

STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING CALLED BY)
THE OIL CONSERVATION DIVISION FOR THE)
PURPOSE OF CONSIDERING:)

APPLICATION OF THE NEW MEXICO OIL)
CONSERVATION DIVISION FOR AN ORDER)
REQUIRING THE ESTATE OF REUBEN F. MOMSEN)
TO PLUG ONE WELL AND ORDERING FORFEITURE)
OF APPLICABLE FINANCIAL ASSURANCE IN)
EVENT OF OPERATOR'S NONCOMPLIANCE,)
EDDY COUNTY, NEW MEXICO)

CASE NO. 13,713

ORIGINAL

REPORTER'S TRANSCRIPT OF PROCEEDINGS

EXAMINER HEARING

BEFORE: WILLIAM V. JONES, JR., Hearing Examiner

June 8th, 2006

Santa Fe, New Mexico

2006 JUN 22 AM 10 06

9/22/06 WVM

This matter came on for hearing before the New Mexico Oil Conservation Division, WILLIAM V. JONES, JR., Hearing Examiner, on Thursday, June 8th, 2006, at the New Mexico Energy, Minerals and Natural Resources Department, 1220 South Saint Francis Drive, Room 102, Santa Fe, New Mexico, Steven T. Brenner, Certified Court Reporter No. 7 for the State of New Mexico.

* * *

STEVEN T. BRENNER, CCR
(505) 989-9317

I N D E X

June 8th, 2006
Examiner Hearing
CASE NO. 13,713

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<u>VAN BARTON</u> (Field Supervisor, Artesia District Office, District 2, NMOCD) (Present by telephone) Direct Examination by Mr. Brooks	7
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A P P E A R A N C E S

FOR THE DIVISION:

GAIL MacQUESTEN
Deputy General Counsel
Energy, Minerals and Natural Resources Department
1220 South St. Francis Drive
Santa Fe, New Mexico 87505

FOR THE APPLICANT:

DAVID K. BROOKS, JR.
Assistant General Counsel
Energy, Minerals and Natural Resources Department
1220 South St. Francis Drive
Santa Fe, New Mexico 87505

* * *

1 WHEREUPON, the following proceedings were had at
2 2:23 p.m.:

3 EXAMINER JONES: And at this time we'll call Case
4 13,713, Application of the New Mexico Oil Conservation
5 Division for an order requiring the Estate of Reuben F.
6 Momsen to plug one well and ordering forfeiture of
7 applicable financial assurance in event of operator's
8 noncompliance, Eddy County, New Mexico.

9 Call for appearances.

10 MR. BROOKS: Mr. Examiner, David Brooks for the
11 OCD.

12 EXAMINER JONES: No other appearances.

13 MR. BROOKS: I have one witness, the same witness
14 as in the previous two cases.

15 EXAMINER JONES: Okay.

16 MR. BROOKS: Mr. Examiner, you mentioned the name
17 and there is some confusion about this. The name is shown
18 on the computer as Reuben F. Monsen, M-o-n-s-e-n. However,
19 numerous documents in the file show the name as Reuben F.
20 Momsen, M-o-m-s-e-n, and I don't have any authoritative
21 means of determining what the correct spelling of that name
22 is. It's shown different ways on different documents in
23 the OCD file. I would perhaps suggest that the order say
24 Monsen or Momsen.

25 In this case I'll call your attention to what has

1 been marked as OCD Exhibit 1. This is the well list. It
2 identifies the only well allegedly operated by Reuben F.
3 Monsen or Momsen. The date of last production is -- or
4 injection is shown as 5 of '87.

5 Call your attention to Exhibit Number 2. Exhibit
6 Number 2 is a letter by the OCD dated January 14th of 1954,
7 in which Reuben F. Momsen or Monsen was -- I believe it
8 says Momsen on this letter, although it's so smeared in
9 this copy I can't tell -- was recognized as operator of
10 this well.

11 Pass over Exhibit Number 3, call your attention
12 to OCD Exhibit Number 4, which is a letter to Reuben F.
13 Momsen's surety, American Employers Insurance Corporation.
14 We noted in that letter that since we had no address for
15 Reuben F. -- for the estate of Reuben F. Momsen, that we
16 did not attempt other than published service upon the
17 estate, but we were giving personal notification to the
18 surety. And attached thereto is the surety's return
19 receipt, indicating receipt thereof.

20 Then call your attention to Exhibit Number 5,
21 which is a copy of American Employers Insurance Company's
22 bond number A-E-71334-40, in the amount of \$5000, relating
23 to -- and we can't absolutely be sure of the identity of
24 the wells since they give only a quarter quarter section
25 unit, and they don't give the footages. However, it does

1 appear to be in the correct quarter quarter section. Let's
2 see, it's in the southwest of the northeast, and I believe
3 if you count all the A, B, C, D, E, F, G, the G, which is
4 where it's shown on the well list, would be in the
5 southwest of the northeast. So we are presuming that this
6 is the correct well, although the lack of a precise
7 description on the bond raises some question on that.

8 Finally, call your attention to OCD Exhibit
9 Number 6, which again is a copy of the affidavit of
10 publication showing that notice of this hearing was
11 published for May 11th in the *Artesia Daily Press*, and we
12 believe the record will reflect that this was continued
13 from May 11th to this date. And this is the second in the
14 second column, and -- now, the address is shown as Momsen
15 in the notice, and if the real name is Monsen,
16 M-o-n-s-e-n, we may have a notice problem. However, I
17 believe that the actual older records in the OCD file, well
18 file, which are probably more likely to be correct, use the
19 M-o-m-s-e-n spelling. There's no question of there being
20 two operators, because there's only one OGRID number, so it
21 was submitted on that basis.

