|              | EXAMINER HEARING                 |              |
|--------------|----------------------------------|--------------|
|              | SANTA FE , NEW ME                | XICO         |
| Hearing Date | FEBRUARY 16, 1995                | Time:_8:15 A |
| NAME         | REPRESENTING                     | LOCATIO      |
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Page 1

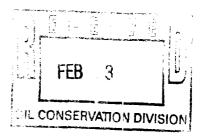
#### STATE OF NEW MEXICO

# 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:

HEARING CALLED BY THE OIL CONSERVATION DIVISION ON ITS OWN MOTION

CASE NO. 11,205



## REPORTER'S TRANSCRIPT OF PROCEEDINGS

## ORIGINAL

BEFORE: MICHAEL E. STOGNER, Hearing Examiner

February 16th, 1995 Santa Fe, New Mexico

This matter came on for hearing before the Oil
Conservation Division on Thursday, February 16th, 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.

\* \* \*

## I N D E X

February 16th, 1995 Examiner Hearing CASE NO. 11,205

PAGE

## APPLICANT'S WITNESSES:

| JOHNNY ROBINSON (Present by telephone) |    |
|--|----|
| Direct Examination by Rand Carroll     | 5  |
| Examination by Examiner Stogner        | 13 |
| Examination by Mr. Carroll             | 15 |
| REPORTER'S CERTIFICATE                 | 17 |

\* \* \*

## EXHIBITS

|         |    | Identified | Admitted |
|---------|----|------------|----------|
|         |    |            |          |
| Exhibit | 1  | 6          | 13       |
| Exhibit | 2  | 7          | 13       |
| Exhibit | 3  | 8          | 13       |
| Exhibit | 4  | 8          | 13       |
| Exhibit | 5  | 8          | 13       |
| Exhibit |    | 10         | 13       |
|         | _  |            |          |
| Exhibit | •  | 10         | 13       |
| Exhibit | 8  | 10         | 13       |
| Exhibit | 9  | 11         | 13       |
| Exhibit | 10 | 11         | 13       |

\* \* \*

## APPEARANCES

FOR THE DIVISION:

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

\* \* \*

| 1  | WHEREUPON, the following proceedings were had at            |
|----|---|
| 2  | 11:06 a.m.:   |
| 3  | EXAMINER STOGNER: I will next call the Case                 |
| 4  | Number 11,205, which is in the matter of the hearing called |
| 5  | by the Oil Conservation Division on its own motion to       |
| 6  | permit the operator, W.R. Webb, and all other interested    |
| 7  | parties to appear and show cause why a certain well in San  |
| 8  | Juan County should not be plugged and abandoned.            |
| 9  | At this time I'll call for appearances.                     |
| 10 | MR. CARROLL: Yes, Mr. Examiner, my name is Rand             |
| 11 | Carroll, and I'm here representing the Oil Conservation     |
| 12 | Division.   |
| 13 | EXAMINER STOGNER: Are there any other                       |
| 14 | appearances?  |
| 15 | There being none, Mr. Carroll, do you have a                |
| 16 | witness?  |
| 17 | MR. CARROLL: Yes, I have one witness, Mr. Johnny            |
| 18 | Robinson, to be sworn.                                      |
| 19 | EXAMINER STOGNER: And he is on the other end of             |
| 20 | the phone; is that correct?                                 |
| 21 | MR. CARROLL: That is correct. He is in our                  |
| 22 | Aztec office.   |
| 23 | EXAMINER STOGNER: Mr. Johnny Robinson, are you              |
| 24 | there?  |
| 25 | THE WITNESS: Yes.   |

EXAMINER STOGNER: Okay. At this time I'm going 1 to swear you in as a witness, or have you sworn in, and all 2 3 you have to do is just affirm once you hear the oath. THE WITNESS: Okay. 4 5 (Thereupon, the witness was sworn.) 6 EXAMINER STOGNER: Okay, at this time you're now 7 sworn in, Mr. Robinson. 8 Mr. Carroll? 9 JOHNNY ROBINSON, the witness herein, after having been first duly sworn upon 10 11 his oath, was examined and testified as follows: 12 DIRECT EXAMINATION 13 BY MR. CARROLL: Mr. Robinson, will you please state your name, 14 15 your place of residence, your employer and your position with your employer? 16 17 Α. Johnny Robinson with Aztec OCD. I'm a Field Rep 2 in the Aztec Office. 18 Mr. Robinson, have you testified before the 19 Q. Division before? 20 21 A. No, sir, I haven't. Will you briefly outline for the Examiner your 22 educational and work experience? 23 I've worked for Schlumberger Well Service in 24 25 logging and perforating, and then I've worked for the OCD

