

New Mexico
OIL CONSERVATION COMMISSION



GOVERNOR EDWIN L. MECHEM
CHAIRMAN
LAND COMMISSIONER E. S. WALKER
MEMBER
STATE GEOLOGIST W. B. MACEY
SECRETARY AND DIRECTOR

P. O. Box 871
Santa Fe, New Mexico

November 8 1954

Mr. Roy Timmons
1345 Wynkoop Street
DENVER COLORADO

Dear Sir:

RE: Timmons CO₂ Operations, Harding County,
New Mexico

This office has ~~recently~~ been studying your operations recently, and the three wells which apparently are operated by you or by Timmons Carbonic Company, and we have reached the following conclusions:

(1) Your Tixier No. 1 Well, SW/4 NE/4 Section 2, Township 20 North, Range 30 East, NMPM, is not producing, and we are therefore requesting that ~~either~~ you, as operator, ~~and~~ Fidelity & Deposit Company of Maryland, as surety, appear in hearing to show cause why the well should not be ordered plugged and abandoned. (This case will be legally advertised for the Oil Conservation Commission's regular hearing on December 16 in Santa Fe, and copies of legal notice will be sent to you and to your surety company on the \$2,500.00 one-well plugging bond which has been in effect for this operation since August 5 1938.)

(2) The Kerlin No. 1 Well, SE/4 NW/4 Section 34, Township 21 North, Range 30 East, NMPM, is being reported as a producer on reports submitted

Case 111

I might add that if you plan to continue operations on this well under the name Timmons Carbonic Company, you should secure your bond in that name, as the name of the principal on the bond and the name in which reports are submitted must be in agreement.

Insurance Company) to appear at the December 16 hearing to show cause why this well also should not be ordered plugged and abandoned.

We are asking our oil and gas inspector for District IV, E. A. Chavez, to visit your operational site within the next 10 days to give us an immediate report on current conditions. In the meantime, the two cases as mentioned in Paragraphs 1 and 3, above, will be scheduled for the December 16 hearing.

D D Monroe

Re - Timmons Reg. Bond
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I am enclosing a copy of our letter of this date to Roy Timmons, operator of CC₂ wells in Harding County, who is principal on a \$5,000.00 one-well bond which you have been carrying for several years, with American Employers' Insurance Company as surety.

The letter, I believe, will be self-explanatory. Your bond covers the Timmons No. 1 Well, SW NE Section 33, Township 21 North, Range 30 East, NMPM. We will send you a copy of the formal legal notice by which the case will be advertised for the December 16 hearing.

We will advise you of any reply or action on the part of Mr. Timmons.

Sincerely,



③ At a similar letter to Telecity Drilling Co -

New Mexico
OIL CONSERVATION COMMISSION

GOVERNOR EDWIN L. MECHEM
CHAIRMAN
LAND COMMISSIONER E. S. WALKER
MEMBER
STATE GEOLOGIST R. R. SPURRIER
SECRETARY AND DIRECTOR



P. O. BOX 871
SANTA FE, NEW MEXICO

Dear Sir:

Re: Notice of Publication

Case _____

Please publish the enclosed notices one time immediately on receipt of this request. Please proofread carefully and send a copy of the paper carrying such notices to this office.

Immediately upon completion of publication, send publisher's affidavit in duplicate. For payment, please submit statement in duplicate and sign and return the enclosed voucher. (Do not fill in.) We should have these immediately after publication in order that the legal notice will be on hand for the holding of the hearing which it advertises, and also so that there will be no delay in your receiving proper payment.

Please publish the notices not later than _____

Very truly yours,

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

R. R. SPURRIER,
Secretary-Director

Encl.

OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

December 23, 1954

Mr. Roy Timmons
1845 Wynkoop Street
DENVER COLORADO

Dear Sir:

We attach a copy of the legal notices issued this date in Oil Conservation Commission Cases 812, 813 and 814, all of which were brought up on the Commission's own motion. As you will note, these are set for hearing January 13, 1955, in Santa Fe, New Mexico.

The surety companies mentioned herein are being sent this same notice.

Very truly yours,

W. B. Macey
Secretary - Director

WBM:ar

cc: Mr. D. D. Monroe
Clayton Abstract Co., Inc.
CLAYTON, N. M.
(for American Employers' Insurance Company)

Fidelity and Deposit Co. of Maryland
Attention: Mr. John Hiskisch, Attorney
Denver Claim Office
804 Equitable Bldg., DENVER, COLO.

