

Case No.

812

Application, Transcript,
Small Exhibits, Etc.

CASE 812: OCC application for Roy Timmons
to show cause why Kerlin No. 1 well should
not be plugged (CO₂)

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

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

CASE NO. 812
Order No. R-628

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

ORDER OF THE COMMISSION

BY THE COMMISSION:

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

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

FINDS:

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

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

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

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

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

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

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

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

IT IS THEREFORE ORDERED:

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

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

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

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

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

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

John F. Simms
JOHN F. SIMMS, Chairman

E. S. Walker
E. S. WALKER, Member

W. B. Macey
W. B. MACEY, Member and Secretary



OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

December 23, 1934

**Mr. Roy Timmons
1245 Wynkoop Street
DENVER COLORADO**

Dear Sir:

**We attach a copy of the legal notices issued this date
in Oil Conservation Commission Cases 812, 813 and 814, all
of which were brought up on the Commission's own motion.
As you will note, these are set for hearing January 13,
1935, in Santa Fe, New Mexico.**

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

Very truly yours,

**M. B. Ramey
Secretary - Director**

WBR:ar

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

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

V I A R E G I S T E R E D M A I L

C
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P
Y

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

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

STATE OF NEW MEXICO TO:

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

CASE 812:

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

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

CASE 813:

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

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

CASE 814:

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

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

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

W. L. JONES, CLERK

New Mexico
OIL CONSERVATION COMMISSION



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

P. O. Box 871
Santa Fe, New Mexico

November 8 1954

Mr. Roy Timmons
1345 Wynkoop Street
DENVER COLORADO

Dear Sir:

RE: Timmons CO₂ Operations, Harding County,
New Mexico

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

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

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

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

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

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

New Mexico
OIL CONSERVATION COMMISSION



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

P. O. Box 871
Santa Fe, New Mexico

November 8 1954

Mr. Roy Timmons
1345 Wynkoop Street
DENVER COLORADO

Dear Sir:

RE: Timmons CO₂ Operations, Harding County,
New Mexico

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

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

(2) The Kerlin No. 1 Well, SE/4 NW/4 Section 34, Township 21 North, Range 30 East, NMPM, is being reported as a producer on reports submitted by Timmons Carbonic Company (Form C-114), and currently is the only producing operation which you list. ~~You fail, however, to maintain the required plugging bond covering this operation. Unless a one-well bond in the amount of \$5,000.00 is furnished within 30 days, this well will be ordered shut down by the Commission.~~

(3) Since the Timmons No. 1 Well, SW NE Section 33, Township 21 North, Range 30 East, NMPM, apparently is not producing, as it has not been listed on your production report in recent months, we will also make proper advertisement giving notice to you and the surety company (American Employers' Insurance Company) to appear at the December 16 hearing to show cause why this well also should not be ordered plugged and abandoned.

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

(7) D D Monroe

R. H. Timmons, Reg. 11-1-1911
CO. 1-1-1911

I am enclosing a copy of our letter of this date to Roy Timmons, operator of CO₂ wells in Harding County, who is principal on a \$5,000.00 one-well bond which you have been carrying for several years, with American Employers' Insurance Company as surety.

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

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

Sincerely,

↓
(3) Also send letter to Timothy J. J. -

New Mexico
OIL CONSERVATION COMMISSION

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



P. O. BOX 871
SANTA FE, NEW MEXICO

Dear Sir:

Re: Notice of Publication

Case _____

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

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

Please publish the notices not later than _____

Very truly yours,

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

R. R. SPURRIER,
Secretary-Director

Encl.

CLASS OF SERVICE
This is a fast message
unless its deferred char-
acter is indicated by the
proper symbol.

WESTERN UNION TELEGRAM

W. P. MARSHALL, PRESIDENT

SYMBOLS
DL = Day Letter
NL = Night Letter
LT = International
Letter Telegram

1201

The filing time shown in the date line on domestic telegrams is STANDARD TIME at point of origin. Time of receipt is STANDARD TIME at point of destination.

