPROVED PLUGGING PROGRAM.

CASE No. 3721
Order No. R-3379

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on February 7, 1968, at Santa Fe, New Mexico, before Examiner Elvis A. Utz.

NOW, on this 14th day of February, 1968, the Commission, a quorum being present, having considered the testimony, the record, and the recommendations of the Examiner, and being fully advised in the premises,

FINDS:

(1) That due public notice having been given as required by law, the Commission has jurisdiction of this cause and the subject matter thereof.

(2) That H. E. Barnes is the owner and operator of the following-described wells in Section 32, Township 7 South, Range 26 East, NMPM, Pecos-San Andres Pool, Chaves County, New Mexico:

1. H. E. Barnes Levers State Well No. 1,
located in Unit G.
2. H. E. Barnes Levers State Well No. 2,
located in Unit H.

(3) That the H. E. Barnes Levers State Well No. 1 has been abandoned and should be plugged in order to confine permanently

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CASE No. 3721

Order No. R-3379

all oil, gas, and water in the separate strata originally containing them in order to prevent waste and protect correlative rights.

(4) That the H. E. Barnes Levers State Well No. 2 has been abandoned and should be plugged in order to confine permanently all oil, gas, and water in the separate strata originally containing them in order to prevent waste and protect correlative rights.

IT IS THEREFORE ORDERED:

(1) That H. E. Barnes is hereby ordered to plug the H. E. Barnes Levers State Well No. 1, located in Unit G of Section 32, Township 7 South, Range 26 East, NMPM, Pecos-San Andres Pool, Chaves County, New Mexico, in accordance with the following minimum plugging requirements:

1. Set a 15-sack cement plug at total depth.
2. Set a 15-sack cement plug at 400 feet.
3. Set a 5-sack cement plug at the surface.
4. Fill the intervals between plugs with mud weighing not less than 10 pounds per gallon.
5. Set in the surface plug a regulation steel marker not less than 4 inches in diameter and extending at least 4 feet above mean ground level.

(2) That H. E. Barnes is hereby ordered to plug the H. E. Barnes Levers State Well No. 2, located in Unit H of Section 32, Township 7 South, Range 26 East, NMPM, Pecos-San Andres Pool, Chaves County, New Mexico, in accordance with the following minimum plugging requirements:

1. Set a 5-sack cement plug at the surface with the interval from total depth to the surface plug filled with mud weighing not less than 10 pounds per gallon.
2. Set in the surface plug a regulation steel marker not less than 4 inches in diameter and extending at least 4 feet above mean ground level.

-3-

CASE No. 3721

Order No. R-3379

(3) That H. E. Barnes shall complete plugging operations on the above-described wells on or before March 15, 1968, and shall notify the District Supervisor, District 2, Oil Conservation Commission, Artesia, New Mexico, of the exact date and time plugging operations are to commence on each well.

(4) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

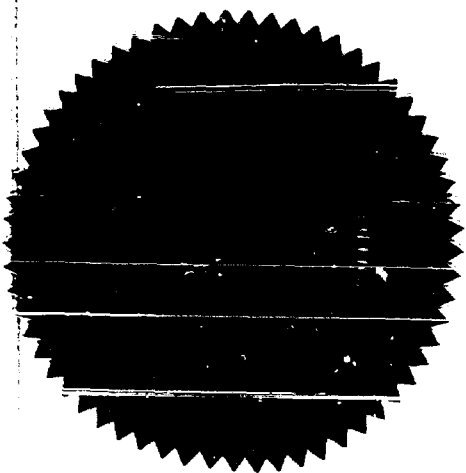
DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION


DAVID F. CARGO, Chairman


GUYTON B. HAYS, Member


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



esr/

BEFORE THE
NEW MEXICO OIL CONSERVATION COMMISSION
Santa Fe, New Mexico
February 7, 1968
EXAMINER HEARING

In the matter of the hearing called by)
the Oil Conservation Commission on its)
own motion to permit H.E. Barnes and)
all other interested parties to appear)
and show cause why the H.E. Barnes)
Levers State Well No. 1 and the H.E.)
Barnes Levers State Well No. 2,)
located in Units G and H, respectively,)
of Section 32, Township 7 South, Range)
26 East, Pecos-San Andres Pool, Chaves)
County, New Mexico, should not be)
ordered plugged and abandoned in)
accordance with a Commission-approved)
plugging program.)

Case 3721

BEFORE: Elvis A. Utz, Examiner

TRANSCRIPT OF HEARING

MR. UTZ: Case 3721.

MR. HATCH: Case 3721. In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit H. E. Barnes and all other interested parties to appear and show cause why the H.E. Barnes Levers State Well No. 1 and the H.E. Barnes Levers State Well No. 2, located in Units G and H, respectively, of Section 32, Township 7 South, Range 26 East, Pecos-San Andres Pool, Chaves County, New Mexico, should not be ordered plugged and abandoned in accordance with a Commission-approved plugging program.

MR. HATCH: If the Examiner please, George Hatch appearing on behalf of the Commission and its staff and I will have one witness I would like to have sworn.

(Witness sworn)

MR. UTZ: Are there other appearances? Let the record show there were none.