VIA REGISTERED MAIL

C
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Y

May 16, 1955

Mr. Roy Timmons
1845 Wynkoop Street
DENVER COLORADO

Dear Sir:

Attached you will find copies of orders issued by the Oil Conservation Commission pertaining to your Harding County operations. These are as follows:

Order R-628 in Case 812
Order R-629 in Case 813
Order R-630 in Case 814

These orders were signed May 12, 1955, and entered in our records on May 16, 1955. If you have any questions as to the terms of the order, please get in touch with this office.

Very truly yours,

W. B. Macey
Secretary - Director

WBM:nr

cc: Mr. D. D. Monroe
(American Employers' Insurance Co.)
Clayton Abstract Co., Inc.
CLAYTON, N. H.
(with copy of Order R-629)

Fidelity and Deposit Co. of Maryland
Attention: Mr. John Hickisch, Attorney
804 Equitable Building
Denver, Colorado
(with copy of Order R-630)

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NOTICE OF PUBLICATION
STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION
SANTA FE - NEW MEXICO

The State of New Mexico by its Oil Conservation Commission hereby gives notice pursuant to law and the Rules and Regulations of said Commission promulgated thereunder of the following public hearings to be held at 9 o'clock a.m. on January 13, 1955, at Mabry Hall, State Capitol, Santa Fe, New Mexico.

STATE OF NEW MEXICO TO:

All named parties and persons having any right, title, interest or claim in the following cases, and notice to the public.

CASE 812:

In the matter of the application of the Oil Conservation Commission upon its own motion for an order calling for the plugging of a well in the event the operator fails to show cause why such order should not be entered.

Applicant, in the above-styled cause, seeks an order directed to Roy Timmons declaring the Kerlin No. 1 Well, located in SE/4 NW/4 Section 34, Township 21 North, Range 30 East, NMPM, Harding County, New Mexico, abandoned, and ordering it plugged, and directing said Roy Timmons to appear before the Oil Conservation Commission at 9 o'clock a.m. on January 13, 1955, at Santa Fe, New Mexico, and show cause why such order should not issue.

CASE 813:

In the matter of the application of the Oil Conservation Commission upon its own motion for an order calling for the plugging of a well in the event an operator and surety company fail to show cause why such order should not be entered.

Applicant, in the above-styled cause, seeks an order directed to Roy Timmons and to American Employers' Insurance Company declaring the Timmons No. 1 Well, located in SW/4 NE/4 Section 33, Township 21 North, Range 30 East, NMPM, Harding County, New Mexico, abandoned, and ordering it plugged, and directing said Roy Timmons and American Employers' Insurance Company to appear before the Oil Conservation Commission at 9 o'clock a.m. on January 13, 1955, at Santa Fe, New Mexico, and show cause why such order should not issue.

CASE 814:

In the matter of the application of the Oil Conservation Commission of New Mexico upon its own motion for an order calling for the plugging of a well in the event an operator and surety company fail to show cause why such order should not be entered.

Applicant, in the above-styled cause, seeks an order directed to Roy Timmons and to Fidelity and Deposit Company of Maryland declaring the Tixier No. 1 Well, located in SW/4 NE/4 Section 2, Township 20 North, Range 30 East, NMPM, Harding County, New Mexico, abandoned, and ordering it plugged, and directing said Roy Timmons and Fidelity and Deposit Company of Maryland to appear before the Oil Conservation Commission at 9 o'clock a.m. on January 13, 1955, at Santa Fe, New Mexico, and show cause why such order should not issue.

GIVEN under the seal of the Oil Conservation Commission at Santa Fe, New Mexico, on this 23rd day of December, 1954.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

W. E. MACEY, SECRETARY



The EMPLOYERS' GROUP Insurance Companies

The EMPLOYERS' Liability Insurance Company, Ltd.