| 1  | for nine years.   |
|----|---|
| 2  | I worked four years as a Field Rep 1 in the                 |
| 3  | Artesia District and then four years as a Field Rep 2, and  |
| 4  | I've been here in the Aztec Office for about a year.        |
| 5  | Q. And do your duties include checking wells that           |
| 6  | need to be plugged in your district and making              |
| 7  | recommendations as to the plugging of those wells?          |
| 8  | A. Yes, sir, they do.                                       |
| 9  | MR. CARROLL: Mr. Examiner, I tender Mr. Robinson            |
| 10 | as a witness qualified to testify as to the matters related |
| 11 | to this well-plugging.                                      |
| 12 | EXAMINER STOGNER: Mr. Robinson is so qualified.             |
| 13 | Q. (By Mr. Carroll) Mr. Robinson, I will now refer          |
| 14 | you to what I have marked as Exhibits OCD Exhibits          |
| 15 | numbered 1 through 10, which correspond to the items        |
| 16 | numbered 1 through 10 that you sent me through the mail.    |
| 17 | A. Okay.  |
| 18 | Q. So what you've marked as Number 1 will be OCD            |
| 19 | Exhibit 1, and so on, through Exhibit Number 10.            |
| 20 | We'll first refer to Exhibit Number 1. Could you            |
| 21 | please tell the Examiner what that exhibit is?              |
| 22 | A. On the Exhibit 1, it's a letter to Rand Carroll          |
| 23 | requesting that this well be plugged.                       |
| 24 | The well was found earlier by Charles Ghoulson.             |
| 25 | The well is just a niece of 5-inch casing at ground level   |

There are houses in the area, and it is -- could be a potential hazard. There's no bond, and we feel like that the well should be plugged.

MR. CARROLL: Mr. Examiner, you also have a cover sheet to the exhibits. I don't know if you want to mark them as an exhibit, if you want to mark the summary sheet as an exhibit or not.

EXAMINER STOGNER: No, I'll just use this as a reference, and if you'll just go on like you have been, Mr. Carroll.

- Q. (By Mr. Carroll) Okay. Mr. Robinson, if you will please go to Exhibit or page number 2 and tell the Examiner what Exhibit Number 2 is.
- A. Exhibit 2 is a well file that was found in Santa Fe on some old microfilm that has to do with plugging procedure, and the plugs that were set were small plugs that we don't feel are good enough to protect the water, and the -- There's supposed to be a 16-foot piece of 5-inch pipe that's cemented into the ground. I did find the 5-inch pipe, but there's no cement around the pipe, or as far as I can reach on the inside, there's no cement.

So just going from the record and comparing it with what we've found, we really don't think that the well has been plugged. Or if it was plugged, it wasn't plugged properly.

- Q. All right, Mr. Robinson, we'll go on to page or Exhibit Number 3. Will you please tell the Examiner what page 3 contains?
- A. Page 3 is essentially what we were talking about. It's a sundry notice that was sent in as to the plugging of the well.
  - Q. And what's the date of that notice?
  - A. October 18th of 1938.

- Q. Mr. Robinson, let's go to Exhibit Number 4. Will you please tell the Examiner what that exhibit contains?
- A. Exhibit 4 is a card that is made by the OCD, and it just shows the well information and spud date and the completion. The well is spudded on 9-28 of 1934, drilled to a TD of 1485, and was completed March the 15th of 1935.
- Q. Now, Mr. Robinson, let's go to Exhibit Number 5, which I believe is the well file. Could you please briefly go through the well file and tell the Examiner what it contains?
- A. The well file -- It does have a completion report. There is one page in the file regarding bonds, or the lack of bonds, and they did -- In this information there was noted that there was two wells.
- They were talking about drilling one well, and they were asked why the bond was not in place, and they said they would drill the second well and then apply a bond

for both wells. And they do have a -- information 1 regarding that bond. 2 And then the completion is about all we have. 3 I did find a completion report in the Bureau of 4 Mines' files, and it just -- Really, it just backed up what 5 we had in our file. 6 What does the well file say about any bond that 7 0. might be in place on this well? 8 What it was, they wrote W.R. Webb, and --9 Α. 10 inquiring on why there was no bond in place on the Webb Fee 11 Number 1, and they returned this letter saying that they 12 had drilled one well and they were planning on drilling a 13 second well, and at that time they would post a bond. 14 But through my research I haven't been able to 15 find that second well, as far as paperwork or in the area. 16 0. Yeah, Mr. Robinson, it's my understanding that 17 there's some question as to whether there's one or two 18 wells --19 A. Right. 20 Q. -- and it's your opinion that there's, in actuality, only one well? 21 22 Α. Right, we have only been able to find the one well. 23 Okay. And it's your understanding that -- or 24

through your research, there's no bond currently covering

this well either?