LA51 SB103

1955 JAN 12 AM 11:44

SMJFA034 PDJF ST LOUIS MO 12 1143AMC

Case 812

W B MACEY

NEW MEXICO OIL CONSERVATION COMMISSION SANTA FE NMEX

UNABLE TO ATTEND HEARING TOMORROW ACCOUNT SICKNESS. WOULD
APPRECIATE CONTINUANCE FOR THIRTY DAYS.

ROY E TIMMONS

1955 JAN 12 AM 11:44
MAIN OFFICE OCC

THE COMPANY WILL APPRECIATE SUGGESTIONS FROM ITS PATRONS CONCERNING ITS SERVICE

CLASS OF SERVICE

This is a fast message unless its deferred character is indicated by the proper symbol.

WESTERN UNION

TELEGRAM

W. P. MARSHALL, PRESIDENT

SYMBOLS

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LA91

MAIN OFFICE 000

1935 FEB 14

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W B MACEY, SECY AND DIRECTOR=

NEW MEXICO OIL CONSERVATION COMM SANTAFE NMEX=

RESPECTFULLY REQUEST ADDITIONAL 30 DAYS CONTINUANCE ON
CASES 812 813 814 PENDING SECURING WELL BONDS=

ROY E TIMMONS=

30 812 813 814=

THE COMPANY WILL APPRECIATE SUGGESTIONS FROM ITS PATRONS CONCERNING ITS SERVICE

BEFORE THE
Oil Conservation Commission
SANTA FE, NEW MEXICO

IN THE MATTER OF:

CASE NO. 812, 813, 814

TRANSCRIPT OF PROCEEDINGS

ADA DEARNLEY AND ASSOCIATES
COURT REPORTERS
ROOMS 105, 106, 107 EL. CORTEZ BUILDING
TELEPHONE 7-9546
ALBUQUERQUE, NEW MEXICO

BEFORE THE
OIL CONSERVATION COMMISSION
State of New Mexico
Santa Fe, New Mexico
January 13, 1955

IN THE MATTER OF:

Application of the Commission upon its own
motion for an order directed to Roy Timmons to
appear and show cause why the Kerlin No. 1 Well,
SE/4 NW/4 34-21N-30E, Harding County, New Mexi-
co, should not be ordered plugged.

) Case No.
812

Application of the Commission upon its own
motion for an order directed to Roy Timmons
and to American Employers' Insurance Company
to appear and show cause why the Timmons
No. 1 Well, SW/4 NE/4 33-21N-30E, Harding
County, New Mexico, should not be ordered
plugged.

) Case No.
813

Application of the Commission upon its own
motion for an order directed to Roy Timmons
and to Fidelity and Deposit Company of Mary-
land to appear and show cause why the Tixier
Well No. 1, SW/4 NE/4 2-20N-30E, Harding
County, New Mexico, should not be ordered
plugged.

) Case No.
814

BEFORE:

Mr. E. S. (Johnny) Walker
Mr. W. B. Macey, Secretary

TRANSCRIPT OF PROCEEDINGS

MR. MACEY: The next cases on the docket are Cases 812, 813,
and 814.

MR. KITTS: If it please the Commission, on Cases 812, 813,
and 814, all involving one operator on the Roy Timmons, we received
this telegram yesterday from Mr. Timmons, from St. Louis. "Unable
to attend hearing tomorrow on account of sickness. Would appreciate
continuance for thirty days. Signed, Roy E. Timmons."

MR. MACEY: I presume Mr. Timmons means until February.

MR. KITTS: Sure, he does.

MR. MACEY: Is there objection to the continuance of Cases 812, 813 and 813 until the February 16th hearing? If not, the cases will be continued until that date.

* * * * *

STATE OF NEW MEXICO)
COUNTY OF BERNALILLO) ss

I, HELEN PURCELL, Court Reporter, do hereby certify that the foregoing and attached transcript of proceedings before the New Mexico Oil Conservation Commission at Santa Fe, New Mexico, is a true and correct record to the best of my knowledge, skill and ability.

IN WITNESS WHEREOF I have affixed my hand and notarial seal this 19th day of January, 1955.