The EMPLOYERS' Fire Insurance Company

AMERICAN EMPLOYERS' Insurance Company

MAIN OFFICE 000

ALBUQUERQUE CLAIM DEPARTMENT
2508 CENTRAL AVENUE, SE. ALBUQUERQUE, NEW MEXICO

September 17, 1957

New Mexico Oil Conservation Commission
State Capitol Building
P. O. Box 871
Santa Fe, New Mexico

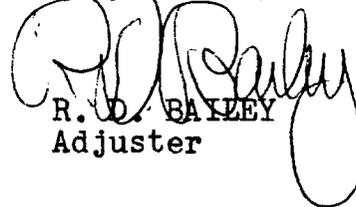
Attn: Mr. D. S. Nutter
Petroleum Engineer

RE: AMERICAN EMPLOYERS' INSURANCE CO. BOND SY-132226
ROY E. TIMMONS

Dear Sir:

I last wrote to you on July 16, 1957, requesting your advice in regard to plugging Mr. Roy E. Timmons' well. I have not heard from you in response to this letter, and I wish at this time to again ask you for your kind advice in regard to the questions I requested you to answer in my letter of July 16. We would like to get this well plugged and, of course, can only proceed with this plugging operation according to your office's specifications. Therefore, will you kindly advise me what your thoughts are concerning plugging this well, and I again refer you to my letter dated July 16, 1957. May I hear from you at your very earliest convenience?

Very truly yours,


R. D. BAILEY
Adjuster

RDB:ma
cc: El Paso Claim (2)
cc: Echlin-Irvin-Crowell & Co. - El Paso



The EMPLOYERS' GROUP Insurance Companies

The EMPLOYERS' Liability Assurance Corporation, Ltd.

The EMPLOYERS' Fire Insurance Company

AMERICAN EMPLOYERS' Insurance Company

ALBUQUERQUE CLAIM DEPARTMENT
2508 CENTRAL, S. E. ALBUQUERQUE, NEW MEXICO

July 16, 1957

New Mexico Oil Conservation Commission
State Capitol Building
P. O. Box 871
Santa Fe, New Mexico

Attn: Mr. D. S. Nutter
Petroleum Engineer

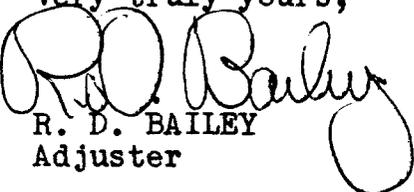
RE: AMERICAN EMPLOYERS' INSURANCE CO. BOND SY 132226
ROY E. TIMMONS

Dear Sir:

I last wrote to you in regard to the above on May 15, 1957.

In my letter to you of May 15, 1957, I requested your opinion and advice concerning the procedure and plugging of the well covered by the above mentioned bond. I have not heard from you since writing this letter, and I am, of course, wondering if you are able to give me this opinion. We would like to plug and abandon the well in compliance with the Oil Commission's procedure in order that we may terminate the liability concerning this well under our bond. Therefore, to have the well plugged and abandoned according to your procedure, I would sincerely appreciate your giving us your advice concerning the procedure involved and also any reliable concern in your estimation that could do this work according to your specifications. Therefore, once again I would sincerely appreciate your cooperation in this matter and would appreciate anything that you could advise or do that would help bring this matter to a conclusion.

Very truly yours,


R. D. BAILEY
Adjuster

RDB:ma
cc: El Paso Claim (2)
cc: Echlin-Irvin-Crowell & Co. - El Paso



The EMPLOYERS' GROUP Insurance Companies

The EMPLOYERS' Liability Assurance Corporation, Ltd.

The EMPLOYERS' Fire Insurance Company

AMERICAN EMPLOYERS' Insurance Company

ALBUQUERQUE CLAIM DEPARTMENT
2508 CENTRAL, S. E. ALBUQUERQUE, NEW MEXICO

May 15, 1957

New Mexico Oil Conservation Committee
State Capitol Building
P. O. Box 871
Santa Fe, New Mexico

Attn: Mr. D. S. Nutter
Petroleum Engineer

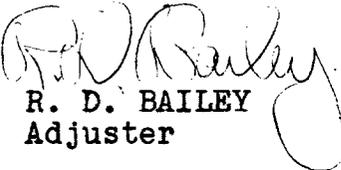
RE: AMERICAN EMPLOYERS' INSURANCE CO. BOND SY 132226
ROY E. TIMMONS

Dear Sir:

You last wrote in regard to the above on April 12, 1957.

We are seriously considering plugging the well in regard to the above, and would like to obtain bid or bids for the plugging of said well. Therefore, since this is an unusual operation for an insurance company, I would like to have your opinion and good advice concerning the procedure and plugging of said well. We would like to secure bids from some reliable companies concerning the plugging of this well in compliance with the New Mexico Oil Conservation's procedure. Therefore, if you could advise me of any reliable concerns that could give us bids and are in the position to do the work according to your specifications, will you please advise. I sincerely appreciate your co-operation in this matter and will appreciate anything that you can advise or do to help bring this matter to a conclusion.

