

NEW MEXICO OIL CONSERVATION COMMISSION

EXAMINER HEARINGSANTA FE, _____, NEW MEXICOHearing Date MARCH 2, 1995 Time: 8:15 A.M.

NAME	REPRESENTING	LOCATION
DAVE BONEAU	YATES PETROLEUM	ARTESIA
DAMIÁN BARRETT	CONOCO	MIDLAND
DAVID NELSON	CONOCO	MIDLAND
Jerry Hoover	CONOCO	MIDLAND
Sam 12 Carroll	Loose Law Firm	Artesia
Robert Bullock	YATES PETROLEUM	Artesia
William F. Sam	Campbell Sam Tagg & Shindler	Santa Fe
Michael D. Hayes	Ch. Energy, Inc.	Midland
DAVID C. MYERS	"	"

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:)	CASE NO. 11,204
)	
HEARING CALLED BY THE OIL)	
CONSERVATION DIVISION ON)	
ITS OWN MOTION)	
)	

ORIGINAL

REPORTER'S TRANSCRIPT OF PROCEEDINGS

EXAMINER HEARING

BEFORE: DAVID R. CATANACH, Hearing Examiner

RECEIVED

March 2nd, 1995

MAR 10 1995

Santa Fe, New Mexico

Oil Conservation Division

This matter came on for hearing before the Oil Conservation Division on Thursday, March 2nd, 1995, at the New Mexico Energy, Minerals and Natural Resources Department, Porter Hall, 2040 South Pacheco, Santa Fe, New Mexico, before 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

March 2nd, 1995
 Examiner Hearing
 CASE NO. 11,204

PAGE

APPLICANT'S WITNESS:

JOHNNY ROBINSON (Present by telephone)
 Direct Examination by Mr. Carroll
 Examination by Examiner Catanach

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REPORTER'S CERTIFICATE

13

* * *

E X H I B I T S

	Identified	Admitted
Exhibit 1	5	8
Exhibit 2	8	8

* * *

A P P E A R A N C E S

FOR THE DIVISION:

RAND L. CARROLL
 Attorney at Law
 Legal Counsel to the Division
 State Land Office Building
 Santa Fe, New Mexico 87504

* * *

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

1 WHEREUPON, the following proceedings were had at
2 3:35 p.m.:

3 EXAMINER CATANACH: At this time we'll call Case
4 11,204, which is in the matter of the hearing called by the
5 Oil Conservation Division on its own motion to permit the
6 last known operator, Coal Creek Oil Company, and all other
7 interested parties to appear and show cause why the Graham
8 Well Number 1, located approximately 1520 feet from the
9 north line and 1120 feet from the east line, Section 20,
10 Township 29 North, Range 11 West, San Juan County, New
11 Mexico, should not be plugged and abandoned in accordance
12 with a Division-approved plugging program.

13 Are there appearances in this case?

14 MR. CARROLL: Yes, Mr. Examiner, Rand Carroll on
15 behalf of the Division.

16 I have one witness to be sworn.

17 EXAMINER CATANACH: Okay. Let the record reflect
18 that there are no other appearances in this case at this
19 time.

20 Mr. Robinson, will you please stand to be sworn
21 in at this time?

22 (Thereupon, the witness was sworn.)

23 EXAMINER CATANACH: Okay, you may be seated.

24 THE WITNESS: Glad you let me sit this time.

25 EXAMINER CATANACH: You may proceed, Mr. Carroll.

1 MR. CARROLL: Thank you, Mr. Examiner.

2 JOHNNY ROBINSON (Present by telephone),
3 the witness herein, after having been first duly sworn upon
4 his oath, was examined and testified as follows:

5 EXAMINATION

6 BY MR. CARROLL:

7 Q. Mr. Robinson, will you please state your name and
8 place of residence for the record?

9 A. My name is Johnny Robinson. I'm at the Aztec
10 OCD.

11 Q. And in what position are you employed with the
12 OCD, and what do your duties include in your employment?

13 A. I'm the Field Rep 2 in the Aztec District, and
14 one of my jobs is gathering information for hearings on
15 wells that are abandoned, working up procedures and
16 gathering data.

17 Q. Mr. Robinson, have you testified before the
18 Division before and had your qualifications regarding the
19 plugging of wells --

20 A. Yes, sir.

21 MR. CARROLL: Mr. Examiner, are Mr. Robinson's
22 qualifications acceptable?

23 EXAMINER CATANACH: Yes, they are.

24 Q. (By Mr. Carroll) Mr. Robinson, have you reviewed
25 the well file maintained by the Oil Conservation Division

1 for the well in question?

