

STATE OF NEW MEXICO  
OFFICE OF STATE GEOLOGIST  
SANTA FE, NEW MEXICO

November 15, 1951

C  
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Y  
  
Attorney General Joe Martinez  
Supreme Court Building  
Santa Fe, New Mexico

Dear Mr. Martinez:

RE: OCC Case 280

I have been directed by the Commission to transmit to you our file on Case 280, which was heard before the Oil Conservation Commission of New Mexico on June 21, 1951. Subsequent to that hearing, the Commission entered its Order R-81 declaring the defendants therein to be in default and ordering the Ledgerwood-Kimes No. 1 well plugged and abandoned.

This order was entered on July 19, 1951, and copies thereof sent to all parties concerned. However, no action has been taken to plug this well, and, as you will see from the correspondence, the bonding company, Accident and Casualty Company of New York, has been notified in that effect. No word has been received from the Accident and Casualty Company of New York, and we are now turning the case over to you for action on the bond, or whatever action seems appropriate to your office.

We will be glad to assist in any way possible in the handling of this matter.

Yours very truly,

Jason Kellahin, Attorney

JK:nr

STATE OF NEW MEXICO  
OFFICE OF STATE GEOLOGIST  
SANTA FE, NEW MEXICO

TRANSMITTAL

from the office of the Oil Conservation Commission is herewith made of the following material:

- (a) Complete file on Case 280, consisting of one legal file folder containing correspondence, legal notices and relevant material;
- (b) Well file on Ledgerwood Kimes No. 1 Well, SE SE 11-12N-32E, containing C-101 form (Notice of Intention to Drill), original of \$5,000.00 one-well plugging bond issued to O. L. Ledgerwood; other well forms, radio-activity log and cementing record on the named well

It is requested that this material be returned to this office by the Attorney General at his convenience.

Received by:

\_\_\_\_\_  
for the Attorney General

Date: \_\_\_\_\_

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OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

October 8, 1952

C  
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Y  
  
Mr. H. K. Huie  
Lyle Adjustment Company  
Sena Plaza  
Santa Fe, New Mexico

Dear Sir: RE: Ledgerwood, O. L., an individual;  
Accident & Casualty Co.; SE SE 11-12N-32E

The Commission has received and approved Form C-103 (Report on Result of Plugging Well) submitted by Mr. J. R. Watson as representative of Accident and Casualty Co. of New York, upon whom the plugging responsibility evolved as a result of the default of the principal.

With the conclusion of this case, the Commission now approves release of the captioned bond, and we will appreciate your so advising the surety.

Very truly yours,

R. R. Spurrier  
Secretary - Director

RRS:nr

cc: Oil Conservation Commission:  
Artesia  
Astec  
Hobbs

OCC Case 280

OTHER OFFICES

NEW MEXICO

SANTA FE  
BENA PLAZA BLDG.  
P. O. BOX 1755

SILVER CITY  
P. O. BOX 1062

FARMINGTON  
212 1/2 W. BROADWAY

WEST TEXAS  
EL PASO  
1881 BUILDING

ESTABLISHED 1929

LYLE ADJUSTMENT COMPANY

GENERAL INSURANCE ADJUSTERS

LEE KIOUS, MANAGER

P. O. BOX 925

304 WEST SLATE AVENUE  
ALBUQUERQUE, NEW MEXICO

October 29, 1952

*Case 280*

OTHER OFFICES

ARIZONA  
PHOENIX  
LUHRB BLDG.

TUCSON  
415 EAST 6TH ST.

FLAGSTAFF  
TALKINGTON BLDG.  
P. O. BOX 399

YUMA  
P. O. BOX 589

KINGMAN  
210 BEALE ST.

WINBLOW  
OLD ELKS BLDG.

