

CASE 5292: PLUGGING CASE  
EL PASO, U.S. FIDELITY &  
GUARANTY CO.

to  
Cont  
18  
16  
P. J.  
O.

CASE No.

5292

Application,

Transcripts,

Small Exhibits

ETC.

BEFORE THE  
NEW MEXICO OIL CONSERVATION COMMISSION  
Santa Fe, New Mexico  
October 16, 1974

EXAMINER HEARING

IN THE MATTER OF:

The hearing called by the Oil Conservation  
Commission on its own motion to permit  
El Paso Natural Gas Company, United States  
Fidelity and Guaranty Co., and all other  
interested parties to appear and show cause  
why the Ludwick No. 11 Well, the Rincon Unit  
Well No. 127, and the Warren A Well No. 2  
should not be plugged and abandoned in  
accordance with a Commission-approved plug-  
ging program.

CASE  
5292

BEFORE: Richard L. Stamets, Examiner

TRANSCRIPT OF HEARING

A P P E A R A N C E S

For the New Mexico Oil	William Carr, Esq.
Conservation Commission:	Legal Counsel for the Commission
	State Land Office Building
	Santa Fe, New Mexico

MR. STAMETS: We will call the next Case, 5292.


MR. CARR: Case 5292 continued from the September 18, 1974, Examiner Hearing in the matter of the hearing called by the Oil Conservation Commission on its own motion to permit El Paso Natural Gas Company, United States Fidelity and Guaranty Co., and all other interested parties to appear and show cause why the Ludwick No. 11 Well, the Rincon Unit Well No. 127, and the Warren A Well No. 2 should not be plugged and abandoned in accordance with a Commission-approved plugging program.

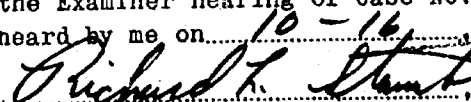
Mr. Examiner, all of these wells have been taken care of to the satisfaction of the Aztec District Office of the Commission and they request that the Case be dismissed.

MR. STAMETS: Case 5292 will be dismissed.

STATE OF NEW MEXICO )  
 ) SS.  
COUNTY OF SANTA FE )

I, SIDNEY F. MORRISH, Court Reporter, do hereby certify that the foregoing and attached Transcript of Hearing before the New Mexico Oil Conservation Commission was reported by me, and the same is a true and correct record of the said proceedings, to the best of my knowledge, skill and ability.

  
SIDNEY F. MORRISH, Court Reporter

I do hereby certify that the foregoing is a complete record of the proceedings in the Examiner hearing of Case No. 5292, heard by me on 10-16-1974.  
  
Richard H. Stuntz, Examiner  
New Mexico Oil Conservation Commission

BEFORE THE  
NEW MEXICO OIL CONSERVATION COMMISSION  
Santa Fe, New Mexico  
September 18, 1974

EXAMINER HEARING

IN THE MATTER OF:

The Hearing called by the Oil  
Conservation Commission on its own  
motion to permit El Paso Natural Gas  
Company, United States Fidelity and  
Guaranty Company, and all other  
interested parties to appear and show  
cause why the Ludwick Well No. 11, the  
Rincon Well No. 127 and the Warren A  
Well No. 2 should not be plugged and  
abandoned in accordance with a Commission-  
approved plugging program.

Case No.  
5292

BEFORE: Richard L. Stamets, Examiner

TRANSCRIPT OF HEARING

A P P E A R A N C E S

For the New Mexico Oil Conservation Commission:	William Carr, Esq. Legal Counsel for the Commission State Land Office Building Santa Fe, New Mexico
For the Applicant: (El Paso)	Randy J. Waldman, Esq. El Paso Natural Gas Company El Paso, Texas

MR. STAMETS; Case 5292.

MR. CARR: Case 5292. In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit El Paso Natural Gas Company, United States Fidelity and Guaranty Company and all other interested parties to appear and show cause why the Ludwick Well No. 11, the Rincon Well No. 127 and the Warren A Well No. 2 should not be plugged and abandoned in accordance with a Commission-approved plugging program.

MR. STAMETS: We call for appearances in this case.

MS. WALDMAN: Mr. Examiner, I am Randy Waldman for El Paso Natural Gas Company, and I would like to make a statement on behalf of El Paso Natural Gas Company and call no witnesses.

MR. STAMETS: Why don't you go ahead and make that statement at this time?

MS. WALDMAN: All right. Mr. Examiner, the Ludwick No. 11 Well which is the subject of Case 5292, wherein El Paso has requested permission to downhole commingle, the other two wells which are the subject of this hearing, the Rincon Unit No. 127 and the Warren A No. 2, have both been reworked and successfully repaired

as dual completion wells. Packer leakage tests have been conducted on each of these two wells, and the results indicate that no communication exists between the producing zones of either of the two wells. These results should be in the Commission's files within the next 10 days, and therefore, El Paso moves that this hearing which was called to show cause why these wells should not be plugged and abandoned be dismissed at this time.

I mis-identified the last case, 5313.

MR. STAMETS: You are saying that the Ludwick 11 was the subject of 5313?

MS. WALDMAN: Yes, sir.

(Whereupon, a discussion was held off the record.)

MR. STAMETS: Case 5313 will be readvertised to a date that I don't know just now. What we will do is to continue Case 5292 until that date. At that time, the Examiner will entertain a motion on behalf of the Commission to dismiss this case, and if all these things are resolved in a satisfactory manner at that time, I would assume the case will be dismissed.

MS. WALDMAN: Thank you very much.



I, RICHARD L. NYE, Court Reporter, do hereby certify that the foregoing and attached Transcript of Hearing before the New Mexico Oil Conservation Commission was reported by me, and the same is a true and correct record of the said proceedings, to the best of my knowledge, skill and ability.

Richard E. Kye  
COURT REPORTER

I do hereby certify that the foregoing is  
a complete record of the proceedings on  
the Examiner hearing of Case No. 5292  
heard by me on 9-18-74, 1974  
Richard P. Hunt, Examiner  
New Mexico Oil Conservation Commission

**THE NYE REPORTING SERVICE**  
STATE-WIDE DEPOSITION NOTARIES  
225 JOHNSON STREET  
SANTA FE, NEW MEXICO 87501  
TEL. (505) 982-0386

BEFORE THE  
NEW MEXICO OIL CONSERVATION COMMISSION  
Santa Fe, New Mexico  
August 7, 1974

EXAMINER HEARING

IN THE MATTER OF: )  
 )  
Hearing called by the Oil )  
Conservation Commission )  
on its own motion to ) Case No. 5292  
permit El Paso Natural )  
Gas Company, United )  
States Fidelity and )  
Guaranty Co., to show )  
cause. )

BEFORE: Daniel S. Nutter, Examiner.

TRANSCRIPT OF HEARING

A P P E A R A N C E S

For the New Mexico Oil  
Conservation Commission: Thomas Derryberry  
Legal Counsel for the Commission  
State Land Office Building  
Santa Fe, New Mexico


MR. NUTTER: Call Case Number 5292.

MR. DERRYBERRY: In the matter of hearing called by the Oil Conservation Commission on its own motion to permit El Paso Natural Gas Company, United States Fidelity and Guaranty Company, and all other interested parties to appear and show cause why each of the following wells should not be plugged and abandoned in accordance with a Commission-approved plugging program: EPNG Ludwick Well No. 11, located in Unit B, Section 19, Township 30 North, Range 10 West, San Juan County, New Mexico.

EPNG Rincon Unit Well No. 127, located in Unit A, Section 28, Township 27 North, Range 6 West, Rio Arriba County, New Mexico.

EPNG Warren A Well No. 2, located in Unit A, Section 23, Township 28 North, Range 9 West, San Juan County, New Mexico.

MR. NUTTER: At the request of El Paso Natural Gas Company, Case Number 5292 will be scheduled for the examiner hearing to be held at this same place at nine o'clock a.m., September the eighteenth, 1974.

  
SIDNEY F. MORRISH  
Court Reporter

I do hereby certify that the foregoing is a complete record of the proceedings in the Examiner hearing of Case No. 5292 heard by me on 8/7, 1994.

 Examiner  
New Mexico Oil Conservation Commission

**THE NYE REPORTING SERVICE**  
STATE-WIDE DEPOSITION NOTARIES  
225 JOHNSON STREET  
SANTA FE, NEW MEXICO 87501  
TEL. (505) 982-0386

Send no letter

This case to  
be dismissed  
after EPNG  
letter received  
verifying all wells  
reworked etc.  
etc

BEFORE THE OIL CONSERVATION COMMISSION  
OF THE STATE OF NEW MEXICO

CASE NO. 5292  
Order No. R-4889

IN THE MATTER OF THE HEARING CALLED BY  
THE OIL CONSERVATION COMMISSION ON ITS  
OWN MOTION TO PERMIT EL PASO NATURAL GAS  
COMPANY, UNITED STATES FIDELITY AND GUARANTY  
CO., AND ALL OTHER INTERESTED PARTIES TO  
APPEAR AND SHOW CAUSE WHY THE EPNG LUDWICK  
WELL NO. 11, SAN JUAN COUNTY, EPNG RINCON  
UNIT WELL NO. 127, RIO ARRIBA COUNTY, AND  
THE EPNG WARREN A WELL NO. 2 IN SAN JUAN  
COUNTY, NEW MEXICO, SHOULD NOT BE PLUGGED  
AND ABANDONED IN ACCORDANCE WITH A  
COMMISSION-APPROVED PLUGGING PROGRAM.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on October 16, 1974,  
at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 29th day of October, 1974, the Commission,  
a quorum being present, having considered the record and the  
recommendations of the Examiner, and being fully advised in the  
premises,

FINDS:

That the applicant's request for dismissal should be granted.