Notary Public, Court Reporter

My Commission Expires:

~~June 19, 1955~~
Dec 18, 1957

BEFORE THE
Oil Conservation Commission
SANTA FE, NEW MEXICO
March 17, 1955

IN THE MATTER OF:

CASE NO. 812, 813, 814

TRANSCRIPT OF PROCEEDINGS

ADA DEARNLEY AND ASSOCIATES
COURT REPORTERS
ROOMS 105, 106, 107 EL CORTEZ BUILDING
TELEPHONE 7-9546
ALBUQUERQUE, NEW MEXICO

BEFORE THE
OIL CONSERVATION COMMISSION
Santa Fe, New Mexico
March 17, 1955

Application of the Commission upon its own motion :
for an order directed to Roy Timmons to appear and : No. 812
show cause why the Kerlin No. 1 Well, SE/4 NW/4 :
34-21N-30E, Harding County, New Mexico, should not :
be ordered plugged. :
:

Application of the Commission upon its own motion :
for an order directed to Roy Timmons and to American: :
Employers Insurance Company to appear and show cause: No. 813
why the Timmons No. 1 Well, SW/4 NE/4 33-21N-30E, :
Harding County, New Mexico, should not be ordered :
plugged. :
:

Application of the Commission upon its own motion :
for an order directed to Roy Timmons and to :
Fidelity and Deposit Company of Maryland to appear : No. 814
and show cause why the Tixier Well No. 1, SW/4 NE/4 :
2-20N-30E, Harding County, New Mexico, should not :
be ordered plugged. :
:

BEFORE:

Honorable John Simms, Jr.
Mr. E. S. (Johnny) Walker
Mr. William B. Macey

TRANSCRIPT OF HEARING

MR. MACEY: Without objection Cases 812, 813, and 814, will
be consolidated for the purpose of taking testimony.

MR. KITTS: I have a note here that I would like to read in
the record from Oliver Seth of Seth and Montgomery stating as
follows: Seth and Montgomery appears for the bonding company,
American Employers Insurance Company, in Case No. 813, in response
to the notice of the Commission, we have no information on the
condition of the well but are prepared to carry out the directions
of the Commission as they may be entered in this case so far as

the bond is concerned. Signed Oliver Seth.

E U G E N E A. C H A V E Z.

called as a witness, having been first duly sworn, testified as follows:

DIRECT EXAMINATION

By: MR. KITTS:

Q Will you state your name and position, please.

A Eugene A. Chavez, Oil and Gas Inspector, District Four of the New Mexico Oil Conservation Commission.

Q Mr. Chavez, you are familiar, I believe with Cases 812 through 814, inclusive, is that correct?

A I am.

Q And have you inspected the records of the Commission as they pertain to the wells involved in these cases?

A Yes, I have.

Q Directing your attention first of all, Mr. Chavez, to Kerlin No. 1 Well, Southeast quarter Northwest quarter, Section 34, Township 21 North, Range 30 East, is there any data in the records to show when this well was completed?

A Yes, the well was completed May 15, 1931.

Q As a CO₂ well, carbon dioxide well?

A Yes, sir.

Q You have any further information which was furnished at that time as to the initial potential?

A Well, the well was carried to a total depth of 988 feet and tested 3656 MCF Carbon dioxide per day, the initial potential approximately 40 pounds pressure.

Q Mr. Chavez, do the records show that a plugging bond has ever been filed with the Commission in this case?

A Yes.

Q That was a bond with personal sureties, however, was it not?

A Yes, it was.

Q And when was that filed, do the records show?

A November 27, 1936.

Q Has this operator, Mr. Timmons, ever been notified of his failure to maintain a plugging bond as required by the Commission?

A Yes, he has.

Q And when was that?

A November 8, 1954.

Q And would you review the correspondence on that matter, what occurred, did you ever receive an answer from Mr. Timmons?

A Yes, we received an answer, Mr. Timmons appeared very perplexed over the whole matter, he more or less tried to stall us off.

Q Stating that he would produce a sufficient surety bond, is that right?

A Yes.

Q Now has he ever provided such a bond?

A No.