Very truly yours,


R. D. BAILEY
Adjuster

RDB:ma
cc: El Paso Claim (2)
cc: Echlin-Irvin-Crowell & Co. - El Paso

OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

April 12, 1957

Employers' Group Insurance Companies
Albuquerque Claim Department
2508 Central SE
Albuquerque, New Mexico

Attention: Mr. R. D. Bailey

Re: American Employers' Bond
No. SY-132226, Roy E.
Timmons.

Gentlemen:

Reference is made to your letter of February 8, 1957, regarding the above-captioned bond and Commission Order R-629, as well as to previous correspondence on these subjects.

It may be well to review the entire situation as regards Mr. Timmons and various of his wells in the Bueyeros carbon dioxide area.

On January 13, 1955, the Commission called three cases involving Mr. Timmons and various surety companies for hearing. The cases were successively continued until March 16, 1955, at which time the evidence was heard. On May 12, 1955, the three orders disposing of the cases were entered. The only one of the three orders affecting American Employers' Insurance Company was Order No. R-629, directing said insurance company and Roy E. Timmons to plug a well known as the Roy E. Timmons No. 1 well located in the SW/4 NE/4 of Section 33, Township 21 North, Range 30 East, NMPM, Harding County, New Mexico, or in the alternative, to repair said well. This order was based on the Commission's finding that the wellhead facilities for pressure control were inoperative and insufficient, and that the well was in a state of disrepair and constituted a potential threat to the well-being of individuals and properties in the area. The Commission found further that the well could be restored to a safe condition after minor workover operations or (plugging and) abandonment.

OIL CONSERVATION COMMISSION

P. O. ~~Box~~ 871

SANTA FE, NEW MEXICO

Although Mr. Timmons has informed you that he has no knowledge of the well having ever been repaired, inspection of the well by a representative of this Commission revealed that the conditions prevailing at the time of the hearing in March, 1955, no longer prevail, and it was assumed that some repairs had been made. The testimony at the hearing indicated that the prime consideration with respect to the hazardous condition of the well-head was the orbit valve which was open and apparently in operation as it could not be closed. Our field representative maintains that this valve is now closed so that no hazard exists at the present time. Another inspection of the well on April 11, 1957, further confirms this fact.

Therefore insofar as the requirements of Order R-629 are concerned, one of the two alternatives (i.e., repair the wellhead or plug and abandon the well) has been met, and no further obligation exists with respect to Order No. R-629.

However, as stated in our letter of November 16, 1956, the bonding company's liability with respect to any well must remain in effect throughout the life of the well, that is, until the well has been transferred under another bond or has been plugged and abandoned and the plugging approved by the Commission.

Very truly yours,

DANIEL S. NUTTER,
Petroleum Engineer

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OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

November 16, 1956

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American Employers' Insurance Company
Albuquerque Claim Department
2508 Central SE
Albuquerque, New Mexico

Attention: Mr. R. D. Bailey

Re: American Employers' Insurance Co.
Bond No. SY 132226
Roy E. Timmons

Gentlemen:

Reference is made to your letter of November 14, 1956, regarding the above-captioned bond and the termination of liability thereunder.

As you stated in your letter, I phoned your office November 5, 1956, and talked with Mr. Blake concerning the subject well. I informed him that Commission Order No. R-629 ordered that Roy E. Timmons and American Employers' Insurance Company repair or plug the bonded well, said well being the Timmons No. 1, located in the SW/4 NE/4 Section 33, Township 21 North, Range 30 East, NMPM, Harding County, New Mexico.

I further informed Mr. Blake that Mr. Timmons had complied with the order in that he had repaired the well, and further that any obligation of Mr. Timmons or American Employers' with respect to Order R-629 had been terminated inasmuch as one of the alternatives of the order had been met.

We must remind you, however, that any bonding company's liability with respect to a well must remain in

OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

-2-

effect throughout the life of the well, that is, until the well has been plugged and abandoned and the plugging approved by the Commission.

Very truly yours,

DANIEL S. NUTTER,
Petroleum Engineer

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The EMPLOYERS' GROUP Insurance Companies

The EMPLOYERS' Liability Assurance Corporation, Ltd.

