

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. 12,433

APPLICATION OF THE OIL CONSERVATION )  
DIVISION FOR AN ORDER REQUIRING U-MEX, )  
INC., TO PROPERLY PLUG TWO WELLS, )  
CHAVES COUNTY, NEW MEXICO )

ORIGINAL

REPORTER'S TRANSCRIPT OF PROCEEDINGS

EXAMINER HEARING

BEFORE: DAVID R. CATANACH, Hearing Examiner

June 15th, 2000

Santa Fe, New Mexico

This matter came on for hearing before the New Mexico Oil Conservation Division, DAVID R. CATANACH, Hearing Examiner, on Thursday, June 15th, 2000, at the New Mexico Energy, Minerals and Natural Resources Department, Porter Hall, 2040 South Pacheco, Santa Fe, New Mexico, Steven T. Brenner, Certified Court Reporter No. 7 for the State of New Mexico.

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## I N D E X

June 15th, 2000  
 Examiner Hearing  
 CASE NO. 12,433

## PAGE

## APPLICANT'S WITNESS:

MIKE STUBBLEFIELD (Field Rep II, Artesia District  
 Office, District 2, NMOCD; Present by Telephone)  
 Direct Examination by Ms. Hebert  
 Examination by Examiner Catanach

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## REPORTER'S CERTIFICATE

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## E X H I B I T S

Applicant's	Identified	Admitted
Exhibit 1	5	-
Exhibit 2	6	-
Exhibit 3	6	-

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## A P P E A R A N C E S

## FOR THE DIVISION:

LYN S. HEBERT  
 Attorney at Law  
 Legal Counsel to the Division  
 2040 South Pacheco  
 Santa Fe, New Mexico 87505

\* \* \*

1           WHEREUPON, the following proceedings were had at  
2   10:01 a.m.:

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5           EXAMINER CATANACH: At this time we will call  
6   Case 12,433, which is the Application of the Oil  
7   Conservation Division for an order requiring U-Mex, Inc.,  
8   to properly plug two wells, Chaves County, New Mexico.

9           I will call for appearances in this case.

10          MS. HEBERT: May it please the Examiner, my name  
11   is Lyn Hebert.

12          I'm appearing on behalf of the Oil Conservation  
13   Division, and I have one witness.

14          EXAMINER CATANACH: Call for additional  
15   appearances.

16          There are none.

17          Your witness is appearing today by telephone; is  
18   that correct, Ms. Hebert?

19          MS. HEBERT: Yes, he is.

20          EXAMINER CATANACH: May I get Mr. Stubblefield to  
21   stand and be sworn in at this time?

22          (Thereupon, the witness was sworn.)

23          MS. HEBERT: Mr. Examiner, if it please the  
24   Examiner that Mr. Stubblefield be sworn for all six of the  
25   cases that will be heard today in this matter.

1 EXAMINER CATANACH: Okay.

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

5 DIRECT EXAMINATION

6 BY MS. HEBERT:

7 Q. Mr. Stubblefield, would you state your name for  
8 the record and tell us where you work and what you do  
9 there?

10 A. Yes, ma'am. My name is Mike Stubblefield. I'm a  
11 Field Rep II in the Artesia District Office.

12 Q. And are part of your duties with the Oil  
13 Conservation Division the supervision of plugging of  
14 abandoned oil and gas wells?

15 A. Yes, ma'am.

16 Q. And how long have you worked in this capacity?

17 A. For the last four years.

18 MS. HEBERT: Mr. Examiner, I offer Mr.  
19 Stubblefield as an expert in the plugging of wells in New  
20 Mexico.

21 EXAMINER CATANACH: Mr. Stubblefield is so  
22 qualified.

23 Q. (By Ms. Hebert) Mr. Stubblefield, will you  
24 please turn to what's been marked as Exhibit 1 in Case  
25 Number 12,433?

1           A.    Okay.

2           Q.    And on Exhibit 1, is this a record of the well  
3 records for this well, and this is the -- Well, could you  
4 just state what well this is?

5                   EXAMINER CATANACH:   Excuse me, could I have a set  
6 of exhibits, please?

7                   THE WITNESS:   This would be for the Cannon Fee  
8 Number 5, Lyn.

9           Q.    (By Ms. Hebert)   And does part of Exhibit 1  
10 contain your recommendations for the plugging of this  
11 Cannon Fee well?

12          A.    Yes, ma'am.

13          Q.    And is it your recommendation that this well be  
14 plugged according to these procedures?

15          A.    Yes, ma'am, it is.

16          Q.    As to the other well that's described in Exhibit  
17 1, what is the name of that well?

18          A.    The Cannon Fee Number 4.

19          Q.    And both of the wells that are described in  
20 Exhibit Number 1 are in Chaves County; is that correct, Mr.  
21 Stubblefield?