Q Now Mr. Chavez, going back to a little more history of this well as it may or may not appear in the records, were any production reports filed by this operator on C-114?

A Yes, there were.

Q And will you state how frequently and when?

A Reports were not very religiously filed, the last C-114 on this well was filed in July, 1954.

Q And none have been filed since that time?

A No.

Q And before that time they were filed more or less sporadically, as I understand it?

A Yes.

Q Has this well ever been shut down prior to this time for not reporting production?

A Yes, it has.

Q When was that?

A In April of 1954.

Q For how long a period?

A Well, that is -- at that time it was shut down and it has remained shut down ever since.

Q Since April of 1954?

A Yes.

Q Has any report ever been submitted to the Commission on the plugging or abandonment of this well?

A No.

Q Has there been any notice filed of intention to plug in compliance with Rule 201?

A No, there hasn't.

Q You have any further information as disclosed by the records of the Commission concerning this well that you care to comment on?

A I don't believe so.

Q Mr. Chavez, now turning your attention to Timmons No. 1 Well, located in the southwest quarter of the northeast quarter of Section 33, Township 21 North, Range 30 East, Harding County, was there ever a notice of intention to drill filed in this case?

A Yes.

Q And when was that?

A It was filed December 28, 1944, and approved by the Oil Commission on the same date.

Q Is there any report as to when the well was completed?

A No, we have no data as to the completion date.

Q And you have searched the record for that, have you?

A Yes.

Q Is there any data as to the filing of a plugging bond in this case, has one been filed?

A Yes, there has.

Q Do your records disclose when that was filed?

A Well, it was filed the 20th of December, 1944.

Q And the American Employers Insurance Company is the carrier, is the bonding company there?

A Yes, it is.

Q Now regarding production records on this well, do you have production records, any indication of what this well has produced?

A Well, the last report on file is the C-114 of December, 1952, and it showed a production of approximately 4,800 MCF carbon dioxide.

Q And there has been no production report filed since that time?

A No.

Q Has this deficiency been called to Mr. Timmon's attention to your knowledge?

A Yes, it has.

Q Before 1952 were production reports filed as required by our rules and regulations?

A Yes, they were, sporadically and after much persuasion.

Q But again not on a regular basis as required?

A No.

Q Has there been received by the Commission any notice of intention to plug or abandon this well?

A No.

Q And you state that he has been notified of failure to make proper reports?

A Yes.

Q Is there any further information as divulged by the records that you wish to call to the Commission's attention relative to this well?

A No, aside from the fact that although we don't have a completion date, we do have information that the well had an initial potential of 960 MCF and was carried to a total depth of 950 feet.

Q All right, Mr. Chavez, passing on to the third well involved in these three cases, the Tixier Well No. 1, located in the southwest quarter of the northeast quarter of Section 2, Township 20 North, Range 30 East, Harding County, New Mexico, first of all, when was notice of intention to drill filed in this case?

A Filed August 5, 1938 and approved August 6, 1938, with the

stipulation that a bond, that a proper plugging bond be filed and accepted.

Q Was such a plugging bond ever filed in this case?

A Yes.

Q When was that?

A August 5, 1938.

Q Do the records you have before you divulge when this well was spudded or when it was completed?

A Not definitely, I believe it was some time in August of 1938, and completion date is not known.

Q Is it your belief that the completion date was never reported?

A Yes.

Q Now turning to production reports from this well, have they been submitted and if so on any regular basis?

A They have been submitted but not very regularly.

Q When was the last one submitted approximately, do you know?

A Frankly no, I don't know.

Q Is there a record of many of them having been filed?

A No.

Q Was there ever received by the Commission a notice of intention to work over this well?

A Yes, we have a C-102 dated December of 1947, and approved May of 1948 concerning an intention to work over the well.

Q And do your records show whether the well was worked over?

A We have no records to show any results of the work over job.

Q Do you have such, if any, correspondence or record of

reports from 1947 to 1952?

A None whatsoever.

Q None whatever?

A No, sir.

Q Was this operator ever told that he was delinquent in his reports, production reports and other reports on this well?