IT IS THEREFORE ORDERED:

That Case No. 5292 is hereby dismissed.

DONE at Santa Fe, New Mexico, on the day and year herein-  
above designated.

STATE OF NEW MEXICO  
OIL CONSERVATION COMMISSION

I. R. TRUJILLO, Chairman

A. J. ARMSTRONG, Member

A. L. PORTER, Jr., Member & Secretary

SEAL  
jr/

OIL CONSERVATION COMMISSION

P. O. BOX 2088

SANTA FE NEW MEXICO 87501

September 9, 1974

El Paso Natural Gas Company  
P. O. Box 1492  
El Paso, Texas 79978

CERTIFIED - RETURN  
RECEIPT REQUESTED

United States Fidelity and  
Guaranty Co.  
301 San Mateo Blvd., S.E.  
Albuquerque, New Mexico 87103

Re: EPNG Ludwick Well No. 11, Unit B,  
Sec. 19, T-30-N, R-10-W, San Juan County;  
EPNG Rincon Unit Well no. 127, Unit A,  
Sec. 28, T-27-N, R-6-W, Rio Arriba County;  
EPNG Warren A Well No. 2, Unit A,  
Sec. 23, T-28-N, R-9-W, San Juan County

Gentlemen:

Enclosed is a copy of the docket of the Examiner  
Hearing to be held on Wednesday, September 18, 1974, at  
9:00 a.m. in the Oil Conservation Commission Conference  
Room, State Land Office Building, Santa Fe, New Mexico.  
Case 5292 concerns the subject matter.

Very truly yours,

WILLIAM F. CARR  
General Counsel

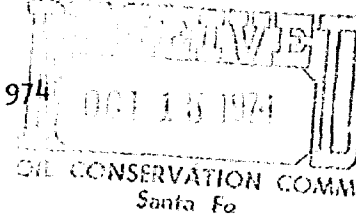
WFC/dr  
enclosure

C  
O  
P  
Y

**OIL CONSERVATION COMMISSION**

STATE OF NEW MEXICO  
1000 RIO BRAZOS ROAD - AZTEC  
87410

October 11, 1974



**I. R. TRUJILLO**  
CHAIRMAN  
**LAND COMMISSIONER**  
**ALEX J. ARMIJO**  
MEMBER  
**STATE GEOLOGIST**  
**A. L. PORTER, JR.**  
SECRETARY - DIRECTOR

Mr. Richard Stamets  
New Mexico Oil Conservation Commission  
P. O. Box 2088  
Santa Fe, New Mexico 87501

Re: Case No. 5292

Dear Mr. Stamets:

The enclosed copies of the annual packer-leakage test reports for the Rincon #127 and the Warren A #2 wells in the subject case prove these wells have been repaired.

If the Commission approves El Paso's application in Case No. 5313, I have no objection to Case No. 5292 being dismissed.

If there are questions, please contact us.

Yours very truly,

*A. R. Kendrick*  
A. R. Kendrick  
Engineer, District #3

ARK:mc

cc: Mr. E. R. Manning  
El Paso Natural Gas Co.  
Box 1492  
El Paso, Texas 79978



THIS FORM IS NOT TO BE  
USED FOR REPORTING  
PACKER-LEAKAGE TESTS IN  
SOUTHEAST NEW MEXICO.

NEW MEXICO OIL CONSERVATION COMMISSION  
NORTHWEST NEW MEXICO PACKER-LEAKAGE TEST

Operator EL PASO NATURAL GAS COMPANY			Well Name and Number Rincon Unit #127 (MD)		
Location of Well Unit A Sec. 28 Twp. 27 Rge. 6			TYPE OF TEST →	Annual - (Give Year) 9-13-74	Initial - (Give Date)
UPPER COMPLETION	Reservoir or Pool MV	<input checked="" type="checkbox"/> GAS <input type="checkbox"/> OIL	<input checked="" type="checkbox"/> FLOWING <input type="checkbox"/> ARTIFICIAL LIFT	<input type="checkbox"/> NEW <input checked="" type="checkbox"/> OWO	Production String <input checked="" type="checkbox"/> CASING <input checked="" type="checkbox"/> TUBING
LOWER COMPLETION	Reservoir or Pool DK	<input checked="" type="checkbox"/> GAS <input type="checkbox"/> OIL	<input checked="" type="checkbox"/> FLOWING <input type="checkbox"/> ARTIFICIAL LIFT	<input type="checkbox"/> NEW <input checked="" type="checkbox"/> OWO	Production String <input type="checkbox"/> CASING <input checked="" type="checkbox"/> TUBING

Date	Upper Zone:		Lower Zone		
	Shut- In		Shut-in	Flow Test	
	Casing	Tubing	Tubing	Tubing	Flow Rate
9-9	865	864	864		
9-10	875	874	868		
9-11	878	877	876		
9-12	882	880		737	412
9-13	884	882		614	434

RECEIVED  
OCT 15 1974  
OIL CONSERVATION COMM.  
Santa Fe

RECEIVED  
SEP 18 1974  
OIL CON. COM.  
DIST. 3

The results of this test indicate (No Packer Leakage) (Packer Leakage) in this well.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

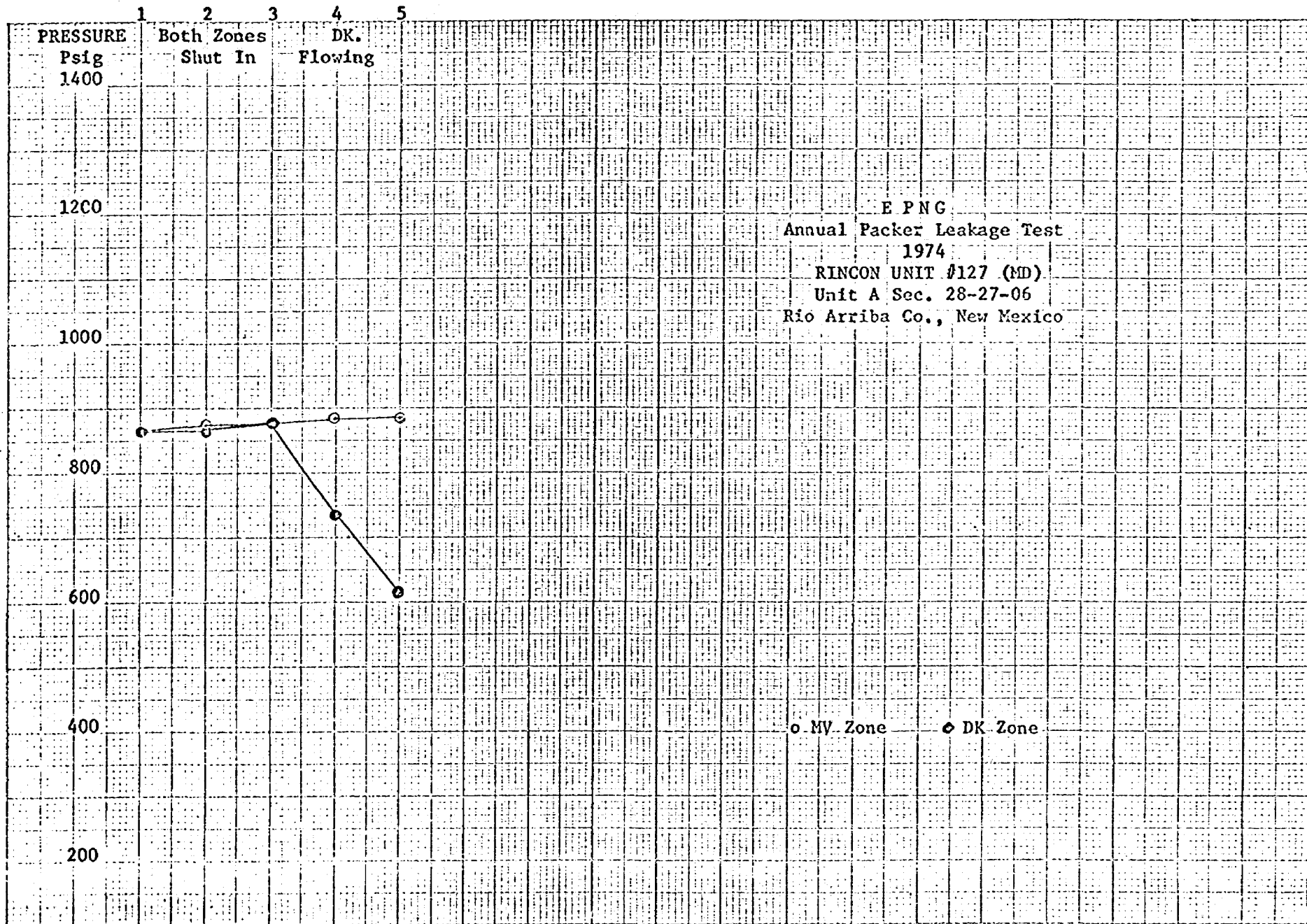
SEP 18 1974

APPROVED \_\_\_\_\_, 19\_\_\_\_  
NEW MEXICO OIL CONSERVATION COMMISSION  
BY Mark Kendrick  
PETROLEUM ENGINEER DIST. NO. 8

OPERATOR EL PASO NATURAL GAS COMPANY  
BY Loren W. Fothergill  
Loren W. Fothergill  
WELL TEST ENGINEER  
DATE September 17, 1974

10 X 10 TO 1/2 INCH 46 1323  
 7 X 10 INCHES  
 KEUFFEL & ESSER CO.

DAYS

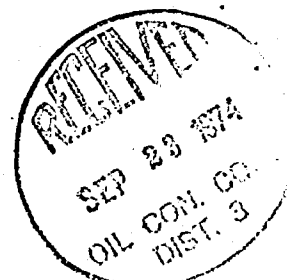


THIS FORM IS NOT TO BE  
USED FOR REPORTING  
PACKER-LEAKAGE TESTS IN  
SOUTHEAST NEW MEXICO.