MEBA  
38-D S. MACDONALD

PLEASE REPLY TO

Santa Fe, N.M.  
P. O. Box 1755

Our File No.2-1178-B

Mr. R. R. Spurrier  
Secretary - Director  
New Mexico Oil Conservation Commission  
Post Office Box 871  
Santa Fe, New Mexico

Re: Ledgerwood, O. L., an individual;  
Accident & Casualty Co.; SE SE 11-12N-32E

Dear Mr. Spurrier:

Please pardon my delay in acknowledging receipt of your valued favor of October 8th in which you advise that the Commission has received and approved Form C-103 submitted by Mr. J. R. Watson of Tucumcari, and that you have now approved release of the captioned bond.

We are so advising the Accident & Casualty Company and wish to thank you for your cooperation in this matter.

Very truly yours,

H. K. Huie, Adjuster

HKH:wr

CC: Lyle-Albuquerque

Oil CONSERVATION COMMISSION  
SANTA FE, NEW MEXICO.  
OCT 30 1952



THERE IS NO SUBSTITUTE FOR EXPERIENCE

NO. N. MEX. DIV.

ALBUQUERQUE  
FARMINGTON  
SANTA FE

SO. N. MEX. & W. TEX. DIV.

EL PASO, TEXAS  
SILVER CITY, N. MEX.

ESTABLISHED 1929

## LYLE ADJUSTMENT COMPANY

GENERAL INSURANCE ADJUSTERS  
MAIN OFFICE NORTHERN NEW MEXICO DIVISION:  
304 WEST SLATE AVENUE  
ALBUQUERQUE, NEW MEXICO

ARIZONA DIV.

PHOENIX  
FLAGSTAFF  
KINGMAN  
MESA  
TUCSON  
WINSLOW  
YUMA

October 29, 1952

PLEASE REPLY TO

Santa Fe, N.M.  
P. O. Box 1755

Our File No.2-1178-B

Mr. R. R. Spurrier  
Secretary - Director  
New Mexico Oil Conservation Commission  
Post Office Box 871  
Santa Fe, New Mexico

Re: Ledgerwood, O. L., an individual;  
Accident & Casualty Co.; SE SE 11-12N-32E

Dear Mr. Spurrier:

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Very truly yours,

H. K. Huie, Adjuster

HKH:wr

CC: Lyle-Albuquerque



THERE IS NO SUBSTITUTE FOR EXPERIENCE

OIL CONSERVATION COMMISSION  
SANTA FE, NEW MEXICO

October 16, 1951

Accident and Casualty Co. of New York  
c/o Mr. Nathan Bell, Resident Agent  
TUCUMCARI, NEW MEXICO

Gentlemen: RE: O. L. Ledgerwood \$5,000.00 one-well bond (your date 12-31-48) on location SE SE 11-12S-32E, NMPM, Quay County, New Mexico.

On June 21, 1951, the New Mexico Oil Conservation Commission entered its Order No. R-81 in Case No. 280 directed to O. L. Ledgerwood, E. L. Kimes and the Accident and Casualty Company of New York declaring them in default in failing to plug the O. L. Ledgerwood Kimes No. 1 well in SE SE SE Section 11, Twp. 12N, Rge. 32E, NMPM, in Quay County, New Mexico. This order allowed Ledgerwood and Kimes (or any person claiming an interest in said well) 30 days in which to retrieve recoverable material from well-bore and to plug the well in accordance with the rules and regulations of this Commission.

It appears that nothing has been done toward plugging the well and, the 30 days allowed by the Commission having elapsed, we are hereby notifying you that the Commission will now look to the bonding company to plug the well in accordance with your one-well bond issued to Mr. Ledgerwood covering this well and as directed in Order No. R-81.

Very truly yours,

JK:nr

Jason Kellahin, Attorney

cc: Accident and Casualty Co. of New York  
c/o American Casualty Co. (Mr. Roantree)  
607 Washington Street  
Reading, Pa.

Mr. O. L. Ledgerwood  
Pauls Valley, Oklahoma

Insurance Department  
N. M. State Corporation Commission  
Santa Fe, N. M.