A Yes, he was.

Q And when was that, do your records disclose, in 1951?

A No, no, it was by the same letter of March 5, 1954.

Q Do your records disclose any reports submitted in the period from '51 to '54 on this well?

A No.

Q Has there been any correspondence between the -- as divulged by your records there between the Commission and the bonding company in regard to the bond?

A Yes, the bonding company appeared very desirous of effecting a cancellation of the bond.

Q And was an answer made to the bonding company on that, were they told they couldn't cancel the bond or could not --

A (Interrupting) They were told they could not cancel the bond until the principal had complied with our rules and regulations.

Q Mr. Chavez, has there been any further correspondence in the last year to this operator asking him for his well records?

A Yes, there has.

Q And when was that, do your records show?

A The last letter was March 5, 1954.

Q And in response to that request did you receive from the

operator his well records?

A Nothing very definite, we received a letter dated August 28, 1954, wherein he gave a rough, very rough summary of the history of the well and stated that he wished to retain the hole as it was at the time until such time as he could deepen or plug back to a shallower pay.

Q Did your request for well records directed to this operator, Mr. Timmons, in August of 1954, did that refer to all three wells we are concerned with here or just this one?

A Yes, it referred to all three wells.

Q And you received skimpy information as to each of them, did you?

A Yes, sir.

Q Has there been any notice of intention to plug and abandon this well?

A No, there hasn't.

Q And the records do not disclose that it has been abandoned or plugged?

A No, they do not.

MR. KITTS: I believe that is all.

MR. MACEY: Any questions of the witness? If not, the witness may be excused.

(Witness excused.)

MR. KITTS: Mr. Rhodes, please.

H. N. R H O D E S.

called as a witness, having been first duly sworn, testified as follows:

DIRECT EXAMINATION

By: MR. KITTS:

Q Will you state your name and position, please.

A H. N. Rhodes, Engineer for the Oil Conservation Commission.

Q Mr. Rhodes, directing your attention to these three wells and first of all to Kerlin No. 1, did you make a trip to the site of this well and inspect the well and the surrounding area?

A On January 5, 1955, Mr. E. A. Chavez, the District Oil and Gas Inspector, and myself went up Bueyeros in Harding County, New Mexico, for the purpose of inspecting the operations of Timmons Carbonic Company and the three wells concerned herein, the Kerlin No. 1 well located in the southwest quarter of the northwest quarter of Section 34, Township 21 North, Range 30 East is situated immediately behind the plant operated by the Timmons Carbonic Company. The inspection of this well showed that a pump jack was in place over the hole, apparently for the purpose of removing water from the well, however, the pump jack was inoperative at the time and had apparently been inoperative for a considerable length of time.

MR. MACKEY: You mean had been inoperative for a considerable length of time?

A Yes, isn't that what I said? The polish rod was found to be very badly corroded. There was no prime mover on the pump. There was a slight gas leak through the stuffing box and the well could not be operated without extensive workover operations.

MR. KITTS: The well was not producing?

A The well was definitely not producing. Not a workover

mast was permanently in place over the hole and all valves on the well were apparently closed. I have an exhibit here which consists of two photographs of this well taken from a distance of approximately 20 feet which show the rather bad state of repair in which this well was found and I would like to introduce this as Exhibit 1 in Case 812.

Q Who took that photograph, Mr. Rhodes?

A I took the photograph.

MR. KITTS: We offer in evidence Commission Staff's Exhibit No. 1.

MR. MACEY: Without objection it will be received.

MR. KITTS: Mr. Rhodes, did the well site and the plant appear to be abandoned?

A For all practical purposes they were abandoned, as I say, the Kerlin well immediately behind the plant could not be operated in its present condition. The plant, of course, was shut down and considerable equipment was in place inside the plant.

Q Will you state briefly what this plant consists of?

A It consists of a main building, dimensions approximately 60 feet by 80 feet, inside of which were facilities for the compression and refrigeration of carbon dioxide gas.

Q Was any of this carbon dioxide gas being wasted? You stated, I believe, that there was a leak.