22 And with that I will offer in evidence Exhibits
23 Numbers 1, 2, 3, 4 -- I'm sorry, 1, 2, 4, 5 and 6.

24 EXAMINER JONES: Exhibits Number 1, 2, 4, 5, and
25 6 will be admitted.

1 VAN BARTON (Present by telephone),
2 the witness herein, having been previously duly sworn upon
3 his oath, was examined and testified as follows:

4 DIRECT EXAMINATION

5 BY MR. BROOKS:

6 Q. Okay, Mr. Barton --

7 A. Yes, sir.

8 Q. -- if I ask you about your name, employment and
9 credentials, would they be the same as they were in the
10 last two cases?

11 A. They would, sir.

12 Q. Okay. Are you familiar with the North State Well
13 Number 1, what was at one time operated by Reuben Momsen or
14 Monsen?

15 A. Yes, sir.

16 Q. Do you have any light to shed on the correct
17 spelling of this name?

18 A. No, sir. Some of the earlier records from the
19 early 1950s show an M-o-m-s-e-n. However, in the P-and-A
20 procedures that was prepared, the M-o-n-s-e-n last name
21 spelling was used because that's the way it was spelled in
22 our RBDMS database.

23 Q. Now, you said the older records -- is it correct
24 that the older records show the M-o-m-s-e-n spelling?

25 A. Yes, sir. In 1954 there is a certificate of

1 compliance and authorization to transport oil and gas, and
2 it's -- the operator is a Reuben F. M-o-m-s-e-n.

3 Q. Okay, thank you.

4 You prepared this plugging -- or did you or
5 someone under your supervision prepare plugging procedure
6 reflected on Exhibit Number 3?

7 A. Yes, sir.

8 Q. And if the North State Well Number 1 were plugged
9 in accordance with that plugging procedure, would it be
10 properly plugged and abandoned in accordance with OCD
11 Rules?

12 A. Yes, sir.

13 Q. In your examination of the well file for this
14 well, did you find any evidence that this well was in
15 temporary abandonment status? Approved temporary
16 abandonment status?

17 A. This well did not -- I did not find any evidence
18 that this well is in temporary abandonment status.

19 MR. BROOKS: Very good, thank you. With that, I
20 will tender Exhibit Number 3.

21 EXAMINER JONES: Exhibit Number 3 will be
22 admitted.

23 MR. BROOKS: And I pass the witness.

24 EXAMINER JONES: I have no questions.

25 MS. MacQUESTEN: I just have one question for Mr.

1 Brooks. On trying to get in touch with the estate of
2 Reuben Momsen, did you try to serve the estate using the
3 address listed on the bond?

4 MR. BROOKS: No, we did not.

5 MS. MacQUESTEN: I don't know enough about
6 estates and how long they last to know whether it would
7 have done any good. Do you know if --

8 MR. BROOKS: I have no idea, Ms. MacQuesten,
9 whether it would have or not. I do know that this -- from
10 the files, the documents in the file, that documents on
11 this well have been filed in the name of the estate as far
12 back as the 1980s, so it's apparent that Reuben F. Momsen
13 must have died at least 20 years ago, but that's all the
14 information.

15 Because of the fact that this was so old and I
16 couldn't find any addresses, that -- I don't see an address
17 on the bond. Is there -- Is there an address on the bond?
18 I don't --

19 MS. MacQUESTEN: On the second page, the bond is
20 actually --

21 MR. BROOKS: Oh, the State National Bank of El
22 Paso --

23 MS. MacQUESTEN: Right.

24 MR. BROOKS: -- Yes.

25 MS. MacQUESTEN: Right, as trust officer.

1 MR. BROOKS: No, I did not make any effort to
2 contact the successor of that bank, which I'm not even sure
3 which -- I know that the State National Bank of El Paso was
4 -- became part of the M Bank system, and then when the M
5 bank system went under it became independent again, and
6 then it merged with some other conglomerate, but I forget
7 which one. And I did not make any attempt to contact the
8 successor to that bank.

9 MS. MacQUESTEN: Are you suggesting that this
10 address that was given back in 1977 may no longer be --

11 MR. BROOKS: I'm --

12 MS. MacQUESTEN: -- useful to us?

13 (Laughter)

14 MR. BROOKS: Yes, that is probably not going to
15 produce much.

16 MS. MacQUESTEN: That's all I have.

17 EXAMINER JONES: Thank you. With that, we'll
18 take Case 13,713 under advisement.

19 (Thereupon, these proceedings were concluded at
20 2:34 p.m.)

21 * * *

22
23 I do hereby certify that the foregoing is
24 a complete record of the proceedings in
the Examiner hearing of Case No. _____,
heard by me on _____.

25 _____, Examiner

~~Oil Conservation Division~~

STEVEN T. BRENNER, CCR
(505) 989-9317

CERTIFICATE OF REPORTER

STATE OF NEW MEXICO)
) ss.
COUNTY OF SANTA FE)

I, Steven T. Brenner, Certified Court Reporter and Notary Public, HEREBY CERTIFY that the foregoing transcript of proceedings before the Oil Conservation Division was reported by me; that I transcribed my notes; and that the foregoing is a true and accurate record of the proceedings.

I FURTHER CERTIFY that I am not a relative or employee of any of the parties or attorneys involved in this matter and that I have no personal interest in the final disposition of this matter.

WITNESS MY HAND AND SEAL June 12th, 2006.



STEVEN T. BRENNER
CCR No. 7

My commission expires: October 16th, 2006