- A. No, sir, there's no bond.
- Q. Okay, Mr. Robinson, if you'll please turn your attention to Exhibit Number 6 and inform the Examiner as to what Exhibit 6 contains.
- A. Okay, Exhibit 6 is the sundry notices from the Bureau of Mines, and in this exhibit they just -- they tell -- It's a drilling report, is what it is, and it goes along pretty well with the completion reports that we have filed.

And on 6B they are talking about arrangements for the second well, but they never really state that they have started it.

- Q. Okay, Mr. Robinson, what does the Exhibit marked Number 7 show?
- A. Exhibit 7 went to the Soil Conservation, and they have aerial photographs of the area, and the first map is in 1962. And what we were trying to do is see some difference between 1962 and 1991, and there's really not anything there that shows another well. We were trying to pinpoint the second well, but the photographs didn't help us.
- Q. Mr. Robinson, if you would please turn your attention to Exhibit Number 8, and I believe this is a map showing the location of the well?
  - A. Right, on Exhibit 8 there's two wells plotted,

the closest wells to the well we were looking for, and we
measured off from the Yager LS 2 well and cross-plotted it
with the Yager well and came within 10 feet of the well
that we found.

- Q. Mr. Robinson, if you'll turn to Exhibit Number 9 and tell us what Exhibit 9 is.
- A. Exhibit 9 is an application for plugging that was filed in January of 1991, asking for a show-cause hearing to plug the well.
  - Q. And was that show-cause hearing ever held?
- 11 A. No, sir, it was not.

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- Q. Do you know why not?
  - A. I don't think they were -- I don't think it ever got past the -- Stovall. I think it was sent to him, and at that time we didn't have the funds, or the funds weren't appropriated, to plug the well.
  - Q. All right, Mr. Robinson, I'll now turn your attention to Exhibit Number 10, and does Exhibit 10 contain your recommendation as to the proper procedure for plugging this well?
  - A. Yes, sir, considering the data that we have, this would be -- if there's no cement found, this would be the procedure.
- Q. Will you briefly go through the procedure you recommend, please?

| 1  | A. What we recommend The casing is full of fill,            |
|----|---|
| 2  | and what we recommend is to go in and try to clean out that |
| 3  | fill to 1485 and then plug that back and bring the cement   |
| 4  | up to 1035 to cover the Fruitland formation top and then    |
| 5  | WOC and tag the plug. Then we'll spot our gel and roll the  |
| 6  | hole with gel and spot another plug there from 880 to 750   |
| 7  | to cover the shoe.  |
| 8  | Now, in one record it shows the shoe to be at               |
| 9  | 830, and in the other record it shows to have been pulled.  |
| 10 | Q. And in the second page of Exhibit Number 10, Mr.         |
| 11 | Robinson, contains a wellbore schematic?                    |
| 12 | A. Yes, sir. What I did, I drew a schematic on both         |
| 13 | conditions of the well.                                     |
| 14 | Q. Mr. Robinson, do you know how long this well has         |
| 15 | been in the condition it is and has needed plugging?        |
| 16 | A. I Back to 1988 is about as far as I go back,             |
| 17 | and then they started really started on it in 1991.         |
| 18 | Q. Mr. Robinson, in your opinion will the plugging          |
| 19 | of this well protect groundwater or other freshwater        |
| 20 | resources or prevent waste or protect correlative rights?   |
| 21 | A. Yes, it will.  |
| 22 | Q. Has any attempt been made to contact the operator        |
| 23 | of this well?   |
| 24 | A. The I haven't been able to get ahold of the              |
| 25 | operator. We tried. The last address we had was in          |

1 | California, and we didn't have any luck finding him.

2 MR. CARROLL: Okay, I believe that's all I have,

3 Mr. Examiner. I'll offer OCD Exhibits marked 1 through 10

4 | into the record.

5 EXAMINER STOGNER: Exhibits 1 through 10 will be

6 | admitted into evidence.

#### EXAMINATION

#### BY EXAMINER STOGNER:

- Q. Mr. Robinson, this is Michael Stogner. Do you
- 10 hear me?