W. A. GRESSETT

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

DIRECT EXAMINATION

BY MR. HATCH.

Q Will you state your name and position for the record?

A W. A. Gressett, Supervisor of District Two for the New Mexico Oil Conservation Commission.

Q Mr. Gressett, as Supervisor of District Two, do you have the duty to make recommendations to the Commission concerning the plugging of wells located in District Two?

A Yes, sir, I do.

Q Are you familiar with the purpose of Case 3721?

A Yes, sir.

Q Are you familiar with both of the wells that are the subject of Case 3721?

A Yes, sir, I am.

Q And how are you familiar with them?

A In that we have all records that are filed by the operator and also numerous inspections of the lease.

Q You have inspected these leases yourself?

A Yes, sir, I have.

Q And you have in your possession then the official records of the Commission concerning the subject wells?

A Yes, sir, I do.

Q Would you refer to your official records then of the H.E. Barnes Levers State Well Number 1 and give the name, location, and operator as shown by the official records?

A H. E. Barnes, Levers State Well Number 1, located

1,650 feet from the north line and 1,650 feet from the east line of Section 32, Township 7 South, Range 26 East, Chaves County, New Mexico.

Q Who is shown as the operator of that well?

A H.E. Barnes.

Q Would you refer to your own knowledge of the lease and to your official records and make your recommendations to the Commission concerning the plugging of the subject well?

A This well was originally drilled as the K. G. Miller Levers State Well Number 1. It was spudded on January 6, 1961; drilling was completed on December 8, 1961 and request for allowable was approved on January 2 of 1962. Mr. Miller operated this well from that time until July the 23rd of 1962, at which time the operator's name was changed to N. Dale Nichols. He operated this lease until March the 19th. 1964, at which time H.E. Barnes assumed operations of the well.

Production from this well is as follows: For the year of 1962 total production was 161 barrels. For 1963, they produced it during the months of January and December, total production was 46 barrels. 1964, it was produced during the months of January and February with a total production for the year of 40 barrels and a cumulative of 247 barrels of oil, and the last production reported was February, 1964 which all

production for this well was reported by prior operators.

Q Not any production has been reported by Mr. Barnes?

A No, sir, he didn't report any.

Q What papers, reports have been filed by Mr. Barnes?

A We have two reports filed by Mr. Barnes, one is the change of ownership from N. Dale Nichols to H.E. Barnes and the other is a remedial report that he filed.

Q And the dates on those, please?

A This work was performed, the remedial work was performed March 4, 1964 and it showed no results or no production obtained and approval date on that was March 19, 1964, the same date as him assuming the operations of the lease.

Q There has been no production reported since February, 1964?

A Right.

Q And no reports filed by Mr. Barnes since March of 1964?

A That's right.

Q Could you describe the present status of the well and the equipment?

A The last inspection of this lease, there was tubing and rods in the hole, had a pump jack on it and there was one 250-barrel production tank and they had a water disposal pit at the tank battery.

Q Did anybody seem to be operating it?

A No, sir, there was no evidence of any activity.

Q You have not been aware of any activity there since March of 1964?

A No, sir.

Q In your opinion, is this an abandoned location, the well itself, I mean?

A In my opinion they have abandoned it as a failure, yes, sir.

Q You have testified that there has been crude oil production from this well. Is there any other oil production in the area?

A Yes, sir, to the west Dr. Dunn has a very small well and there are two wells immediately to the east.

Q That are producing?

A Yes, sir.

Q Any water, were any water sands penetrated in this well?

A Yes, sir, they reported a water sand from 320 to 330 feet.

Q And in your opinion, should this well be plugged?

A Yes, sir, it should.

Q Why?

A Inasmuch as it's apparently been abandoned and in the interest of conservation and protection of this shallow water I feel that it should be plugged.

Q Do you have a plugging' recommendation as to how it should be?

A Yes, sir. I would recommend that we spot a fifteen sack cement plug at the total depth, which is 1,151 feet, and spot a fifteen sack plug at 400 feet and a five sack plug at the surface with a marker and the interval between the plugs to be filled with mud.

Q Do you have a recommended date by which this should be accomplished?

A I would think within 30 days after the issuance of the order.

Q Would you refer to your official records of the H.E. Barnes Levers State Well Number 2 and give the name, location, and operator as shown by the official records?

A H. E. Barnes, Levers State Well Number 2, located 1,650 feet from the north line and 330 feet from the east line of Section 32, Township 7 South, Range 26 East, Chaves County, New Mexico.

Q And that shows who as the operator?

A H. E. Barnes.

Q Would you give a little of the history of that well, please?

A The only information in our files, filed by the operator is the notice of intention to drill. Numerous attempts have been made to get the operator to file subsequent reports, but we haven't been able to obtain them, however, we do have a scout report which indicates that this well was spudded on 5/15/64 and was drilled to a total depth of 101 feet and eight and five eighths inch surface casing was set at 101 with 50 sacks of cement and on 10/17/66 they indicated that the well was temporarily abandoned.

Q You haven't received anything from the operator requesting temporary abandonment?

A No, sir, we haven't received anything.