C  
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Case # 280

September 26, 1951

Mr. Felix Hauser  
Guay County Abstract Company  
Box 30  
Tucumcari, New Mexico

Your Reference: New Mexico Bond No. 20  
Our Reference: Accident & Casualty  
Insurance Company  
Claim 30-S-1471  
Bond 31114

C. L. Ledgerwood - State of New Mexico.

Dear Mr. Hauser:

This will acknowledge receipt of Accident & Casualty Insurance Company copy of your letter of September 19, 1951, addressed to Gravens, Dargan & Company, and will advise you that <sup>in any</sup> and all further correspondence with reference to this matter should be addressed to the American Casualty Company, 607 Washington Street, Reading, Pennsylvania, attention of the writer, because as this is a claim against the Accident & Casualty Insurance Company, the American Casualty Company will service the matter for the Accident & Casualty, pursuant to certain business arrangements made between such companies.

Yours of September 19th is the first and only notice I have had of what occurred at the hearing before the Oil Conservation Commission on 7-19-51, and if you have any supplementary letter or papers to send me, I shall appreciate your forwarding same.

I have sent copies of what you sent us and of other papers to Mr. Frank Unkeless who is Claims Manager for the American Casualty Company in the Gravens Building, Oklahoma City and have asked Mr. Unkeless to get in touch with Mr. Ledgerwood and learn what Mr. Ledgerwood has done or intends to do in the matter, and have also asked Mr. Unkeless to call Mr. Ledgerwood's attention

OIL CONSERVATION COMMISSION  
SANTA FE, NEW MEXICO.

RECEIVED  
OCT 1 1951

ILLEGIBLE

AMERICAN CASUALTY COMPANY OF READING, PENNSYLVANIA

COPY

Mr. Felix Hauser

-2-

September 26, 1951

to the fact that in applying for this bond, our principal agreed to save the A & C harmless from loss or expense in this matter.

Very truly yours,

W. F. Roantree

WFR:hg

C  
CC - Cravens, Dargan & Company  
P. O. Box 1660  
Houston 1, Texas

O  
CC - Oil Conservation Commission  
of the State of New Mexico  
Santa Fe, New Mexico  
Your reference Case No. 280  
Order No. R-81

P  
Y  
CC - Mr. Frank Unkeless  
Oklahoma Branch Office

OIL CONSERVATION COMMISSION  
SANTA FE, NEW MEXICO

September 26, 1951

Mr. James L. Briscoe  
Lawyer  
Tucumcari, New Mexico

Re: The Ledgerwood-Kimes  
SESE Section 11-12N-32E,  
Quay County, New Mexico.

Dear Sir:

Your letter of September 15, 1951, to Mr. R. R. Spurrier has been referred to me for an answer.

While I can appreciate Mr. John Kelly's concern in regards to his water well near the above captioned well, I do not believe that he need be concerned insofar as the plugging of this well is concerned. Briefly, the situation is this: We have at hand cementing tickets from the Halliburton Oil Well Cementing Company, stating exactly how this well was cemented. These in effect, state that 202' of 13 3/8" was cemented circulating the cement to the surface and that 1660' of 9 5/8" was also circulated to the surface with 525 sax. This I am sure, renders this casing immovable. The hole was then plugged back with cement to a total depth of 1680'. This leaves 20' of open hole. Our plugging program for this well will entail no shooting, but merely the cementing of the 20' of open hole plus an additional 20' up into the 9 5/8" casing. This will adequately protect all water and mineral zones from flooding or contamination. The surface of the casing will have a 15' cement plug with a 4" x 4" steel marker to mark the location of the well bore. The pits will be levelled off and covered. I believe you can see that there is positively no danger of contaminating or damaging Mr. Kelly's water well by using this procedure plus the fact that it will eliminate the danger that might be involved in leaving the pits open.