A The leak which occurs through the stuffing box in the Kerlin No. 1 is rather slight and could be considered insignificant.

Q Do you think there is any danger of any further gas being wasted in the future?

A Over a great period of time, yes.

Q You feel this well should be plugged and you feel there is any real danger at the present time?

A I do not feel that there is any particular danger at the present time, however, the well is there, it is not being operated and the physical plant is in such poor condition that I believe it would be advisable to attempt to get Mr. Timmons to work that well over or plug it, if he does not intend to use it further, there is a possibility of danger at some time.

Q Are there any further observations that you care to make regarding this Kerlin No. 1?

A Not with regard to the Kerlin No. 1.

Q All right, Mr. Rhodes, turning your attention to the Timmons No. 1 well, at the same time you made an investigation of that well, did you not?

A Yes, I did, the Timmons No. 1 well, located in the southwest quarter of the northeast quarter of Section 33, Township 21 North, Range 30 East, was found to be in relatively good shape although at the time of inspection all the valves on the wellhead were standing open. Investigation showed that the orbit valve on the wellhead was inoperative and could not be closed. Luckily a gate valve on the flow line existed but was standing open, also. The flow line was charged and a slight leak was noted through a break in an invasion pipe section of the line. Production from this well had apparently been shut in at the master gate at the plant with no attempt to shut the well in at the wellhead. An 8' frame was permanently situated over the well. This well is capable of producing in its present condition. However, a lack

of suitable control equipment at the wellhead makes operation hazardous.

Q What is the condition of the wellhead in that connection, was that in pretty good condition?

A The physical equipment on the well was in good shape with the exception that the orbit valve which serves as your pressure control or as your control at the wellhead was inoperative and about a 75 foot section of the flow line consisted of a rubber impregnated fabric, what we used to call invasion pipe during World War II.

Q What was the condition of the meter, did you observe that?

A A meter was situated at the well, however, it was in no state to speak of, it was very much dilapidated and completely useless.

Q Here again was there anyone present on the premises?

A No one was present.

Q Now this well is very close to the Karlin No. 1, isn't it?

A It is approximately a half a mile distant.

Q You believe there is any danger of any great leakage from the flow line of this well?

A Mr. Chavez and I shut in the gate valve on the flow line and that gate valve is situated between the well and the section of the line which is composed of invasion pipe. As I say, the wellhead is in pretty good condition and I frankly doubt, what with the low pressures which are encountered up there, that the well could cause any trouble at this time. However, it would be advisable to see to it that Mr. Timmons either repairs that valve on the wellhead or otherwise takes care of the well in such

a manner that the danger of failure in the future will be completely eliminated.

Q Mr. Rhodes, did you take any photograph of that well?

A I have here an exhibit which I wish to introduce which contains two photographs of the Timmons No. 1 well. That will be Exhibit No. 1 in Case 813.

MR. KITTS: We offer Exhibit No. 1 in Case 813.

MR. MACEY: Without objection it will be received in evidence.

MR. KITTS: You have any further comment you wish to make in regard to Timmons No. 1?

A No, I have not.

Q Now passing on to Tixier No. 1, on that same day in January you made an inspection of this well, did you not, Mr. Rhodes?

A Yes, I did. Upon arriving in the Bucyeros area Mr. Chavez took me to a well which had been pointed out to him as the Tixier No. 1 well. This supposed Tixier No. 1 well which we examined was properly plugged with the exception that the cellar or a recently or fairly recently constructed pit nearby was left open. However, after giving the matter a little thought it became apparent that the well, which was pointed out to Mr. Chavez as the Tixier No. 1, could not possibly be the well in question due to the fact that the thing turned out to be in Section 1 instead of in Section 2 of Township 20 North, Range 30 East. Therefore, I took it upon myself to do a little surveying in the area and after becoming situated, in the southwest quarter of the northeast quarter of Section 2, I found two wells in that quarter section about 150

feet apart. It then necessarily followed that one or the other of those two wells was the Tixier No. 1. However, not knowing which of the two was the particular well I have considered them both.