22          A.    Yes, ma'am, that is correct.

23          Q.    And is there also a plugging procedure  
24 recommended for this well?

25          A.    Yes, there is.

1 Q. Is it in the best interest of preventing waste  
2 that both of these wells be plugged as recommended in these  
3 exhibits?

4 A. Yes, ma'am, I do believe it is.

5 Q. Okay, thank you. Going to Exhibit Number 2, is  
6 that a \$50,000 plugging bond taken in the name of UMEX,  
7 Incorporated?

8 A. Yes, ma'am, it is.

9 MS. HEBERT: Mr. Examiner, Exhibit Number 3 is  
10 the affidavit regarding the notice that has been given in  
11 this matter, and there has been no contact from any of the  
12 parties that were notified regarding plugging of these  
13 wells.

14 And with that, we conclude our presentation on  
15 the plugging of the two wells in Chaves County that were  
16 operated by U-Mex, Incorporated.

17 EXAMINATION

18 BY EXAMINER CATANACH:

19 Q. Mr. Stubblefield, it looks like these two Cannon  
20 wells are fairly shallow wells?

21 A. Yes, sir, they are, Dave.

22 Q. Drilled down to 675 feet or so? Is that your  
23 understanding, or did they drill actually down to the San  
24 Andres?

25 A. No, Dave, I show they drilled down to -- Well,

1 let me pull this file here.

2 The Cannon Fee 5 was drilled to 684 foot, where  
3 7-inch casing was set, and drilling operations were  
4 abandoned at that time on that well.

5 Q. Okay.

6 A. The Cannon Fee 4 was drilled down to a depth of  
7 675 foot, where 7-inch casing was ran and cemented.

8 And at that time drilling operations were  
9 suspended on the well.

10 Q. Okay. As far as you know, nothing has been done  
11 to these wells since 1989?

12 A. No, Dave, not after the drilling operations were  
13 suspended.

14 Q. Okay. Mr. Stubblefield, do you know if U-Mex  
15 operates any other wells in your district?

16 A. I have queried our databases and have found no  
17 other wells in operation.

18 EXAMINER CATANACH: Okay. Let me ask Ms. Hebert,  
19 do you intend on taking action with regards to this  
20 plugging bond?

21 MS. HEBERT: Yes, Mr. Examiner, the Division  
22 will, of course, let a contract. And depending upon the  
23 cost, the actual cost, of plugging the two wells, a demand  
24 will be made for the actual cost of plugging the wells on  
25 the \$50,000 bond.

1 EXAMINER CATANACH: But we don't know at this  
2 point whether or not these are the only two wells covered  
3 under this bond, or do we know that?

4 MS. HEBERT: We don't know that. It will not be  
5 released if there are other wells that are covered.

6 EXAMINER CATANACH: Okay, that's what I was  
7 trying to get to. Okay.

8 EXAMINER CATANACH: And this notice was received  
9 by the party, I take it, as evidenced from the --

10 MS. HEBERT: Yes, we received the green card. If  
11 I can look who signed for it...

12 EXAMINER CATANACH: It looks like a Candace --  
13 I'm not sure what the last name is. Barela, possibly.

14 MS. HEBERT: Barela, it looks like Barela. That  
15 was signed off on behalf of U-Mex when it was sent to the  
16 Roswell address.

17 EXAMINER CATANACH: Which is their last known  
18 address?

19 MS. HEBERT: Which was the last known address.

20 EXAMINER CATANACH: Okay.

21 MS. HEBERT: And we've had no communication from  
22 them.

23 EXAMINER CATANACH: Okay. I have nothing further  
24 in this case.

25 Anything further, Ms. Hebert?



1 MS. HEBERT: No, nothing further.

2 EXAMINER CATANACH: There being nothing further  
3 in this case, Case 12,433 will be taken under advisement.

4 (Thereupon, these proceedings were concluded at  
5 10:05 a.m.)

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13 I do hereby certify that the foregoing is  
14 a complete record of the proceedings  
15 the Examiner hearing of Case No. 12433,  
16 heard by me on JUNE 15 1906.  
17 Daniel M. Catanach, Examiner  
18 On Conservation Division  
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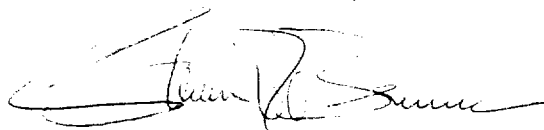
## CERTIFICATE OF REPORTER

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 June 16th, 2000.



STEVEN T. BRENNER  
CCR No. 7

My commission expires: October 14, 2002