NEW MEXICO OIL CONSERVATION COMMISSION  
NORTHWEST NEW MEXICO PACKER-LEAKAGE TEST

Operator EL PASO NATURAL GAS COMPANY		Well Name and Number Warren A #2 (PM)	
Location of Well Unit A Sec. 23 Twp. 28 Rge. 9		TYPE OF TEST →	Annual - (Give Year) Initial - (Give Date) 9-23-74
UPPER COMPLETION	Reservoir or Pool PC	<input checked="" type="checkbox"/> GAS <input type="checkbox"/> OIL	<input checked="" type="checkbox"/> FLOWING <input type="checkbox"/> ARTIFICIAL LIFT
LOWER COMPLETION	Reservoir or Pool MV	<input checked="" type="checkbox"/> GAS <input type="checkbox"/> OIL	<input checked="" type="checkbox"/> FLOWING <input type="checkbox"/> ARTIFICIAL LIFT
		Production String <input checked="" type="checkbox"/> CASING <input type="checkbox"/> TUBING	

Date	Upper Zone		Lower Zone		
	Shut-In		Shut-in	Flow Test	
	Casing	Tubing	Tubing	Tubing	Flow Rate
9-19	275	275	438		
9-20	292	292	450		
9-21	304	304	460		
9-22	313	313		239	671
9-23	318	318		235	607



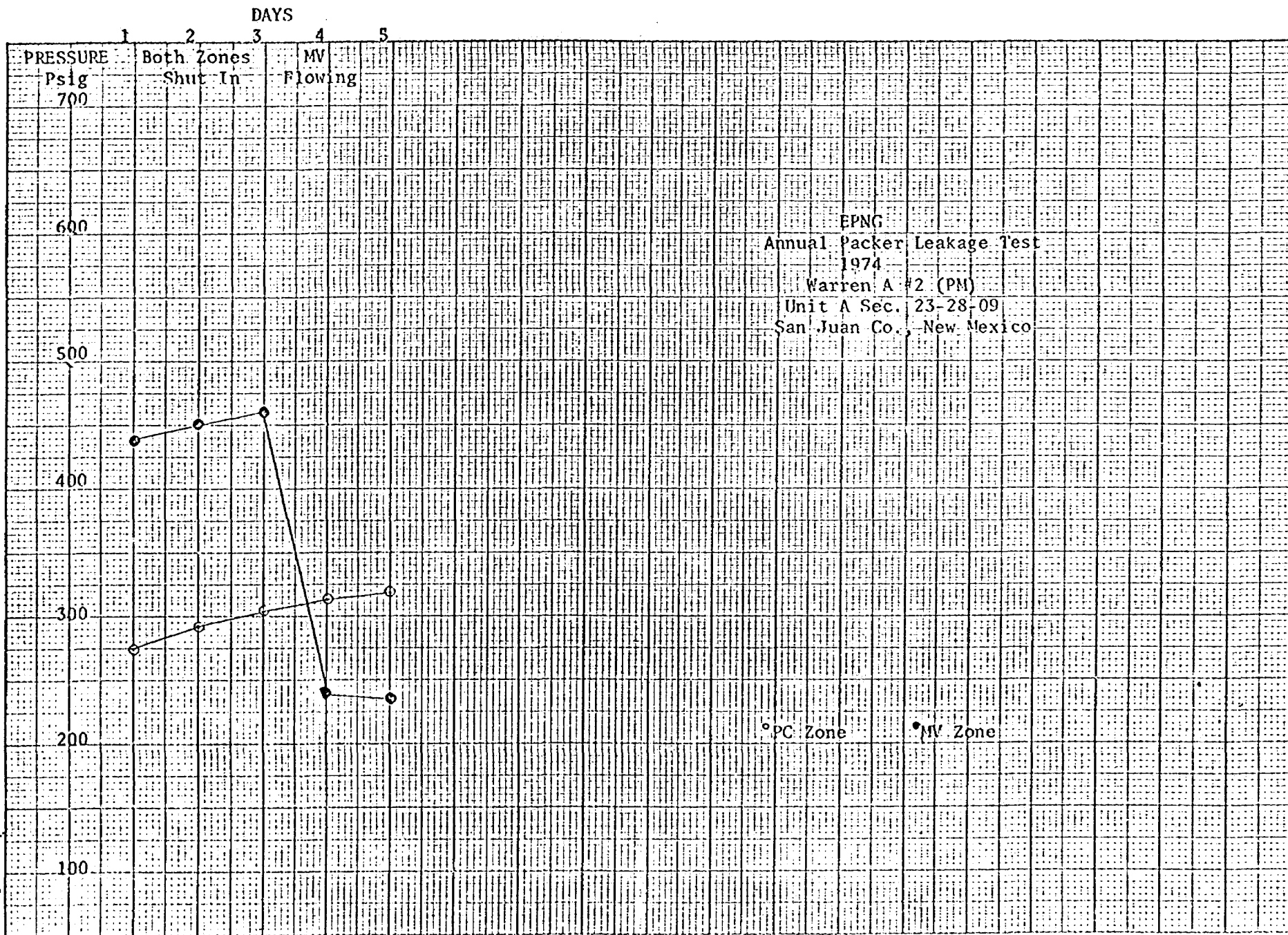
The results of this test indicate (No Packer Leakage) (Packer Leakage) in this well.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

APPROVED \_\_\_\_\_ 19\_\_\_\_  
NEW MEXICO OIL CONSERVATION COMMISSION  
BY MR. Kendrick  
PETROLEUM ENGINEER DIST. NO. 3

OPERATOR EL PASO NATURAL GAS COMPANY  
BY Loren W. Fothergill  
Loren W. Fothergill  
WELL TEST ENGINEER  
DATE 9-23-74

KE 10 X 10 TO 1/2 INCH 46 1325  
 7 X 10 INCHES MADE IN U.S.A.  
 KEUFFEL & ESSER CO.



Pocket No. 29-74

Dockets Nos. 30-74 and 31-74 are tentatively set for hearing on October 30 and November 13, 1974. Application for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: EXAMINER HEARING - WEDNESDAY - OCTOBER 16, 1974

9 A.M. - OIL CONSERVATION COMMISSION CONFERENCE ROOM,  
STATE LAND OFFICE BUILDING - SANTA FE, NEW MEXICO

The following cases will be heard before Richard L. Stamets, Examiner, or Daniel S. Nutter, Alternate Examiner:

- ALLOWABLE: (1) Consideration of the allowable production of gas from seventeen prorated pools in Lea, Eddy, Roosevelt, and Chaves Counties, New Mexico, for November, 1974;
- (2) Consideration of the allowable production of gas from five prorated pools in San Juan, Rio Arriba, and Sandoval Counties, New Mexico, for November, 1974.

CASE 5304: (Continued from the September 4, 1974, Examiner Hearing)

In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit Mercury Production Company, American Employers' Insurance Company and all other interested parties to appear and show cause why the Mercury State Well No. 1 located in Unit E of Section 27, Township 10 South, Range 26 East, Chaves County, New Mexico, should not be plugged and abandoned in accordance with a Commission-approved plugging program.

CASE 5292: (Continued from the September 18, 1974, Examiner Hearing)

In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit El Paso Natural Gas Company, United States Fidelity and Guaranty Co., and all other interested parties to appear and show cause why each of the following wells should not be plugged and abandoned in accordance with a Commission-approved plugging program:

EPNG Ludwick Well No. 11, located in Unit B, Section 19, Township 30 North, Range 10 West, San Juan County, New Mexico;

EPNG Rincon Unit Well No. 127, located in Unit A, Section 28, Township 27 North, Range 6 West, Rio Arriba County, New Mexico; and

EPNG Warren A Well No. 2, located in Unit A, Section 23, Township 28 North, Range 9 West, San Juan County, New Mexico.

CASE 4976: (Reopened) (Continued from the October 2, 1974, Examiner Hearing)

In the matter of Case No. 4976 being reopened pursuant to the provisions of Order No. R-4638 to permit all operators in the West Parkway-Strawn

(Case 4976 continued from Page 1)

and West Parkway-Atoka Gas Pools in Section 28, Township 19 South, Range 29 East, Eddy County, New Mexico, to appear and present evidence to clearly establish the nature of the reservoirs, proper rates of production for wells therein, and special rules therefor.

CASE 5313: (Continued and Readvertised)

Application of El Paso Natural Gas Company for downhole commingling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of Aztec-Pictured Cliffs and Blanco-Mesaverde production in the wellbore of its Ludwick Well No. 11 located in Unit B of Section 19, Township 30 North, Range 10 West, San Juan County, New Mexico.

CASE 5338: Application of Amerada Hess Corporation for salt water disposal, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced water into the Devonian formation through the open-hole interval from 10,980 feet to 11,180 feet in its State BTC Well No. 1, located in Unit N of Section 35, Township 11 South, Range 33 East, Bagley Siluro-Devonian Pool, Lea County, New Mexico.