The EMPLOYERS' Fire Insurance Company

AMERICAN EMPLOYERS' Insurance Company

ALBUQUERQUE CLAIM DEPARTMENT
2508 CENTRAL, S. E. ALBUQUERQUE, NEW MEXICO

April 5, 1957

New Mexico Oil Conservation Commission
State Capitol Building
P. O. Box 871
Santa Fe, New Mexico

Attn: Mr. D. S. Nutter, Petroleum Engineer

Re: American Employers' Insurance Co. Bond SY 132226
Roy E. Timmons

Dear Sir:

I last wrote to your office on February 8, 1957. Will you kindly advise if you have been able to give this matter your attention, inasmuch as we would like to comply with the orders of your commission and eventually terminate our liability under this bond. I wish to thank you for your co-operation in this matter and remain

Very truly yours,


R. D. BAILEY
Adjuster

RDB:ma
cc: El Paso Claim (2)



The EMPLOYERS' GROUP Insurance Companies

The EMPLOYERS' Liability Assurance Corporation, Ltd.

The EMPLOYERS' Fire Insurance Company

AMERICAN EMPLOYERS' Insurance Company

ALBUQUERQUE CLAIM DEPARTMENT
2508 CENTRAL, S. E. ALBUQUERQUE, NEW MEXICO

February 8, 1957

New Mexico Oil Conservation
Commission
State Capitol Building
P. O. Box 871
Santa Fe, New Mexico

*return to file
for the Timmons*

Attn: Mr. D. S. Nutter, Petroleum Engineer

Re: AMERICAN EMPLOYERS' INSURANCE CO. BOND #SY-132226
ROY E. TIMMONS

Dear Sir:

You last wrote to this office in regard to the above on November 16, 1956.

You stated in your letter that Commission Order No. R-629, ordering Roy E. Timmons and American Employers' Insurance Co. to repair or plug the bonded well, said well being Timmons No. 1, located in the SW/4 NE/4 Section 33, Township 21 North, Range 30 East, had been complied with and that any obligation of Mr. Timmons or American Employers' with respect to Order R-629 had been terminated. You also indicated that our company's liability with respect to the well must remain in effect throughout the life of the well unless it has been plugged or abandoned and approved by the Commission.

Further processing this matter I contacted Mr. Timmons and found out that, much to my surprise, the well in question has been shut down for quite some time and there has been no production or marketing from this well since the date of shut down over three or four months ago. Also, according to Mr. Timmons, he has no knowledge of the well ever being repaired since the shut down. Therefore, will you kindly check your records and advise if the well has been actually repaired in compliance with Order R-629. I realize that you indicated in your letter that this order had been complied with; however, due to this information I have received from Mr. Timmons, I would like you to again check and advise in order that we may have this matter straightened out. I wish to thank you in advance for your co-operation in this matter.

Very truly yours,


R. D. BAILEY
Adjuster

RDB:ma
cc: El Paso Claim (2)

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The EMPLOYERS' GROUP Insurance Companies

The EMPLOYERS' Liability Assurance Corporation, Ltd.

The EMPLOYERS' Fire Insurance Company

AMERICAN EMPLOYERS' Insurance Company

ALBUQUERQUE CLAIM DEPARTMENT
2508 CENTRAL, S. E. ALBUQUERQUE, NEW MEXICO

November 14, 1956

New Mexico Oil Conservation Commission
State Capitol Building
P. O. Box 871
Santa Fe, New Mexico

Attn: Mr. D. S. Nutter
Petroleum Engineer

*Return to
you for
Timmons' file*

RE: AMERICAN EMPLOYERS' INSURANCE CO. BOND NO. SY 132226
ROY E. TIMMONS

Dear Mr. Nutter:

As you may recall I contacted you the first part of October in regard to pending information concerning the termination of liability of our company, the American Employers' Insurance Company, on this bond. You informed me that you would let me know within a short time in regard to this matter, in fact called our office here in Albuquerque; however, I was out. You talked to Mr. Blake of our office and informed him that Mr. Timmons had satisfactorily repaired and restored the subject well. You stated that since this had been complied with that the Oil Conservation Commission would no longer have any claim against Mr. Timmons or the American Employers' Insurance Company. Therefore, since this is a case, I should like to have written verification from this office in regard to this termination of our liability. I request this written verification inasmuch as our home office insists that we handle this matter in this manner. I wish to thank you for your cooperation in this matter and will look forward to receiving this written verification from you at your very earliest convenience.