2 A. Yes, I have.

3 Q. Could you please give -- Well, let's go right
4 through the exhibit.

5 I'll direct your attention to what is marked as
6 OCD Exhibit Number 1, and could you just go through the
7 pages, page by page, and tell the Examiner what this
8 exhibit contains?

9 A. Okay. On the Exhibit 1 is a plugging procedure
10 that was approved. What we have to do is go in and clean
11 out the hole to TD and then place a cement plug from 682 to
12 500, WOC for four hours, go back in the hole, tag the plug,
13 make sure the plug's there, and set a surface plug from 150
14 foot to the surface, then install dryhole marker, clean and
15 level the pits and the location.

16 Q. So I take it, Mr. Robinson, it is your
17 recommendation that this well be plugged and that this
18 plugging procedure should be followed?

19 A. Right.

20 Q. The rest of Exhibit Number 1 is a copy of the
21 well file. Could you please give the Examiner a brief
22 history of this well?

23 A. The history of this well is not real clear. As
24 far as we know, there's a piece of 12-inch casing above the
25 surface, and it shows to be open-hole down to 682 feet, and

1 there was never any long string ran. So we should have an
2 open hole with fill and that 12-inch casing at the surface.

3 Q. When was this well drilled and completed?

4 A. As near as I can tell, 1925.

5 Q. Do you know when the last production was from
6 this well?

7 A. The well was never produced. They didn't run a
8 long string.

9 Q. Mr. Robinson, is it my understanding that this
10 well is located within the city limits of Bloomfield?

11 A. Yes, sir, it's right at the edge of the city
12 limits.

13 Q. Is the condition of the well that it needs to be
14 plugged immediately?

15 A. The -- It's hard to tell now. When they plugged
16 the well next to it, you could see gas and water bubbling
17 up through the 12-inch casing.

18 And at this time it's been -- the casing has been
19 ran over and the -- covered up with soil, so it's hard to
20 tell. But I'm sure that, you know, that gas and water is
21 still there.

22 Q. So do you know how long this well has been in its
23 current condition where it is a danger to fresh water?

24 A. Well, since it was drilled.

25 Q. Okay. Do you know what happened to the operator?

1 A. From what I've been able to find out, the
2 operator is deceased.

3 Q. And who was the operator?

4 A. Coal Creek Oil Company. And I did find the name
5 of one person, but then they said that he didn't own the
6 company, that he just run the company, and his name was
7 G.O. Vigliotti.

8 Q. So you talked to him to try to get him to remedy
9 this situation and comply with our rules?

10 A. No, he's not around either, he's gone.

11 Q. Oh, okay. Mr. Robinson, is there a bond posted
12 on this well?

13 A. No, sir, there's no bond.

14 Q. And is the well file marked as Exhibit 1
15 maintained by the Oil Conservation Division in its ordinary
16 course of business?

17 A. Yes, sir.

18 Q. And is the well in question -- Does plugging the
19 well in question help prevent waste, protect correlative
20 rights or protect fresh water in the vicinity?

21 A. Yes, it would.

22 Q. So it is your recommendation that this well be
23 plugged, and be plugged according to the procedures
24 contained on page 1 of Exhibit Number 1?

25 A. Yes, sir.

1 MR. CARROLL: Mr. Examiner, that's all I have of
2 this witness.

3 I will also hand you what I've marked as OCD
4 Exhibit Number 2, which is a copy of a letter sent to Coal
5 Creek Oil Company care of J.C. Well Service, which has been
6 signed for, which gives them notice of this hearing. I
7 guess you already have a copy.

8 EXAMINER CATANACH: Okay.

9 MR. CARROLL: I have one more question of the
10 witness.

11 Q. (By Mr. Carroll) Mr. Robinson --

12 A. Yes.

13 Q. -- Does J.C. Well Service have any type of
14 interest in this well?

15 A. Not that I know of.

16 MR. CARROLL: That's all I have, and I'll offer
17 Exhibits marked OCD Exhibit Numbers 1 and 2 into the
18 record.

19 EXAMINER CATANACH: Exhibit Number 1 and 2 will
20 be admitted as evidence in this case.

21 EXAMINATION

22 BY EXAMINER CATANACH:

23 Q. Mr. Robinson, what is the association between
24 Coal Creek and J.C. Well Service? Or let me rephrase that.

25 How did you now to send any correspondence to

1 J.C. Well Service?

2 A. I didn't know that we had.

3 EXAMINER CATANACH: Okay, that must have been
4 done on this end by Mr. Carroll.

5 Can I address that question to you, Mr. Carroll?

6 MR. CARROLL: Mr. Examiner, I got that
7 information somewhere, but I don't know why we sent it care
8 of J.C. Well Service. I can look into the matter and
9 supplement the record later with the results of my inquiry.