CASE 5339: Application of John L. Cox for salt water disposal, Lea County, New Mexico. Applicant in the above-styled cause, seeks authority to dispose of produced salt water into the San Andres formation through the open-hole interval from approximately 4989 feet to 5017 feet in his U.S.M. Well No. 2, located in Unit H of Section 27, Township 9 South, Range 37 East, West Sawyer-San Andres Pool, Lea County, New Mexico.

CASE 5340: Application of Atlantic Richfield Company for a dual completion, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the dual completion (conventional) of its State BR Well No. 1, located in Unit K of Section 16, Township 21 South, Range 26 East, Eddy County, New Mexico, in such a manner as to produce gas from an undesignated Atoka gas pool through the tubing and gas from an undesignated Morrow gas pool through the casing-tubing annulus by means of a cross-over assembly.

CASE 5341: Application of Texas Oil & Gas Corporation for an unorthodox location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of its Williamson Fed. Well No. 3, located 660 feet from the North line and 1980 feet from the East line of Section 9, Township 20 South, Range 29 East, NMPM, Burton Flats-Morrow Gas Pool, Eddy County, New Mexico, the E/2 of said Section 9 to be dedicated to the well.

CASE 5342: In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit Leon Davis, Fidelity and Deposit Company of Maryland, and all other interested parties to appear and show cause why the New Mexico State "Heart" Well No. 1, located in Unit J of Section 16, Township 14 North, Range 32 East, NMPM, Harding County, New Mexico, should not be plugged and abandoned in accordance with a Commission-approved plugging program.

Examiner Hearing - Wednesday - October 16, 1974

Docket No. 29-74

-3-

CASE 5343: In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit Paul Haskins, Trustee and Continental Casualty Company, and all other interested parties to appear and show cause why the Arthur Cain Well No. 1, located in Unit N of Section 4, Township 15 North, Range 33 East, Harding County, New Mexico, should not be plugged and abandoned in accordance with a Commission-approved plugging program.

CASE 5344: In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit American Fuels Corporation and Aetna Casualty and Surety Company, and all other interested parties, to appear and show cause why the following American Fuels Wells on the W-S Ranch in Colfax County, New Mexico, should not be plugged and abandoned in accordance with a Commission-approved plugging program:

NM-B Well No. 1, located in Unit G of Section 6, Township 30 North, Range 19 East;

NM-B Well No. 2, located in Unit P of Section 16, Township 30 North, Range 18 East;

NM-B Well No. 4, located in Unit H of Section 18, Township 30 North, Range 18 East;

NM-B Well No. 5, located in Unit P of Section 30, Township 30 North, Range 19 East; and

NM-B Well No. 10, located in Unit N of Section 24, Township 31 North, Range 19 East.

CASE 5345: Application of Texaco, Inc. for downhole commingling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of production from the Fusselman, Montoya, and Ellenburger formations, North Justis Field, in the wellbore of its G. L. Erwin "B" Fed. (NCT-2) Well No. 5, located in Unit P of Section 35, Township 24 South, Range 37 East, Lea County, New Mexico.

CASE 5346: Application of Continental Oil Company for downhole commingling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of production from the Blinebry formation and the East Warren-Drinkard Pool in the wellbore of its Warren Unit Well No. 11, located in Unit A of Section 35, Township 20 South, Range 38 East, Lea County, New Mexico.

CASE 5347: Application of Continental Oil Company for downhole commingling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of production from the West Warren-Blinebry and East Skaggs-Drinkard Pools in the wellbore of its SEMU Berger Well No. 21, located in Unit O of Section 19, Township 20 South, Range 38 East, Lea County, New Mexico.

Examiner Hearing - Wednesday - October 16, 1974

Docket No. 29-74

-4-

CASE 5348: Application of Continental Oil Company for downhole commingling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of production from the Blinebry and Drinkard Pools in the wellbores of its Elliott B Well No. 6, located in Unit J of Section 6, Township 22 South, Range 37 East, and its Lockhart B-1 Well No. 9, located in Unit 1 of Section 1, Township 22 South, Range 36 East, both in Lea County, New Mexico.



J. O. SETH (1883-1963)

A. K. MONTGOMERY  
WM. R. FEDERICI  
FRANK ANDREWS  
FRED C. HANNAHS  
SUMNER G. BUELL  
SETH D. MONTGOMERY  
FRANK ANDREWS III  
OWEN M. LOPEZ

JEFFREY R. BRANNEN  
JOHN BENNETT POUND

MONTGOMERY, FEDERICI, ANDREWS, HANNAHS & BUELL

ATTORNEYS AND COUNSELORS AT LAW

350 EAST PALACE AVENUE  
SANTA FE, NEW MEXICO 87501

September 17, 1974

POST OFFICE BOX 2307  
AREA CODE 505  
TELEPHONE 982-3876

Oil Conservation Commission  
State Land Office Building  
Santa Fe, New Mexico 87503

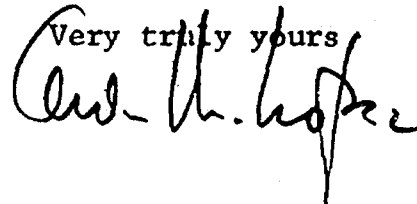
Attention: Mr. Richard L. Stamets, Examiner

Re: Case No. 5292 - Show cause why certain  
wells should not be plugged and abandoned

Gentlemen:

Please be advised that Ms. Randy Waldman, an attorney  
with El Paso Natural Gas Company, El Paso, Texas, is  
associating with our law firm in the presentation of  
the above-referenced case before your Commission.

Very truly yours



OML:rmb

Docket No. 27-74

Dockets Nos. 29-74 and 30-74 are tentatively set for hearing on October 2 and October 16, 1974. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: EXAMINER HEARING - WEDNESDAY - SEPTEMBER 18, 1974

9 A.M. - OIL CONSERVATION COMMISSION CONFERENCE ROOM,  
STATE LAND OFFICE BUILDING - SANTA FE, NEW MEXICO

The following cases will be heard before Richard L. Stamets, Examiner, or Daniel S. Nutter, Alternate Examiner:

- ALLOWABLE: (1) Consideration of the allowable production of gas from seventeen prorated pools in Lea, Eddy, Roosevelt, and Chaves Counties, New Mexico, for October, 1974;
- (2) Consideration of the allowable production of gas from five prorated pools in San Juan, Rio Arriba, and Sandoval Counties, New Mexico, for October, 1974;

CASE 5288: (Continued from the August 7, 1974, Examiner Hearing)

Application of Merrion & Bayless for downhole commingling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of hydrocarbon production from the top of the Gallup formation at 5434 feet to the base of the Dakota formation at 6570 feet in its Keeling Federal Well No. 1 located in Unit B of Section 20, Township 25 North, Range 8 West, Dufers Point-Dakota Pool, San Juan County, New Mexico.

CASE 5313: Application of El Paso Natural Gas Company for downhole commingling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of Aztec-Pictured Cliffs and Blanco-Mesaverde production in the wellbore of its Ludwick Well No. 11 located in Unit B of Section 9, Township 30 North, Range 10 West, San Juan County, New Mexico.

CASE 5292: (Continued from the August 7, 1974, Examiner Hearing)

In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit El Paso Natural Gas Company, United States Fidelity and Guaranty Co., and all other interested parties to appear and show cause why each of the following wells should not be plugged and abandoned in accordance with a Commission-approved plugging program:

EPNG Ludwick Well No. 11, located in Unit B, Section 19, Township 30 North, Range 10 West, San Juan County, New Mexico;

EPNG Rincon Unit Well No. 127, located in Unit A, Section 28, Township 27 North, Range 6 West, Rio Arriba County, New Mexico; and

EPNG Warren A Well No. 2, located in Unit A, Section 23, Township 28 North, Range 9 West, San Juan County, New Mexico.

- CASE 5316: In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit Benson-Montin-Greer Drilling Corporation and Hartford Accident and Indemnity Company and all other interested parties to appear and show cause why the Segal Well No. 1 located in Unit K of Section 10, Township 31 North, Range 13 West, San Juan County, New Mexico, should not be plugged and abandoned in accordance with a Commission-approved plugging program.
- CASE 5317: In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit R & G Drilling Company, Inc., and all other interested parties to appear and show cause why the Marron Well No. 42 in Unit M of Section 22, Township 27 North, Range 8 West, San Juan County, New Mexico, should not be plugged and abandoned in accordance with a Commission-approved plugging program.
- CASE 5318: In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit William C. Russell and United States Fidelity and Guaranty Company and all other interested parties to appear and show cause why the Marron Well No. 46 located in Unit K of Section 23, Township 27 North, Range 8 West, San Juan County, New Mexico, should not be plugged and abandoned in accordance with a Commission-approved plugging program.
- CASE 5326: Application of William C. Russell for directional drilling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval for the directional drilling of his Hammond Well No. 1, the surface location of which is 1800 feet from the North line and 1650 feet from the East line of Section 26, Township 27 North, Range 8 West, Largo-Chacra Pool, San Juan County, New Mexico.
- CASE 5328: Application of R & G Drilling Company for downhole commingling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of Blanco-Mesaverde and Basin-Dakota gas production in the wellbore of its Hammond Well No. 47, located in Unit K of Section 35, Township 27 North, Range 8 West, San Juan County, New Mexico.
- CASE 5312: Application of SEC Corporation for two non-standard carbon dioxide gas units, Harding County, New Mexico. Applicant, in the above-styled cause, seeks approval for two non-standard gas units in the South Bueyeros Carbon Dioxide Field, Harding County, New Mexico, the first comprising the W/2 NE/4, SE/4 NE/4, and NE/4 SE/4 of Section 32, Township 19 North, Range 30 East, to be dedicated to a well to be drilled in the approximate center of the SW/4 NE/4 of said Section 32; the second non-standard unit would comprise the SW/4 NE/4, N/2 SE/4 and SE/4 SE/4 of Section 5, Township 18 North, Range 30 East, and would be dedicated to a well in the approximate center of the NW/4 SE/4 of said Section 5.