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- 11 A. Yes, sir.
- Q. Okay. In referring to page 2, do you have that in front of you?
- 14 | A. Yes, sir.
- Q. And I've got that marked Exhibit Number 2. This appears to be a photograph. Could you elaborate a little bit on what this photograph is showing?
  - A. What we had, we had -- all we had was the location of the well. In looking for the well, the well wasn't visible. So I took a tape measure and compass and laid everything out, and we finally, by walking around, we uncovered a small hole about the size of a golf ball that had water standing in it. And I proceeded to dig it out, and I found this piece of 5-inch casing sticking up with water in it.

- Q. And -- I'm sorry, go ahead, Mr. Robinson.

  A. And the picture just shows what we found as far
- 3 as the casing.

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- Q. And this is a depiction of the well as it is today?
  - A. Right. We did find a couple of anchors that they used and firebrick that was around the casing.
    - Q. What would have been the reason for the firebrick?
- 10 A. On your old rigs they used the firebrick to heat
  11 up the bit.
- Q. You're referring to the cable-tool method; is that correct?
  - A. Right.
- Q. Okay. Now, down in the lower left-hand corner,
  you have "owner of property". Do you want to elaborate on
  that?
- A. I talked to -- I went down to the courthouse and found the person that's paying the taxes on the land, and I tried to call. I did get his address and phone number, but I never -- no one was ever home, and they didn't return my message.
  - Q. Now, the land owner is not necessarily --- or you -- it has no responsibility for the well; is that correct?

| 1  | A. No, the only thing I was trying to find with him        |
|----|--|
| 2  | was to see if he knew whether there was one or two wells   |
| 3  | drilled on his land.                                       |
| 4  | Q. Okay. I'm going to refer now to page number 8,          |
| 5  | which is also Exhibit 8. Do you have that in front of you? |
| 6  | A. Yes, sir.   |
| 7  | Q. Okay. This is a couple of plats with some               |
| 8  | markings on them. Did you prepare this, or did this come   |
| 9  | out of some records somewhere?                             |
| 10 | A. No, when I started looking for the well I               |
| 11 | prepared this myself so that I would know which direction  |
| 12 | this well was.   |
| 13 | Q. And one final thing for the record: When you            |
| 14 | referred to "Stovall", you're referring to our previous    |
| 15 | attorney, Mr. Robert G. Stovall?                           |
| 16 | A. Yes, sir.   |
| 17 | EXAMINER STOGNER: Okay. Mr. Carroll, I have no             |
| 18 | other questions of Mr. Robinson. Do you have anything for  |
| 19 | him?   |
| 20 | MR. CARROLL: I just have one more question.                |
| 21 | FURTHER EXAMINATION  |
| 22 | BY MR. CARROLL:  |
| 23 | Q. Mr. Robinson, are the exhibits marked 1 through         |
| 24 | 10 or the documentation contained in the exhibits marked   |
| 25 | OCD Exhibits 1 through 10 prepared by the Oil Conservation |

| 1  | Division in its ordinary course of business?               |
|----|--|
| 2  | A. Yes, sir.   |
| 3  | MR. CARROLL: That's all I have of the witness,             |
| 4  | Mr. Examiner.  |
| 5  | EXAMINER STOGNER: Are there any other questions            |
| 6  | of Mr. Robinson before I let him go?                       |
| 7  | There being none, Mr. Robinson, I do appreciate            |
| 8  | this. Thank you very much, you made things very clear.     |
| 9  | And at this time you can sit down now, and I'll hang up on |
| 10 | you.   |
| 11 | THE WITNESS: Okay, thank you.                              |
| 12 | MR. CARROLL: Thanks, John.                                 |
| 13 | EXAMINER STOGNER: Mr. Carroll, do you have                 |
| 14 | anything further in this matter?                           |
| 15 | MR. CARROLL: No, I don't, Mr. Examiner.                    |
| 16 | EXAMINER STOGNER: Does anybody else have                   |
| 17 | anything further in Case Number 11,205?                    |
| 18 | Then this case will be taken under advisement.             |
| 19 | Mr. Carroll, would you provide me a rough draft            |
| 20 | copy of an order?  |
| 21 | MR. CARROLL: Sure.   |
| 22 | EXAMINER STOGNER: Thank you, Mr. Carroll.                  |
| 23 | (Thereupon, these proceedings were concluded at            |
| 24 | 11:25 a.m.)  |
| 25 | * * *  |

#### 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 February 20th, 1995.

STEVEN T. BRENNER

CCR No. 7

My commission expires: October 14, 1998

I do hereby cartify that the foregoing is

a survive and of the proceedings in

neard by map of the february 1995

🚬 Examiner

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Oil Conservation Division