Very truly yours,

R. D. Bailey
R. D. BAILEY
Adjuster

RDB:ma

cc: El Paso Claim - Mr. F. Kirby-Smith

OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

February 23, 1956

Mr. J. C. Echlin
Echlin-Irvin-Crowell & Co.
355 Myrtle Avenue
El Paso, Texas

Re: Roy E. Timmons \$5,000 one-well
bond, SW/4 NE/4 Sec. 33, T-21-N,
R-30-E, American Employers' Ins. Co.

Dear Sir:

Reference is made to your letter of February 17th pertaining to the above-captioned bond.

As yet we have not received any transfer of ownership on the well involved in this matter, and as soon as the transfer is made to Schwartz Carbonic Company, we will release the above bond. Our representative, Mr. Nutter, will be in the area of this well in the near future and if we learn any further information concerning this transfer, we will contact you immediately.

Very truly yours,

W. B. Macey
Secretary - Director

WBM:brp

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The EMPLOYERS' GROUP Insurance Companies

The EMPLOYERS' Liability Assurance Corporation, Ltd.

The EMPLOYERS' Fire Insurance Company

AMERICAN EMPLOYERS' Insurance Company

ALBUQUERQUE CLAIM DEPARTMENT
2508 CENTRAL, S. E. ALBUQUERQUE, NEW MEXICO

New Mexico Oil Conservation Commission
State Capitol Building
Santa Fe, New Mexico

January 31, 1956

Attention: Mr. Dan Nutter

Re: American Employers' Insurance Company Bond #SY 132226
Roy E. Timmons

Gentlemen:

Please refer to my letter dated December 2, 1955, at which time I asked for a status report on the above captioned bond.

Since this date we have been advised that the well which was covered by the above captioned bond is in the process of being transferred from Roy Timmons to The Swartz Carbonic Company and we are very desirous of finding out whether or not this transaction has taken place in order that we might be released under our bond.

Will you please advise us whether or not this transfer has taken place and also furnish us with a release under our bond.

Very truly yours,

W. E. Welch
Adjuster

WEW:cc



The EMPLOYERS' GROUP Insurance Companies

The EMPLOYERS' Liability Assurance Corporation, Ltd.

The EMPLOYERS' Fire Insurance Company

AMERICAN EMPLOYERS' Insurance Company

ALBUQUERQUE CLAIM DEPARTMENT
2508 CENTRAL, S. E. ALBUQUERQUE, NEW MEXICO

New Mexico Oil Conservation
Commission
State Capitol Building
Santa Fe, New Mexico

December 2, 1955

Attention Mr. Dan Nutter

Re: American Employers Insurance Company - Bond SY 132226
--- Roy E. Timmons

Gentlemen:

Please refer to your letter dated September 2, 1955, regarding the above captioned bond.

Will you please advise us whether or not your inspection has now been made and whether or not we can at this time be relieved of our obligation under the bond.

Very truly yours,

W. E. Welch
Adjuster

WEW:mw



The EMPLOYERS' GROUP Insurance Companies

The EMPLOYERS' Liability Assurance Corporation, Ltd.

The EMPLOYERS' Fire Insurance Company

AMERICAN EMPLOYERS' Insurance Company

ALBUQUERQUE CLAIM DEPARTMENT
2508 CENTRAL, S. E. ALBUQUERQUE, NEW MEXICO

New Mexico Oil Conservation Commission
State Capitol Building
Santa Fe, New Mexico

Attention Mr. Dan Nutter:

August 30, 1955

*Answered
9/2/55
work on another Timmons
well is incomplete and
were waiting for it to
be finished before
making a trip
in to the
office.
WEL*

Re: American Employers Insurance Company Bond # SY 132226
Roy E. Timmons

Gentlemen:

On July 25, 1955, I was advised by you that very shortly thereafter you would be in the Clayton area and would at that time make an inspection of the Timmons No. 1 well, which is covered under the above captioned bond and advise us what work will be necessary on this well site in order for us to obtain a release under our bond.

Will you please furnish us with a report in order that we might know what action to take in regards to this matter.