- CASE 5314: Application of Gulf Oil Corporation for simultaneous dedication, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the simultaneous dedication of its W. A. Ramsay Wells Nos. 6, 7, and 20 located in Units H, N, and E, respectively, of Section 35, Township 21 South, Range 36 East, Eumont Gas Pool, Lea County, New Mexico, to a standard 640-acre gas proration unit comprising all of said Section 35. Each of the aforesaid wells is at a non-standard location for a 640-acre unit in said pool.
- CASE 5315: Application of Texaco Inc. for downhole commingling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of Blinbry, Tubb-Drinkard, and Fusselman production in the wellbore of its G. L. Erwin "B" Federal Well No. 4 located in Unit O of Section 35, Township 24 South, Range 37 East, Justis Field, Lea County, New Mexico.
- CASE 5319: Application of Alan Ralston dba Apollo Oil Company for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Jalmat Gas Pool underlying the NW/4 of Section 25, Township 25 South, Range 36 East, Lea County, New Mexico, to form a 160-acre non-standard gas proration unit to be dedicated to applicant's Brown Well No. 1 located 1980 feet from the North line and 2310 feet from the West line of said Section 25. Applicant further seeks the pooling of all mineral interests in the Jalmat Pool underlying the following 40-acre oil proration units in said Section 25: the NW/4 NW/4 to be dedicated to Brown Well No. 2 located 330 feet from the North line and 825 feet from the West line; the NE/4 NW/4 to be dedicated to Brown Well No. 3 located 365 feet from the North line and 1650 feet from the West line; the SE/4 NW/4 to be dedicated to Brown Well No. 4 located 1690 feet from the North line and 1870 feet from the West line; and the SW/4 NW/4 to be dedicated to Brown Well No. 5 located 1650 feet from the North line and 990 feet from the West line. Also to be considered will be the cost of reworking said wells and the allocation of such costs, as well as actual operating costs and charges for supervision. Also to be considered is the designation of applicant as operator of the wells and a charge for risk involved in reworking said wells.
- CASE 5320: Application of Lively Exploration Company for a non-standard gas proration unit, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval for a 341.33-acre non-standard gas proration unit comprising Lots 9, 10, 11, and 12 of Section 7, and Lots 1, 2, 3, and 4 and the E/2 W/2 of Section 18, Township 29 North, Range 8 West, Basin-Dakota Pool, San Juan County, New Mexico, to be dedicated to a well to be drilled at a standard location for said unit.

- CASE 5321: Application of Northern Minerals, Inc. for pool creation and special pool rules, McKinley County, New Mexico. Applicant, in the above-styled cause, seeks the creation of the Miguel Creek-Hospah Oil Pool in Township 16 North, Range 6 West, McKinley County, New Mexico, and for the promulgation of special pool rules therefor, including the elimination of the requirement for surface casing and authority to inject water through casing. Applicant is currently conducting waterflood operations in said pool pursuant to authority granted by Order No. R-4649 and seeks administrative provision for the drilling of additional injection and production wells at orthodox and unorthodox locations.
- CASE 5322: Application of Phillips Petroleum Company for an exception to Rule 104-C-I, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an exception to Commission Rule 104-C-I to permit the production of its Santa Fe Wells Nos. 41 and 86, both of which are located in Unit C of Section 26, Township 17 South, Range 35 East, Vacuum Grayburg-San Andres Pool, Lea County, New Mexico, said wells being located closer than the required 330 feet apart.
- CASE 5323: Application of Cities Service Oil Company for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests of Pennsylvanian age, or older, underlying the E/2 of Section 32, Township 21 South, Range 27 East, Eddy County, New Mexico, to be dedicated to a well to be drilled at a standard location for said unit. Also to be considered will be the cost of drilling and completing said well and the allocation of such costs, as well as actual operating costs and charges for supervision. Also to be considered is the designation of applicant as operator of the well and a charge for risk involved in drilling said well.
- CASE 5324: Application of Cities Service Oil Company for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests of Pennsylvanian age, or older, underlying the E/2 of Section 18, Township 22 South, Range 27 East, South Carlsbad Field, Eddy County, New Mexico, to be dedicated to applicant's Tracy "B" Well No. 1, the surface location of which is 2045 feet from the South line and 479 feet from the East line of said Section 18. Also to be considered will be the cost of drilling and completing said well and the allocation of such costs, as well as actual operating costs and charges for supervision. Also to be considered is the designation of applicant as operator of the well and a charge for risk involved in drilling said well.
- CASE 5325: Application of Cities Service Oil Company for directional drilling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority to directionally drill its Tracy "B" Well No. 1, the surface location of which is 2045 feet from the South line and 479 feet from the East line of Section 18, Township 22 South, Range 27 East, South

Examiner Hearing - Wednesday - September 18, 1974

Docket No. 27-74

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(Case 5325 continued from Page 4)

Carlsbad Field, Eddy County, New Mexico, in such a manner as to bottom said well in the Morrow formation at an orthodox location within 165 feet of a point 2145 feet from the North line and 825 feet from the East line of said Section 18. Applicant further seeks approval for the unorthodox location of said well in the Strawn formation, in the event production is therein encountered, within a 100-foot radius of a point 2600 feet from the North line and 675 feet from the East line of said Section 18. The E/2 of said Section 18 would be dedicated to the well for both formations.

CASE 5327: Application of Cities Service Oil Company for an unorthodox location and gas injection, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of its Empire-Abo Unit Well No. 111 to be drilled at a point 990 feet from the South line and 1880 feet from the West line of Section 35, Township 17 South, Range 27 East, Empire-Abo Pool, Eddy County, New Mexico. This well is to be used as a gas injection well and, in exception to the provisions of Order No. R-4808, is located 1140 feet from the outer boundary of the Citgo Empire-Abo Unit Boundary, rather than the required 1650 feet from the outer boundary.

Dockets Nos. 24-74 and 25-74 are tentatively set for hearing on August 21 and September 4. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: EXAMINER HEARING - WEDNESDAY - AUGUST 7, 1974

9 A.M. - OIL CONSERVATION COMMISSION CONFERENCE ROOM,  
STATE LAND OFFICE BUILDING, SANTA FE, NEW MEXICO

The following cases will be heard before Daniel S. Nutter, Examiner, or Richard L. Stamets, Alternate Examiner:

CASE 4749: (Reopened) (Continued from the July 10, 1974, Examiner Hearing)

In the matter of Case No. 4749 being reopened pursuant to the provisions of Order No. R-4338-A, which order continued special rules for the Humble City-Strawn Pool, Lea County, New Mexico. All interested parties may appear and show cause why said pool should not be developed on 40-acre spacing.

CASE 4946: (Reopened) (Continued from the July 10, 1974, Examiner Hearing)

In the matter of Case No. 4946 being reopened pursuant to the provisions of Order No. R-4581, which order established temporary rules for the Crosby-Fusselman Associated Pool, Lea County, New Mexico. All interested parties may appear and show cause why said rules should not be rescinded.

CASE 5282: (Continued from the July 24, 1974, Examiner Hearing)

Application of Union Texas Petroleum Corporation for downhole commingling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of Jalmat and Langlie-Mattix production in certain of its wells in the Langlie-Jal Unit Area, currently being waterflooded under authority of Commission Order No. R-4051.

CASE 5287: Application of Mobil Oil Corporation for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Pennsylvanian formation underlying the N/2 of Section 12, Township 21 South, Range 26 East, adjacent to the Burton Flats-Morrow Gas Pool, Eddy County, New Mexico, to form a standard 320-acre unit to be dedicated to applicant's Federal 12 Com Well No. 1 to be drilled at a previously approved unorthodox location 660 feet from the North and East lines of said Section 12. Also to be considered will be the cost of drilling and completing said well and the allocation of such costs, as well as actual operating costs and charges for supervision. Also to be considered is the designation of applicant as operator of the well and a charge for risk involved in drilling said well.

CASE 5288: Application of Merrion & Bayless for downhole commingling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of hydrocarbon production from the top of the Gallup formation at 5434 feet to the base of the Dakota formation at 6570 feet in its Keeling Federal Well No. 1 located in Unit B of Section 20, Township 25 North, Range 8 West, Dufers Point-Dakota Pool, San Juan County, New Mexico.

CASE 5033: (Reopened)

In the matter of Case No. 5033 being reopened pursuant to the provisions of Order No. R-4539-A, which order established a special gas-oil ratio limitation of 5000 to 1 for the Bell Lake-Bone Spring Pool, Lea County, New Mexico. All interested parties may appear and show cause why said pool should not be produced under the standard 2000 to 1 gas-oil ratio limit.

CASE 5289: In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit LeRoy Sumruld, American Employers Insurance Co., and all other interested parties to appear and show cause why the LeRoy Sumruld South Roberts SWD Well No. 2 located in Unit M of Section 14, Township 9 South, Range 32 East, Lea County, New Mexico, should not be plugged and abandoned in accordance with a Commission-approved plugging program.