As you probably know, Order #R-81, gave Mr. Ledgerwood thirty (30) days in which to accomplish the above process. Since no word has been received from Mr. Ledgerwood, we are today advising the surety company to fulfil our requirements.

Very truly yours,

Elvis A. Utz  
Gas Engineer

EAU:lhh

RS

**JAMES L. BRISCOE**  
LAWYER  
TUCUMCARI, NEW MEXICO

MOLLY ANNA PRICE  
NOTARY PUBLIC

September 15, 1951

Oil Conservation Commission  
Santa Fe, New Mexico

Attention: Mr. R. R. Spurrier, Secretary

Dear Mr. Spurrier:

Mr. John Kelly, address Nara Visa, New Mexico, has discussed with me your Order, dated July 19, 1951, in your Case No. 280, Order No. R-81, with regard to the plugging of a well in the

SE $\frac{1}{4}$ SE $\frac{1}{4}$  of Sec. 11, Township 12 N., Range 32 E., N.M.P.M.

In December, 1950, Mr. Kelly purchased from E. L. Kimes the land on which this well is located along with other land adjoining.

Mr. Kelly has a water well about 50 feet north and 25 feet west of the well to be plugged. His water well is a good well and is valuable in the area. He fears that in removing casing from the well for oil, the operators may explode a charge in the well for oil which will adversely affect his water well.

We are calling this situation to your attention as you, no doubt, know more than Mr. Kelly or I as to what damage might result to his water well from an explosion in this well for oil. We trust you will take any steps that may be necessary and appropriate to protect his water well.

Mr. Kelly would, no doubt, have a claim against the operators and surety company if his water well should be damaged but, naturally, he is anxious to avoid any trouble and expense in the matter.

Another situation about which Mr. Kelly is concerned is that he is informed there may be poisonous substance in the slush pit

OIL CONSERVATION COMMISSION  
SANTA FE, NEW MEXICO.  
SEP 17 1951

**JAMES L. BRISCOE**  
LAWYER  
TUCUMCARI, NEW MEXICO

MOLLY ANNA PRICE  
NOTARY PUBLIC

Page 2

Oil Conservation Commission

September 15, 1951

which might cause loss among his cows either now or in future.  
We trust you will take all proper steps to protect Mr. Kelly  
in this regard.

Very truly yours,

  
James L. Briscoe

JLB:mp

cc. to: Mr. O. L. Ledgerwood  
Pauls Valley, Oklahoma

Mr. E. L. Kimes  
Route 4  
Tucumcari, New Mexico

Accident and Casualty Company, New York, New York  
c/o Nathan R. Bell, Resident Agent  
Tucumcari, New Mexico

OIL CONSERVATION COMMISSION  
SANTA FE, NEW MEXICO

Case 280

INSPECTION REPORT

May 15, 1951

C  
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Ledgerwood - Kimes No. 1 SESE Section 11, T. 12N, R. 32, Quay  
County, New Mexico.

This location was inspected this date and the report is as follows:

Small cellar approximately 4 feet square and framed 3x12 surrounded  
what I assumed to be the well bore. There was no sign of casing or  
markers. All pits which total 3 were open and no apparent attempt  
has been made to cover them. The usual amount of tires, cables,  
thread protectors, etc., were strewn about the location.

On my last inspection I was under the impression that the top of the  
casing was visible, but since there was considerable mud in the cellar  
I did not attempt to probe into it to find the casing as I was sure that  
the hole has not been plugged.

In my conversation with Mr. Felix Hauser he stated that 13" conductor  
pipe was set 198 feet and 1660 feet of 9 5/8 was cemented with 525 sx  
by Halliburton of Oklahoma. I am writing Halliburton of the work done  
on this well. He also informed me that Mr. Ledgerwood resided at  
Pauls Valley, Oklahoma.

I would recommend that Mr. Ledgerwood be called in for a hearing  
to show cause why he should not plug and abandon this well.

ELVIS A. UTZ,  
Gas Engineer