Very truly yours,

W. E. Welch
Adjuster

WEW:mw

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
COMMISSION OF NEW MEXICO FOR
THE PURPOSE OF CONSIDERING:

CASE NO. 812
Order No. R-628

THE MATTER OF THE APPLICATION
OF THE COMMISSION UPON ITS OWN
MOTION FOR AN ORDER DIRECTED TO
ROY E. TIMMONS, DOING BUSINESS AS
THE TIMMONS CARBONIC COMPANY,
TO APPEAR AND SHOW CAUSE WHY THE
KERLIN NO. 1 WELL IN THE SE/4 NW/4,
SECTION 34, TOWNSHIP 21 NORTH, RANGE
30 EAST, NMPM, HARDING COUNTY, NEW
MEXICO, SHOULD NOT BE ORDERED
PLUGGED.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a. m. on March 16, 1955,
at Santa Fe, New Mexico, having been successively continued from the original hear-
ing date of January 13, 1955, before the Oil Conservation Commission of New Mexico,
hereinafter referred to as the "Commission".

NOW, on this 12th., day of May, 1955, the Commission, a quorum
being present, having considered the testimony adduced and the exhibits received at
said hearing, and being fully advised in the premises,

FINDS:

(1) That due public notice having been given as required by law, the
Commission has jurisdiction of this cause and the subject matter thereof.

(2) That the Kerlin No. 1 carbon dioxide well, located in the SE/4
NW/4 of Section 34, Township 21 North, Range 30 East, NMPM, Harding County,
New Mexico, was last operated by Roy E. Timmons, doing business as the Timmons
Carbonic Company of Denver, Colorado.

(3) That the Kerlin No. 1 carbon dioxide well was carried to a total
depth of 988 feet and was completed as a producing well on May 15, 1931.

(4) That a proper plugging bond, with a responsible surety company
as surety, has not been maintained by Roy E. Timmons, as is required by Rule 101
of the Rules and Regulations of this Commission.

(5) That Roy E. Timmons is responsible for the operation and maintenance of subject well and facilities necessary to the operation thereof.

(6) That said well is presently in a state of disrepair and constitutes a threat to the well-being of individuals and properties in the vicinity.

(7) That said well is currently venting carbon dioxide gas to the atmosphere through the stuffing box, thereby contributing to the waste of a valuable natural resource.

(8) That said well can be restored to a safe condition only after extensive workover operations or abandonment.

IT IS THEREFORE ORDERED:

(1) That Roy E. Timmons forthwith submit to the Commission for its approval a proper plugging bond, pursuant to Rule 101 of the Rules and Regulations of this Commission.

(2) That Roy E. Timmons cause the No. 1 Kerlin carbon dioxide well in the SE/4 NW/4 of Section 34, Township 21 North, Range 30 East, NMPM, Harding County, New Mexico, to be repaired or plugged within 60 days following the effective date of this order.

(3) That in the event Roy E. Timmons chooses to plug and abandon said well, such plugging shall be accomplished by setting ten (10) sacks neat cement at total depth, and spotting an additional ten (10) sacks neat cement at a depth of 700 feet. Further, a plug consisting of ten (10) sacks neat cement shall be set at the surface and a regulation marker placed therein. Intervals between plugs shall be filled with heavy mud. The location shall be levelled and cleared of junk.

(4) Upon completion of plugging or workover operations, the Commission shall be notified of such completion, and an authorized representative of the Commission shall inspect the well and location. Pertinent information concerning the plugging or workover operation shall be filed with the Commission on Form C-103.

PROVIDED FURTHER, that failure to comply with this order within the 60 days allotted for compliance shall render said Roy E. Timmons liable to prosecution under Section 24 (b) of the Conservation Act (Chapter 168 of the Laws of 1949).

DONE at Santa Fe, New Mexico on the day and year hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

John F. Simms, Chairman

E. S. Walker, Member

W. B. Macey, Member and Secretary

OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

INSPECTION REPORT

November 9, 1954

ROY E. TIMMONS AND/OR
TIMMONS CARBONIC COMPANY

RE: #1 Timmens
SWNE Sec. 33-T21N-R30E
#1 Kerlin
SWNE Sec. 34-T21N-R30E
#1 Tixier
SWNE Sec. 2-T20N-R30E
HARDING COUNTY