CASE 5290: In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit Western Oil Producers, Inc., U.S. Fidelity & Guaranty Co., and all other interested parties to appear and show cause why the Western Oil Producers State A Well No. 1 located in Unit L of Section 34, Township 13 South, Range 33 East, Lea County, New Mexico, should not be plugged and abandoned in accordance with a Commission-approved plugging program.

CASE 5291: In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit Wil-Mc Oil Corporation, Trinity Universal Insurance Co., and all other interested parties to appear and show cause why the Wil-Mc Oil Corporation New Mexico State Well No. 2 located in Unit K of Section 11, Township 10 South, Range 32 East, Lea County, New Mexico, should not be plugged and abandoned in accordance with a Commission-approved plugging program.

CASE 5292: In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit El Paso Natural Gas Company, United States Fidelity and Guaranty Co., and all other interested parties to appear and show cause why each of the following wells should not be plugged and abandoned in accordance with a Commission-approved plugging program:

EPNG Ludwick Well No. 11, located in Unit B,  
Section 19, Township 30 North, Range 10 West,  
San Juan County, New Mexico;



(Case 5292 continued from Page 2)

EPNG Rincon Unit Well No. 127, located in Unit A, Section 28, Township 27 North, Range 6 West, Rio Arriba County, New Mexico; and

EPNG Warren A Well No. 2, located in Unit A, Section 23, Township 28 North, Range 9 West, San Juan County, New Mexico.

CASE 5293: Southeastern nomenclature case calling for the creation and extension of certain pools in Chaves, Eddy and Lea Counties, New Mexico.

(a) Create a new pool in Eddy County, New Mexico, classified as an oil pool for Delaware production and designated the South Carlsbad-Delaware Pool. Further, to assign approximately 22,270 barrels of oil discovery allowable to the discovery well, the Hannifin & Cook Merland Well No. 1, located in Unit J of Section 24, Township 22 South, Range 26 East, NMPM. Said well was completed February 26, 1974. The top of the perforations is at 4454 feet. Said pool would comprise:

TOWNSHIP 22 SOUTH, RANGE 26 EAST, NMPM  
Section 24: SE/4

(b) Extend the Antelope Ridge-Morrow Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 24 SOUTH, RANGE 34 EAST, NMPM  
Section 9: N/2

(c) Extend the Blinebry Oil and Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 22 SOUTH, RANGE 37 EAST, NMPM  
Section 6: SE/4

(d) Extend the East Morton-Wolfcamp Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 15 SOUTH, RANGE 35 EAST, NMPM  
Section 3: NW/4

(e) Extend the Ranger Lake-Bough Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 12 SOUTH, RANGE 34 EAST, NMPM  
Section 26: SW/4

Examiner Hearing - Wednesday - August 7, 1974

Docket No. 22-74

-4-

(f) Extend the West Sawyer-San Andres Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 9 SOUTH, RANGE 37 EAST, NMPM  
Section 32: SE/4

(g) Extend the Tres Papalotes-Pennsylvanian Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 15 SOUTH, RANGE 34 EAST, NMPM  
Section 5: SE/4

(h) Extend the Vest Ranch-Queen Pool in Chaves County, New Mexico, to include therein:

TOWNSHIP 14 SOUTH, RANGE 30 EAST, NMPM  
Section 16: SE/4  
Section 21: NE/4

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Docket No. 18-74

DOCKET: COMMISSION HEARING - TUESDAY - AUGUST 13, 1974

OIL CONSERVATION COMMISSION - 9 A.M. - MORGAN HALL, STATE LAND OFFICE  
BUILDING, SANTA FE, NEW MEXICO

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- ALLOWABLE: (1) Consideration of the allowable production of gas from seventeen prorated pools in Lea, Eddy, Roosevelt, and Chaves Counties, New Mexico, for September, 1974;
- (2) Consideration of the allowable production of gas from five prorated pools in San Juan, Rio Arriba, and Sandoval Counties, New Mexico, for September, 1974.

CASE 5264: Application of El Paso Natural Gas Company for the amendment of Order No. R-1670, Blanco Mesaverde Pool, San Juan and Rio Arriba Counties, New Mexico. Applicant, in the above-styled cause, seeks the amendment of the pool rules promulgated by Order No. R-1670, as amended, for the Blanco Mesaverde Pool in San Juan and Rio Arriba Counties, New Mexico, to authorize the Secretary-Director of the Commission to approve the drilling of a second well on an existing proration unit without notice and hearing, provided that the second well would be drilled in the quarter section of the unit which does not contain a well, and provided further that in calculating the allowable for a proration unit containing two wells, the deliverability of both wells would be combined for determining the unit's "AD Factor", and the unit allowable could be produced from either or both wells. For purposes of balancing underproduction or overproduction, both wells on a proration unit would be considered as one well; for determining whether a unit would be classified marginal or non-marginal, the production from both wells would be compared with the unit's allowable; and for reporting production, the total unit production for the month would be reported as well as the individual well production.



## OIL CONSERVATION COMMISSION

STATE OF NEW MEXICO  
P. O. BOX 2088 - SANTA FE  
87501

July 26, 1974

I. R. TRUJILLO  
CHAIRMAN

LAND COMMISSIONER  
ALEX J. ARMIJO  
MEMBER

STATE GEOLOGIST  
A. L. PORTER, JR.  
SECRETARY - DIRECTOR

Mr. L. O. Van Ryan  
El Paso Natural Gas Company  
P. O. Box 990  
Farmington, New Mexico 87401

CERTIFIED - RETURN  
RECEIPT REQUESTED

U. S. Fidelity & Guaranty Co.  
301 San Mateo, S.E.  
Albuquerque, New Mexico 87108

Re: EPNG Ludwick Well No. 11, Unit B, Section 19,  
Township 30 North, Range 10 West, San Juan County;  
EPNG Rincon Unit Well No. 127, Unit A, Section 28,  
Township 27 North, Range 6 West, Rio Arriba County;  
EPNG Warren A Well No. 2, Unit A, Section 23,  
Township 28 North, Range 9 West, San Juan County  
Blanket Plugging Bond

Gentlemen:

Enclosed is a copy of the docket of the Examiner  
Hearing to be held on Wednesday, August 7, 1974, at 9:00  
a.m. in the Oil Conservation Commission Conference Room,  
State Land Office Building, Santa Fe, New Mexico. Case  
No. 5292 concerns the subject matter.

Very truly yours,

WILLIAM F. CARR  
General Counsel

WFC/dr  
enclosure

OIL CONSERVATION COMMISSION

P. O. BOX 2088

SANTA FE NEW MEXICO 87501

August 7, 1974

El Paso Natural Gas Company  
Post Office Box 1492  
El Paso, Texas 79978

Re: CASE NO. 5292

Attention: E. R. Manning

Dear Mr. Manning:

Case 5292 came on for hearing before Examiner Nutter this morning and your letter of August 2, 1974 was considered and made a part of the record of the case. Let me assure you that the Commission appreciates your efforts to correct any problems which exist with the three wells involved in this matter.

Instead of dismissing the portions of the case which relate to the Rincon Unit Well No. 127 and the Warren A Well No. 2, the Commission continued the entire case until September 18, 1974. I anticipate it can be dismissed on the Commission's motion at that time. In the meantime, it will be necessary for El Paso to file an application for downhole commingling of gas produced from the Pictured Cliffs and Mesaverde formations in the Ludwick Well No. 11.

I remain available to discuss this matter with you at anytime.

Best personal regards.

Very truly yours,

WILLIAM F. CARR  
General Counsel

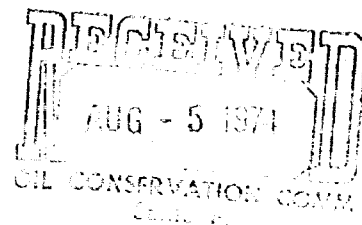
WFC/ir

CASE #5292

## El Paso Natural Gas Company

El Paso, Texas 79928

August 2, 1974



The New Mexico Oil Conservation Commission  
P. O. Box 2088  
Santa Fe, New Mexico 87501

Attention: William F. Carr

Dear Mr. Carr:

Case #5292, set for hearing on August 7, 1974, requires El Paso Natural Gas Company to appear and show cause why El Paso's Warren A #2 Well, located in Unit A, Section 23, T28N, R9W, San Juan County, New Mexico, Rincon Unit #127 Well located in Unit A, Section 28, T27N, R6W, Rio Arriba County, New Mexico and Ludwick #11 Well located in Unit B, Section 19, T30N, R10W, San Juan County, New Mexico should not be properly plugged and abandoned. All three are dually completed wells which have not had a satisfactory packer leakage test submitted indicating that the producing zones in each well are adequately separated.

El Paso has arranged for a work over rig to repair the packer in order to effect adequate the separation of the formations in the Warren A #2 Well. It is contemplated that work on this well will commence on August 2, 1974 and should require approximately two days to complete. Following this work over, the rig will be moved to the Rincon Unit #127 Well which is to be re-completed in a different zone in the Mesaverde formation and dual completed with the present zone in the Dakota formation.

El Paso therefore requests that the Commission dismiss Case #5292 with respect to the Rincon Unit #127 Well and the Warren A #2 Well and that with respect to the Ludwick #11 Well, Case 5292 be expanded to include consideration for downhole commingling of the Pictured Cliffs and Mesaverde formation gas.

