CASE NO. 5343 PLUGGING CASE Paul Haskins, Trustee and Continental Oil Company

CASE Mo. 534/3

Application,
Transcripts,
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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 Paul Haskins, Trustee and Continental Casualty Company, and all other interested parties to appear and show cause why the Arthur Cain Well No. 1 should not be plugged and abandoned.

CASE 5343

BEFORE: Richard L. Stamets, Examiner.

TRANSCRIPT OF HEARING

APPEARANCES

For the New Mexico Oil Conservation Commission:

Tom Derryberry, Esq.

and

William Carr, Esq.

Legal Counsels for the Commission State Land Office Building Santa Fe, New Mexico

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MR. STAMETS: We will call next Case, 5343.

MR. Carr: 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 should not be plugged and abandoned in accordance with a Commission-approved plugging program.

MR. STAMETS: Any appearances in this Case?

MR. DERRYBERRY: Yes, sir, I'm Tom Derryberry, representing the Commission, and I have one witness who has previously been sworn.

MR. STAMETS: Are there any other appearances?

The record will reflect that the witness has been sworn and his qualifications have been accepted.

CARL ULVOG

called as a witness, having been previously sworn, was examined and testified as follows:

DIRECT EXAMINATION

BY MR. DERRYBERRY:

- Q Would you please state your name and position for the record?
 - A Carl Ulvog, Senior Petroleum Geologist for the

Oil Conservation Commission.

- Q And, your position?
- A I'm also Oil and Gas Inspector for District 4, and Geologist for the Geothermal Division.
 - Q Does District 4 include Harding County?
 - A Yes, it does.
- Q Do your duties include making recommendations to the Commission on plugging and abandonment of various wells in District 4?
 - A That's right.
- Q Are you familiar with the subject matter of this Case?
 - A I am.
- Q Would you please recite for the record, the well that is involved in this Case?
- A Yes, this Case involves the well known as the Paul Haskins, Trustee as operator, Arthur Cain Well No. 1 located 1980 feet from the west line and 1660 feet from the south line of Section 4, Township 15 North, Range 33 East, Harding County.
- Q Have you examined the well files for the well involved?
 - A Yes, I have.

- Q And have you made an inspection of the site?
- A I have inspected the well site.
- Q Based upon your examination of the well files and your inspection of the well site, would you give a brief history of that well?

Yes, the latest information in our file is a C-103 Form which was received on July 29th, 1970. This was a report of a casing test and cementing, at which time the depth of 163 feet was reported. Now, a scout report which, of course, I acquired from other sources, shows that this well was temporarily abandoned at that depth, and this was completed on February 2nd, 1971. That is not an official report, this is a scout report. Now, I inspected this location on August 8th, 1974 and found the well site was not leveled; the pits were not filled; there was no marker or identification. The well casing itself could not be seen, but two sides of what appeard to be a heavy, box-like wooden frame was observed, which, of course, I presumed to be the cellar because some of the soil had settled down in and sunk below ground level. Now, I did not dig for the casing; I assumed that it would be there if you dug down in to find it. There were five joints of $10\frac{1}{2}$ inch casing laying right close by, and other scraps of materials.

ULVOG-DIRECT

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Telephone calls to the operator's office phone on May 2nd, May 27th, and June 11th of this year were not returned; he was not in; the message was left, and he did not return my call. A registered letter mailed on August 16th was received, but it was not answered. A memorandum was sent out September 12th, apparently was recognized since a Form C-103 was sent to this office signed with the operator's name and it was received here September 16th. This is a Notice of Intent to Abandon the location. There was no other information given, so the implication being that the well was not even drilled. That's all the information that we have. Obviously the well was drilled. How deep it is; what sort of casing is in the hole, if any; what formation was penetrated; what fluids were encountered, and so on, is not known.

- Q Has any commercial production ever been reported from this well?
 - A No, sir.
- Q Now, based on your inspection of the well records and your inspection of the site, do you have any recommendations concerning the well?
- A Yes, I would recommend that it be properly plugged and abandoned with a marker installed as required by

Page...... 7......

regulations.

- Q Do you have anything further?
- A That's all I have.

MR. DERRYBERRY: I have no further questions.

CROSS EXAMINATION

BY MR. STAMETS:

- Q Based on your inspection did it appear that there would potentially be fresh ground water in this area which should be protected?
- A There are water wells in the area; there are windmills, water wells in the area. I discussed the matter with
 the land owner, and he did not desire to take this over
 and make a water well of it. He did not know whether they
 had encountered water or not.
- Q Then some sort of test will have to be made to determine the actual depth of that well?
 - A That's right.
 - Q Before a proper plugging program can be devised?
- A I could not locate -- well, I do not know who the drilling contractor was; I know that it was not the contractor that was reported in the application for a permit to drill; so I don't know who the drilling contractor is.

 The land owner thought the well probably reached 2000 feet

Page.....8.....

or thereabouts, that's all I know.

- Q That's considerably deeper than this 163 feet that we have reported?
 - A I would think so, yes.

MR. STAMETS: Any other questions of this witness?
You may be excused.

Is there anything further in this Case? We will take the Case under advisement.