10 THE WITNESS: J.C. Well Service did plug the well
11 that was right next to it.

12 EXAMINER CATANACH: Okay, I'm a little curious as
13 to why J.C. Well Service would sign that certified mail
14 receipt under the name of Coal Creek Oil Company.

15 Anyway, if you can find out anything about that,
16 Mr. Carroll, let me know.

17 Q. (By Examiner Catanach) Mr. Robinson, in the
18 docket today, in the advertisement for this case, there is
19 a sentence that says that the -- the name of this well is
20 actually the Graham Well Number 1, as far as you can
21 determine, right?

22 A. Right.

23 Q. The advertisement also says, also known as the
24 W.E. Duggen Well Number 1; is that correct, as far as you
25 know?

1 A. I do show two different wells. The W.E. Duggen
2 Number 1 was plugged in 1988, and that well is about 70
3 foot south of the Graham well.

4 Q. Okay, so these are two different wells we're
5 talking about?

6 A. Right.

7 Q. Okay, so the one well in question is the Graham
8 Well Number 1, and that's the one at issue here today?

9 A. Yes, sir. Now, there was some -- I think at one
10 time they felt the two wells were the same wells, and I see
11 a sundry notice here where it does say that Johnny
12 Cunningham was the owner of the Duggen well.

13 Q. Okay. Mr. Robinson, did you say that there was
14 water bubbling up from inside the casing or outside the
15 casing on this well?

16 A. From inside the casing in 1988.

17 Q. In 1988?

18 A. Yes.

19 Q. Who -- Where did you get that information?

20 A. From Charles Gholson.

21 Q. Okay. Have you inspected the well recently?

22 A. About three weeks ago.

23 Q. What condition did you find it in?

24 A. I found it -- It's right in a cow lot, and the
25 casing has been ran over and collapsed, and there -- you

1 can't see the -- There's no hole there.

2 Q. Okay, but you anticipate being able to get to it
3 to plug it?

4 A. Well, we can try. We'll just have to dig it out
5 and try to find some good casing and weld onto it and go
6 from there.

7 EXAMINER CATANACH: Okay, I believe that's all I
8 have of the witness.

9 MR. CARROLL: Mr. Examiner, I have -- I notice
10 it's on page 6, I believe, of Exhibit Number 1 --

11 EXAMINER CATANACH: Yes.

12 MR. CARROLL: -- where there is a reference to
13 J.C. Well Service for Coal Creek Oil Company, and I believe
14 that's why notice was sent care of J.C. Well Service.

15 But if this pertains to the Duggen well -- And as
16 Mr. Robinson testified, J.C. Well Service plugged that
17 Duggen well.

18 EXAMINER CATANACH: Okay.

19 MR. CARROLL: But it was filed on behalf of Coal
20 Creek by J.C. Well Service on a form C-103, and I believe
21 that's why notice was sent care of J.C. Well Service.

22 EXAMINER CATANACH: Okay. But as far as we know,
23 there's no association between J.C. Well Service and Coal
24 Creek with regards to the Graham Well Number 1?

25 MR. CARROLL: That's correct.

1 EXAMINER CATANACH: Okay. Is there anything
2 further in this case?

3 MR. CARROLL: I don't believe so.

4 EXAMINER CATANACH: Okay, there being nothing
5 further, Case 11,204 will be taken under advisement.

6 And thank you, Mr. Robinson. You're a splendid
7 witness.

8 THE WITNESS: Okay, thank you.

9 (Thereupon, these proceedings were concluded at
10 3:55 p.m.)

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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.

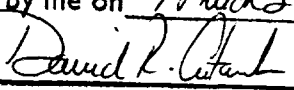
I FURTHER CERTIFY that I am not a relative or employee of any of the parties or attorneys involved in this matter and that I have no personal interest in the final disposition of this matter.

WITNESS MY HAND AND SEAL March 9th, 1995.



STEVEN T. BRENNER
 CCR No. 7

My commission expires: October 14, 1998

I do hereby certify that the foregoing is a complete record of the proceedings in the Examiner hearing of Case No. 1124, heard by me on March 1995.

 _____, Examiner
 Oil Conservation Division

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