Very truly yours,

*E. R. Manning*

E. R. Manning  
Chief Proration Engineer

ERM:eh

*Write Bob -*

*reel downhole commingling application*

Dockets Nos. 24-74 and 25-74 are tentatively set for hearing on August 21 and September 4. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: EXAMINER HEARING - WEDNESDAY - AUGUST 7, 1974

9 A.M. - OIL CONSERVATION COMMISSION CONFERENCE ROOM,  
STATE LAND OFFICE BUILDING, SANTA FE, NEW MEXICO

The following cases will be heard before Daniel S. Nutter, Examiner, or Richard L. Stamets, Alternate Examiner:

CASE 4749: (Reopened) (Continued from the July 10, 1974, Examiner Hearing)

In the matter of Case No. 4749 being reopened pursuant to the provisions of Order No. R-4338-A, which order continued special rules for the Humble City-Strawn Pool, Lea County, New Mexico. All interested parties may appear and show cause why said pool should not be developed on 40-acre spacing.

CASE 4946: (Reopened) (Continued from the July 10, 1974, Examiner Hearing)

In the matter of Case No. 4946 being reopened pursuant to the provisions of Order No. R-4581, which order established temporary rules for the Crosby-Fusselman Associated Pool, Lea County, New Mexico. All interested parties may appear and show cause why said rules should not be rescinded.

CASE 5282: (Continued from the July 24, 1974, Examiner Hearing)

Application of Union Texas Petroleum Corporation for downhole commingling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of Jalmat and Langlie-Mattix production in certain of its wells in the Langlie-Jal Unit Area, currently being waterflooded under authority of Commission Order No. R-4051.

CASE 5287: Application of Mobil Oil Corporation for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Pennsylvanian formation underlying the N/2 of Section 12, Township 21 South, Range 26 East, adjacent to the Burton Flats-Morrow Gas Pool, Eddy County, New Mexico, to form a standard 320-acre unit to be dedicated to applicant's Federal 12 Com Well No. 1 to be drilled at a previously approved unorthodox location 660 feet from the North and East lines of said Section 12. Also to be considered will be the cost of drilling and completing said well and the allocation of such costs, as well as actual operating costs and charges for supervision. Also to be considered is the designation of applicant as operator of the well and a charge for risk involved in drilling said well.

CASE 5288: Application of Merrion & Bayless for downhole commingling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of hydrocarbon production from the top of the Gallup formation at 5434 feet to the base of the Dakota formation at 6570 feet in its Keeling Federal Well No. 1 located in Unit B of Section 20, Township 25 North, Range 8 West, Dufers Point-Dakota Pool, San Juan County, New Mexico.

CASE 5033: (Reopened)

In the matter of Case No. 5033 being reopened pursuant to the provisions of Order No. R-4539-A, which order established a special gas-oil ratio limitation of 5000 to 1 for the Bell Lake-Bone Spring Pool, Lea County, New Mexico. All interested parties may appear and show cause why said pool should not be produced under the standard 2000 to 1 gas-oil ratio limit.

CASE 5289: In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit LeRoy Sumruld, American Employers Insurance Co., and all other interested parties to appear and show cause why the LeRoy Sumruld South Roberts SWD Well No. 2 located in Unit M of Section 14, Township 9 South, Range 32 East, Lea County, New Mexico, should not be plugged and abandoned in accordance with a Commission-approved plugging program.

CASE 5290: In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit Western Oil Producers, Inc., U.S. Fidelity & Guaranty Co., and all other interested parties to appear and show cause why the Western Oil Producers State A Well No. 1 located in Unit L of Section 34, Township 13 South, Range 33 East, Lea County, New Mexico, should not be plugged and abandoned in accordance with a Commission-approved plugging program.

CASE 5291: In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit Wil-Mc Oil Corporation, Trinity Universal Insurance Co., and all other interested parties to appear and show cause why the Wil-Mc Oil Corporation New Mexico State Well No. 2 located in Unit K of Section 11, Township 10 South, Range 32 East, Lea County, New Mexico, should not be plugged and abandoned in accordance with a Commission-approved plugging program.

CASE 5292: In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit El Paso Natural Gas Company, United States Fidelity and Guaranty Co., and all other interested parties to appear and show cause why each of the following wells should not be plugged and abandoned in accordance with a Commission-approved plugging program:

EPNG Ludwick Well No. 11, located in Unit B, Section 19, Township 30 North, Range 10 West, San Juan County, New Mexico;

WILL RECEIVE LETTER

Cont.  
set in Sept. 18  
6 weeks will  
receive letter from P. & G.  
downhole  
commingling  
Conducted by P. & G.

JOE RAMEY

Re: Case 5289

Bill Carr:

Please dismiss  
the above case. Mr.  
Sumruld is in the  
process of PTA  
The well in question.

JJR

JOE RAMEY

Wm. F. Carr

Case 5290

Dismiss this as  
the well is now plugged

Case 5291

Dismiss this as the  
well is now producing.

We should plan to  
go on with Case 5289.

JJR



(Case 5292 continued from Page 2)

*These wells  
are  
separated*

EPNG Rincon Unit Well No. 127, located in Unit A, Section 28, Township 27 North, Range 6 West, Rio Arriba County, New Mexico; and

EPNG Warren A Well No. 2, located in Unit A, Section 23, Township 28 North, Range 9 West, San Juan County, New Mexico.

CASE 5293: Southeastern nomenclature case calling for the creation and extension of certain pools in Chaves, Eddy and Lea Counties, New Mexico.

(a) Create a new pool in Eddy County, New Mexico, classified as an oil pool for Delaware production and designated the South Carlsbad-Delaware Pool. Further, to assign approximately 22,270 barrels of oil discovery allowable to the discovery well, the Hannifin & Cook Merland Well No. 1, located in Unit J of Section 24, Township 22 South, Range 26 East, NMPM. Said well was completed February 26, 1974. The top of the perforations is at 4454 feet. Said pool would comprise:

TOWNSHIP 22 SOUTH, RANGE 26 EAST, NMPM  
Section 24: SE/4

(b) Extend the Antelope Ridge-Morrow Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 24 SOUTH, RANGE 34 EAST, NMPM  
Section 9: N/2

(c) Extend the Blinebry Oil and Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 22 SOUTH, RANGE 37 EAST, NMPM  
Section 6: SE/4

(d) Extend the East Morton-Wolfcamp Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 15 SOUTH, RANGE 35 EAST, NMPM  
Section 3: NW/4

(e) Extend the Ranger Lake-Bough Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 12 SOUTH, RANGE 34 EAST, NMPM  
Section 26: SW/4

Examiner Hearing - Wednesday - August 7, 1974

Docket No. 22-74

-4-

(f) Extend the West Sawyer-San Andres Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 9 SOUTH, RANGE 37 EAST, NMPM  
Section 32: SE/4

(g) Extend the Tres Papalotes-Pennsylvanian Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 15 SOUTH, RANGE 34 EAST, NMPM  
Section 5: SE/4

(h) Extend the Vest Ranch-Queen Pool in Chaves County, New Mexico, to include therein:

TOWNSHIP 14 SOUTH, RANGE 30 EAST, NMPM  
Section 16: SE/4  
Section 21: NE/4

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Docket No. 18-74

DOCKET: COMMISSION HEARING - TUESDAY - AUGUST 13, 1974

OIL CONSERVATION COMMISSION - 9 A.M. - MORGAN HALL, STATE LAND OFFICE  
BUILDING, SANTA FE, NEW MEXICO

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- ALLOWABLE: (1) Consideration of the allowable production of gas from seventeen prorated pools in Lea, Eddy, Roosevelt, and Chaves Counties, New Mexico, for September, 1974;
- (2) Consideration of the allowable production of gas from five prorated pools in San Juan, Rio Arriba, and Sandoval Counties, New Mexico, for September, 1974.

CASE 5264: Application of El Paso Natural Gas Company for the amendment of Order No. R-1670, Blanco Mesaverde Pool, San Juan and Rio Arriba Counties, New Mexico. Applicant, in the above-styled case seeks the amendment of the pool rules promulgated by Order No. R-1670, as amended, for the Blanco Mesaverde Pool in San Juan and Rio Arriba Counties, New Mexico, to authorize the Secretary-Director of the Commission to approve the drilling of a second well on an existing proration unit without notice and hearing, provided that the second well would be drilled in the quarter section of the unit which does not contain a well, and provided further that in calculating the allowable for a proration unit containing two wells, the deliverability of both wells would be combined for determining the unit's "AD Factor", and the unit allowable could be produced from either or both wells. For purposes of balancing underproduction or overproduction, both wells on a proration unit would be considered as one well; for determining whether a unit would be classified marginal or non-marginal, the production from both wells would be compared with the unit's allowable; and for reporting production, the total unit production for the month would be reported as well as the individual well production.

SENDER: Be sure to follow instructions on other side

PLEASE FURNISH SERVICE(S) INDICATED BY CHECKED BLOCK(S)  
(Additional charges required for these services)

☐ Show address  
where delivered

☐ Deliver ONLY  
to addressee

RECEIPT

Received the numbered article described below

REGISTERED NO.

SIGNATURE OR NAME OF ADDRESSEE (Must always be filled in)

CERTIFIED NO.

003577

INSURED NO.