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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 forests a complete record of the proceedings in the Examiner hearing of Case No. 53/13 heard by me on 10/16 197/1

New Mexico Oil Conservation Commission

BEFORE THE OIL CONSERVATION COMMISSION OF THE STATE OF NEW MEXICO

CASE NO. 5343 Order No. R-4897

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.

ORDER OF THE COMMISSION

BY THE COMMISSION:

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

NOW, on this 29th day of October, 1974, the Commission, a quorum being present, having considered the testimony, the record, and the recommendations of the Examiner, 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 Paul Haskins is the owner and operator of the Arthur Cain Well No. 1, located in Unit N of Section 4, Township 15 North, Range 33 East, NMPM, Harding County, New Mexico.
- (3) That in order to confine any oil, gas, or water to the strata in which they are found, said Arthur Cain Well No. 1 should be plugged and abandoned in accordance with a program approved by the Santa Fe District Office of the New Mexico Oil Conservation Commission on or before February 1, 1975.
- (4) That such plugging of the subject well will prevent waste and will not violate correlative rights.

IT IS THEREFORE ORDERED:

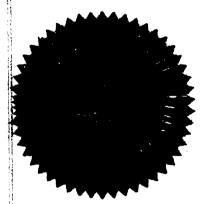
(1) That Paul Haskins, Trustee, and Continental Casualty Company are hereby ordered to plug and abandon the Arthur Cain Well No. 1, located in Unit N of Section 4, Township 15 North, Range 33 East, NMPM, Harding County, New Mexico, on or before

February 1, 1975.

- (2) That Paul Haskins, Trustee, and Continental Casualty Company, prior to plugging and abandoning the above-described well, shall obtain from the Santa Fe Office of the Commission, a Commission-approved program for said plugging and abandoning, and shall notify said Santa Fe Office of the date and hour said work is to be commenced whereupon the Commission may, at its option, witness such work.
- (3) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

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

ALEX J. ARMIJO, Member

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

SEAL

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 eases 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, Ric Arriba County, New Mexico: and

EPNG Warren A Well No. 2, located in Unit A, Section 23, Township 28 North, Range 9 West, Sun 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-Ateka 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, Hange 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 easing-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 Cas 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.

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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 13, 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. 29-72.

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 I of Section 1, Township 22 South, Range 36 East, both in Lea County, New Mexico.

OIL CONSERVATION COMMISSION P. O. BOX 2088 SANTA FE NEW MEXICO 87501

October 3, 1974

Paul E. Haskins P.O. Box 4581 Midland, Texas 79701 CERTIFIED - RETURN RECEIPT REQUESTED

Continental Casualty Company 310 South Michigan Avenue Chicago 5, Illinois 60604

> Re: Arthur Cain Well No. 1, Unit N, Section 4, Township 15 North, Range 33 East, Harding County, Plugging Bond

Gentlemen:

Enclosed is a copy of the docket of the Examiner Hearing to be held on Wednesday, October 16, 1974, at 9:00 a.m. in the Oil Conservation Commission Conference Room, State Land Office Building, Santa Fe, New Hexico. Case 5343 concerns the subject matter.

Very truly yours,

WILLIAM F. CARR General Counsel

WFC/jr

Enc.

Oct. 16

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CASE 5343 In the matter of the hearing called by the Oil
Conservation Commission on its own motion to permit
Paul Haskins, Truster and Continental
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North, South, Range 33 East, West, Harding
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with a Commission-approved plugging program.
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MR. Paul E. Haskens
P.O. Box 458/
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Midland, Lixas 19701
Continuated Currelly Company
Continuental Califolding Compliand
Albuquerger, New Merties

(3) That in order to prevent waste and protect correlative are Good, rights said Arthur Cain Well No. 1 should be plugged and abandoned in accordance with a program approved by the Santa Fe District Office of the New Mexico Oil Conservation Commission on or before

February 1, 1975

IT IS THEREFORE ORDERED:

(1) That Paul Haskins, Trustee, and Continental Casualty Company are hereby ordered to plug and abandon the Arthur Cain Well No. 1, located in Unit N of Section 4, Township 15 North, Range 33 East, NMPM, Harding County, New Mexico, on or before

February 1, 1975

- (2) That Paul Haskins, Trustee, and Continental Casualty Company, prior to plugging and abandoning the above-described well, shall obtain from the Santa Fe Office of the Commission, a Commission-approved program for said plugging and abandoning, and shall notify said Santa Fe Office of the date and hour said work is to be commenced whereupon the Commission may, at its option, witness such work.
- (3) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

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

(4) That 5 web plugging & the subject web will prevent, waste and will plat walsh cooled

dr/

BEFORE THE OIL CONSERVATION COMMISSION OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEADING CALLED BY THE CIL CONSERVATION COMMISSION OF NEW MEXICE FOR THE PURPOSE OF CONSIDERING:

CASE NO. 5343

IN THE MATTER OF THE HEARING CALLED BY THE Order No. R-4897 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.

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ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on October 16 , 134 at Santa Fe, New Mexico, before Examiner Richard L. Stamets

NOW, on this day of <u>October</u>, 1974, the Commission, a quorum being present, having considered the testimony, the record, and the recommendations of the Examiner, 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 Paul Haskins is the owner and operator of the Arthur Cain Well No. 1, located in Unit N of Section 4, Township 15 North, Range 33 East, NMPM, Harding County, New Mexico.