Q In your opinion, is this an abandoned location?

A Yes, sir, apparently they just moved off and abandoned their intentions to drill it.

Q Do you have any reason to believe that the scout report is not accurate?

A No, sir, I sure don't.

Q You have visited this location itself?

A Yes, sir, I have.

Q There is no way of your knowing exactly how deep

the hole is at the present?

A That's correct.

Q Do you recommend that this hole be plugged?

A Yes, I feel that this well should be plugged.

Q And do you have a recommended plugging program for it?

A Assuming that this scout report is correct, I would recommend that this hole be filled with mud and a five sack cement plug at the surface with a marker.

Q Do you have a copy of those recommended plugging programs that we could introduce as an exhibit here?

A Yes, sir, I do have.

Q These reflect merely what you have already stated as to both wells?

A Yes, sir.

MR. HATCH: If the Examiner please, I would like to mark this as Exhibit Number 1 and introduce it in this case.

(Whereupon, Commission's Exhibit Number 1 marked for identification.)

MR. UTZ: Exhibit Number 1 will be entered into the record of this case.

(Whereupon, Commission's Exhibit 1 was offered and admitted in evidence.)

A I might add that there are two small pits at this Well Number 2 that should be filled and leveled.

Q Are there any pits to be filled and leveled on the location of the Barnes Number 1 well?

A Yes, sir, at the tank battery location, there is a pit that should be filled.

MR. HATCH: I would like for the Examiner to take administrative notice of the official well records concerned in this case, and all correspondence that we have had.

MR. UTZ: The Examiner will take notice of the official records.

MR. HATCH: That's all I have. Do you have anything else, Mr. Gressett?

A No, sir.

CROSS EXAMINATION

BY MR. UTZ:

Q Mr. Gressett, have you talked to or corresponded with Mr. Barnes at any time during this period?

A Yes, sir, in the early part of his activity we talked to him in person. At this time he was drilling wells for Dr. Dunn approximately six miles north of here and immediately after this time that he started his Well Number 2

he went out of business and moved out of the country and we haven't been able to contact him. We have numerous letters Mr. Hatch has written and Mr. Barnes won't answer anything.

Q He just left the State and the wells too?

A Yes, sir.

MR. HATCH: If the Examiner please, I have attempted to send notices to Mr. Barnes since early in 1966. Some of the letters have been returned, some have been accepted by agents of Mr. Barnes, but we have received no communication from Mr. Barnes in answer to any of these.

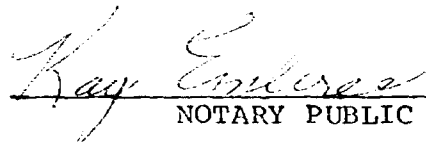
MR. UTZ: Other questions of the witness? Witness may be excused.

(Witness excused.)

MR. UTZ: Statements? The case will be taken under advisement. Hearing is adjourned.

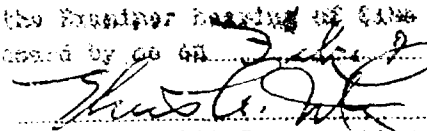
STATE OF NEW MEXICO)
) ss
 COUNTY OF BERNALILLO)

I, KAY EMBREE, Notary Public in and for the County of Bernalillo, State of New Mexico, do hereby certify that the foregoing and attached Transcript of Hearing before the New Mexico Oil Conservation Commission was reported by me; and that the same is a true and correct record of the said proceedings, to the best of my knowledge, skill and ability.


 NOTARY PUBLIC

My Commission Expires:

November 19, 1971

I do hereby certify that the foregoing is a complete record of the proceedings in the Foreigner hearing of Case No. 3221, heard by me on July 2, 1968.

 Ruston, Examiner
 New Mexico Oil Conservation Commission

GOVERNOR
DAVID F. CARGO
CHAIRMAN

WAG

State of New Mexico
Oil Conservation Commission



LAND COMMISSIONER
GUYTON B. HAYS
MEMBER

P. O. DRAWER DD
ARTESIA

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

February 10, 1967

Mr. George Hatch
Oil Conservation Commission
P. O. Box 2088
Santa Fe, New Mexico

Dear George:

Here is the plugging program for the H. E. Barnes wells
as per your request.

#1 - SW NE 32-7S-26E TD1167 PB1151
Spot a 15 sack plug @ TD 1151.
" " 15 " " @ 400
" " 5 " " @ surface with marker

*Location
Landed
both wells*

Intervals between plugs to be filled with mud.

#2 - SE NE 32-7S-26E

The only forms received on this well is the Notice of
Intention to Drill. However, according to the Scout Report,
he drilled it to a TD of 101' and cemented 8 5/8" @101 w/50
sacks cement. If this report is correct, they could fill it
with mud and set a 5 sack plug at the surface with the marker.

Very truly yours,

OIL CONSERVATION COMMISSION

W. A. Gressett

W. A. Gressett
Supervisor, District No. II

BEFORE EXAMINER UTZ	
OIL CONSERVATION COMMISSION	
<i>occ</i>	EXHIBIT NO. <u>1</u>
CASE NO. <u>3721</u>	

WAG/bh