DATE DELIVERED

7-29-79

*L. O. Van Ryan*

SIGNATURE OF ADDRESSEE'S AGENT, IF ANY

*Kinda K. Barman*

SHOW WHERE DELIVERED (Only if requested, and include ZIP Code)

RECEIPT FOR CERTIFIED MAIL—30¢ (plus postage)

MR. L. O. Van Ryan

EPNG  
STREET AND NO.  
Box 990

P.O., STATE AND ZIP CODE  
Farmington, N.M. Case 5292

OPTIONAL SERVICES FOR ADDITIONAL FEES  
1. Shows to whom and date delivered ..... 15¢  
With delivery to addressee only ..... 65¢  
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RETURN RECEIPT SERVICES  
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SPECIAL DELIVERY (extra fee required) ..... 50¢

PS Form 3800  
Apr. 1971

NO INSURANCE COVERAGE PROVIDED—  
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GPO : 1972 O - 460-743

No. 003577

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PLEASE FURNISH SERVICE(S) INDICATED BY CHECKED BLOCK(S)  
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☐ Show address  
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to addressee

RECEIPT

Received the numbered article described below

REGISTERED NO.

SIGNATURE OR NAME OF ADDRESSEE (Must always be filled in)

CERTIFIED NO.

003578

INSURED NO.

DATE DELIVERED

29 JUL 1979

*U.S.F. & G.*

SIGNATURE OF ADDRESSEE'S AGENT, IF ANY

*J. Reed*

SHOW WHERE DELIVERED (Only if requested, and include ZIP Code)

RECEIPT FOR CERTIFIED MAIL—30¢ (plus postage)

SENT TO  
U.S. FIDELITY & GUARANTY CO.

STREET AND NO.  
301 San Mateo, S.E.

P.O., STATE AND ZIP CODE  
Albq, New Mexico 87108

OPTIONAL SERVICES FOR ADDITIONAL FEES  
1. Shows to whom and date delivered ..... 15¢  
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50¢

RETURN RECEIPT SERVICES  
DELIVER TO ADDRESSEE ONLY  
SPECIAL DELIVERY (extra fee required) ..... 50¢

PS Form 3800  
Apr. 1971

NO INSURANCE COVERAGE PROVIDED—  
NOT FOR INTERNATIONAL MAIL

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GPO : 1972 O - 460-743

No. 00357

U.S. POSTAL SERVICE  
OFFICIAL BUSINESS

PENALTY FOR PRIVATE  
USE TO AVOID PAYMENT  
OF POSTAGE, \$300

Postmark of Delivering Office

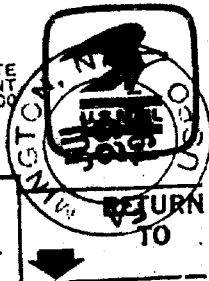
SENDER INSTRUCTIONS

- Print in the space below your name, address, including ZIP Code.
- If special services are desired, check block(s) on other side.
  - Moisten gummed ends and attach to back of article.

PS Form 3811  
June 1973

OIL CONSERVATION COMMISSION  
Legal Division  
P. O. Box 2088  
Santa Fe, New Mexico 87501

Case 5292



RECEIPT FOR CERTIFIED MAIL—30¢ (plus postage)

SENT TO  
MR. L. O. Van Ryan  
EPNG  
STREET AND NO.  
Box 990

P.O., STATE AND ZIP CODE  
Farmington, N.M. Case 5292

OPTIONAL SERVICES FOR ADDITIONAL FEES

1. Shows to whom and date delivered	15¢
With delivery to addressee only	65¢
2. Shows to whom, date and where delivered	35¢
With delivery to addressee only	85¢
50¢	

RETURN  
RECEIPT  
SERVICES  
DELIVER TO ADDRESSEE ONLY  
SPECIAL DELIVERY (extra fee required)

PS Form 3800  
Apr. 1971

NO INSURANCE COVERAGE PROVIDED—  
NOT FOR INTERNATIONAL MAIL

(See other side)  
GPO : 1972 O - 460-743

No. 003577

U.S. POSTAL SERVICE  
OFFICIAL BUSINESS

PENALTY FOR PRIVATE  
USE TO AVOID PAYMENT  
OF POSTAGE, \$300

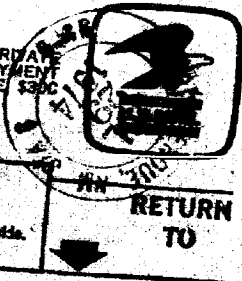
Postmark of Delivering Office

SENDER INSTRUCTIONS

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  - Moisten gummed ends and attach to back of article.

OIL CONSERVATION COMMISSION  
Legal Division  
P. O. Box 2088  
Santa Fe, New Mexico 87501

Case 5292



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SENT TO  
U.S. FIDELITY & GUARANTY CO.  
STREET AND NO.  
301 San Mateo, S.E.

P.O., STATE AND ZIP CODE  
Albq, New Mexico 87108

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RETURN  
RECEIPT  
SERVICES  
DELIVER TO ADDRESSEE ONLY  
SPECIAL DELIVERY (extra fee required)

PS Form 3800  
Apr. 1971

NO INSURANCE COVERAGE PROVIDED—  
NOT FOR INTERNATIONAL MAIL  
Case 5292

(See other side)  
GPO : 1972 O - 460-743

No. 003576

**OIL CONSERVATION COMMISSION**

STATE OF NEW MEXICO  
1000 RIO BRAZOS ROAD - AZTEC  
87410

July 15, 1974

I. R. TRUJILLO  
CHAIRMAN

LAND COMMISSIONER  
ALEX J. ARMIJO  
MEMBER

STATE GEOLOGIST  
A. L. PORTER, JR.  
SECRETARY - DIRECTOR

Mr. William Carr  
New Mexico Oil Conservation Commission  
P. O. Box 2088  
Santa Fe, New Mexico

Re: El Paso Natural Gas Company  
Ludwick #11, B-19-30N-10W  
Rincon Unit #127, A-28-27N-6W  
Warren A #2, A-23-28N-9W

*Case 5292*

Dear Mr. Carr:

Please docket a case to allow the El Paso Natural Gas Company and all other interested parties to appear and show why the multiple completion order for each of the above listed wells should not be cancelled and each well recompleted as a single-zone well or be plugged and abandoned.

Enclosed for your convenience is a copy of my second notice to repair these wells dated June 18, 1974.

If there are questions, please contact us.

Yours very truly,

*ARK Kendrick*

A. R. Kendrick  
Engineer, District #3  
ARK:mc  
Encl.

cc: (w/ encls.) Mr. L. O. Van Ryan ✓  
El Paso Natural Gas Co.  
Farmington, New Mexico

DOCKET MAILED

Date \_\_\_\_\_



## OIL CONSERVATION COMMISSION

STATE OF NEW MEXICO  
1000 RIO BRAZOS ROAD - AZTEC  
87410

June 18, 1974

L. R. TRUJILLO  
CHAIRMAN  
LAND COMMISSIONER  
ALEX J. ARMijo  
MEMBER  
STATE GEOLOGIST  
A. L. PORTER, JR.  
SECRETARY - DIRECTOR

Mr. L. O Van Ryan  
El Paso Natural Gas Co.  
P. O. Box 990  
Farmington, New Mexico

Re: Packer leaks

Dear Mr. Van Ryan:

The below listed wells which failed to prove zone separation during packer tests apparently have not been repaired.

Rincon Unit #127, A-28-27N-6W. Tested October, 1973. Filed March, 1974.  
Notice to repair dated March 14, 1974. No apparent action to date.

*✓ w/ Kendrick*  
San Juan 28-7 Unit #109, A-18-27N-7W. Tested October, 1973. Filed March 1, 1974. Notice to repair dated March 14, 1974. Intent to set blind choke in Dakota tubing filed April, 1974. No apparent action to date.

Warren A #2, A-23-28N-9W. Tested March, 1974. Filed April, 1974.  
Notice to repair dated April 22, 1974. No apparent action to date.

Ludwick #11, 8-19-30N-10W. Tested March, 1974. Filed March, 1974.  
Notice to repair dated March 29, 1974. No apparent action to date.

A case will be filed before the Commission on July 8, 1974, to allow The El Paso Natural Gas Company to appear and show why any of these wells, which have not been or are not at that time being repaired, should not be converted to single-zone completions or plugged and abandoned.

If there are questions, please contact us.

Yours very truly,

*AR Kendrick*  
A. R. Kendrick  
Engineer, District #3

ARK:mc

cc: Oil Conservation Commission  
Santa Fe, New Mexico

DRAFT

dr/

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. 5292

IN THE MATTER OF THE HEARING CALLED BY  
THE OIL CONSERVATION COMMISSION ON ITS  
OWN MOTION TO PERMIT EL PASO NATURAL GAS COMPANY,  
UNITED STATES FIDELITY AND GUARANTY CO., AND ALL OTHER  
INTERESTED PARTIES TO APPEAR AND SHOW CAUSE WHY ~~EXEM~~ THE EPNG LUDWICK  
WELL NO. 11, SAN JUAN COUNTY, EPNG RINCON UNIT WELL NO. 127, RIO  
ARRIBA COUNTY, AND THE EPNG WARREN A WELL NO. 2 IN SAN JUAN COUNTY,  
NEW MEXICO, SHOULD NOT BE PLUGGED AND ABANDONED IN ACCORDANCE WITH A  
COMMISSION-APPROVED ORDER OF THE COMMISSION PLUGGING PROGRAM.

Order No. R- 1889

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on October 16, 1974,  
at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this            day of October, 1974, the Commission,  
a quorum being present, having considered the record and the recom-  
mendations of the Examiner, and being fully advised in the premises,

FINDS:

That the applicant's request for dismissal should be  
granted.

IT IS THEREFORE ORDERED:

That Case No. 5292 is hereby dismissed.

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