On this day I visited the Timmens carbon dioxide processing plant and the three above captioned wells at the Bueyeres vicinity of Harding County. I have found the plant completely shut down and not in operation and the living quarters presently unoccupied. Concerning the above wells the #1 Timmens is connected up to the plant with a 4" (approx.) pipe line laid on the surface of the ground. It has what appears to be a proper well head connection and metering device although the meter shows evidence of not having been in working order for several months time. The master valve at this well is open and the line to the plant is live with carbon dioxide gas. The #1 Kerlin well is likewise capped and connected up to the plant. However the well-head connections are very corroded and are leaking gas at the surface. I am not aware of any metering device's being used at this well. The #1 Tixier well is as the writer reported it on February 3, 1954, in effect, apparently plugged and abandoned and with a 6" marker pipe in place at the well bore. However, since that report, we have received an account from Mr. Timmens to the fact that this well was drilled to a total depth of 987' and that casing was run and cemented to this depth. Details on the casing or the cement job were not made available. Mr. Timmens however, has expressed a desire to retain this well as it now stands until such time as he is able to either deepen or plug back for carbon dioxide production.

OIL CONSERVATION COMMISSION

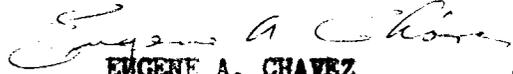
P. O. BOX 871

SANTA FE, NEW MEXICO

-2-

Inspection Report

I talked with Mr. Frank Andrada, the plant foreman, at his home in Mesquero and he revealed the fact that the plant was in operation until October 14, 1954. Mr. Andrada said also that operations were now suspended in anticipation of the installation of a new gas compressor at which time the operator expected to resume plant production again.



EUGENE A. CHAVEZ
Oil & Gas Inspector

sk

September 2, 1955

C
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P
Y

American Employers Insurance Company
Albuquerque Claim Department
2508 Central SE
Albuquerque, New Mexico

Attention: Mr. W. E. Welch

Re: American Employers Insurance Co.
Bond No. SY 132226
Roy E. Timmons

Gentlemen:

This is to acknowledge your letter of August 30, 1955, pertaining to the above-captioned bond covering the Timmons No. 1 Well in Harding County, New Mexico.

I regret to say that we have not yet inspected the subject well, reason being that work on another well belonging to Mr. Timmons is incomplete and we have been waiting for all work to be completed before making a trip into the area.

We expect to be able to make this inspection in the near future and will advise you when it has been done.

Very truly yours,

D. S. Nutter
Petroleum Engineer

DSN:jh

Member American Title Association

MAIN OFFICE 600

The Clayton Abstract Company, Inc.

CLAYTON, N. M. 87003

BONDED ABSTRACTERS
ABSTRACTS - BONDS - INSURANCE

BANK BUILDING

PHONE 88

CLAYTON, NEW MEXICO

Nov. 1st, 1954

Mr. W. B. Macy, Director,
Oil Conservation Commission,
State Capitol,
Santa Fe, New Mexico.

RE: Bond SY-132226-Roy E. Timmons
One-Well Drilling Bond to State of New
Mexico. Amt. \$5,000. 12-5-44.

Dear Macy:

Over a period of several years we, as agents for the American Employers' Insurance Company, have been endeavoring to collect a number of back payments of the annual premium, and, failing, have attempted to secure release from liability on the above bond. We have made any number of trips to Santa Fe and explained the situation in which the company finds itself. The well, in connection with which bond was furnished, is still being used.

We are advised that so long as gas is being produced and used from the well the State will not permit cancellation of the bond. It is patent, however, that the company cannot continue to act as surety on the bond without payment of the premiums as they mature. There are now some seven annual premiums past due on the subject bond and another will mature on December 5th, next.

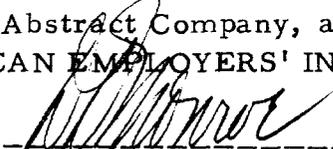
We respectfully petition you and the Commission to demand of Mr. Timmons that he furnish new surety or new bond in connection with this well; that he pay the delinquent premiums on the subject bond and that, failing to so do, you grant the Bonding Company permission to plug the well in order that liability on the bond in question may be terminated, and the bond released and the surety fully and finally discharged. If it is necessary to hold a hearing on this matter, and to cite Mr. Timmons to appear and show cause why this request shall not be granted, we respectfully petition that such hearing be held at the earliest possible date.

Awaiting your advices, and thanking you for your kindness, we are

Very truly yours,

Clayton Abstract Company, agents,
AMERICAN EMPLOYERS' INSURANCE CO.

By:



cc: Crowell & Co.