The northernmost of the two holes in this quarter quarter section was found to be wide open to the atmosphere with a wooden plug situated approximately three feet down into the bottom or down into the casing which protruded from the ground. The annulus between the two strings of pipe was open to the atmosphere with the exception of rocks and dirt which had fallen into it serving to plug it up to a greater or lesser degree. Concrete derrick supports were still found around the well and the pits which were employed in the original drilling of the two holes had never been filled but were not dangerous to livestock at this time due to erosion over the years.

Q Was there any leakage, Mr. Rhodes?

A No, Mr. Kitts, there was no leakage whatever. It is doubtful if this well ever contacted or ever drilled into the CO₂ zone.

The second hole in this quarter quarter section was in similar condition. Pipe was protruding some two feet from the ground but the hole had been sitting for so long that a sizeable sink hole had developed around the casing which was protruding. This hole like the other one was plugged with a piece of wood, presumably a fence post. The annulus was also open to the atmosphere and the inside string of pipe -- now I have no idea whether that was the first string, the second string or the third string of pipe -- was capped with a piece of metal which served no useful purpose. There was no sign of any cement at the surface on either

of these two holes. Neither one of these two holes was properly plugged. In fact, neither one of the holes was plugged period.

I have here an exhibit which I would like to enter as Exhibit 1 in Case 814, which consists of one photograph of each of the two holes in this quarter quarter section.

Q Those photographs were taken by you?

A These photographs were taken by Mr. Chavez on January 12th. At the time that I managed to find these two holes I didn't have any more film in my camera on that day so I had to send Mr. Chavez back to take some photographs.

Q Were you present?

A No, I was not present. However, I am dead certain that these are the holes because they are readily identifiable from the photograph since I had been to them the previous week.

Q That depicts accurately the holes that you saw, is that right?

A These depict accurately the holes which I found on my first trip up there.

MR. KITTS: We offer in evidence Exhibit 1 in Case 814.

MR. MACEY: Without objection it will be received.

WITNESS: I have also a photograph which depicts the type of flow lines which are employed in this area by Mr. Timmons. I have here a photograph which shows approximately 100 feet of this invasion pipe flow line. This particular line runs from the Timmons plant to a recently drilled well approximately one quarter of a mile to the east of the plant. The entire quarter mile line consists of this, oh, eight inch, more or less, invasion pipe.

I feel that that gives a rather ready indication as to the nature of the operations up here in that this invasion pipe is a long way from being indestructible and just the use of this pipe alone as a flow line may well contribute to the waste of carbon dioxide gas at some future date.

Q Is that similar to the type of flow line used on the Timmons No. 1?

A This is exactly the same line which comprised approximately 75 feet of the half mile flow line on the Timmons No. 1.

I'd like to introduce that as Exhibit 2 in Cases 812, 813 and 814.

MR. MACEY: Without objection it will be received.

MR. KITTS: And this second well you have just spoken of, did it appear to you or could you tell whether that had ever been a producer or not?

A It had apparently never been drilled to the gas zone. I say apparently because there was no evidence to indicate that this --

Q (Interrupting) And here again the well site was abandoned, there was no one present or working around this site?

A That is correct.

MR. KITTS: That is all.

MR. MACEY: Any questions of the witness? Mr. Rhodes, the Commission is faced with the problem of having to decide this -- the Elxier No. 1, now which one do you presume that we should order plugged?

A Since these wells are in the same quarter quarter section,

it is my idea to assume that they were both drilled by friend Timmons, and that he therefore should be held responsible for plugging the wells. Now one or the other of them is apparently not covered by a bond and I should say that if it came to a choice of plugging one or the other but not both, I would plug the northern most well of the two since it appears that the most extensive operations have been carried on in that hole.

MR. MACEY: Do you know whether the well could be accurately surveyed in to determine which well was which?

A Yes, it could, providing, of course, that the well itself had been originally surveyed in accurately.

MR. MACEY: How far apart are the wells?

A Approximately 150 feet.

MR. MACEY: Anyone have anything further? You have anything further? (Witness excused.)

MR. KITTS: No.

MR. MACEY: Take the cases under advisement.

* * * * *

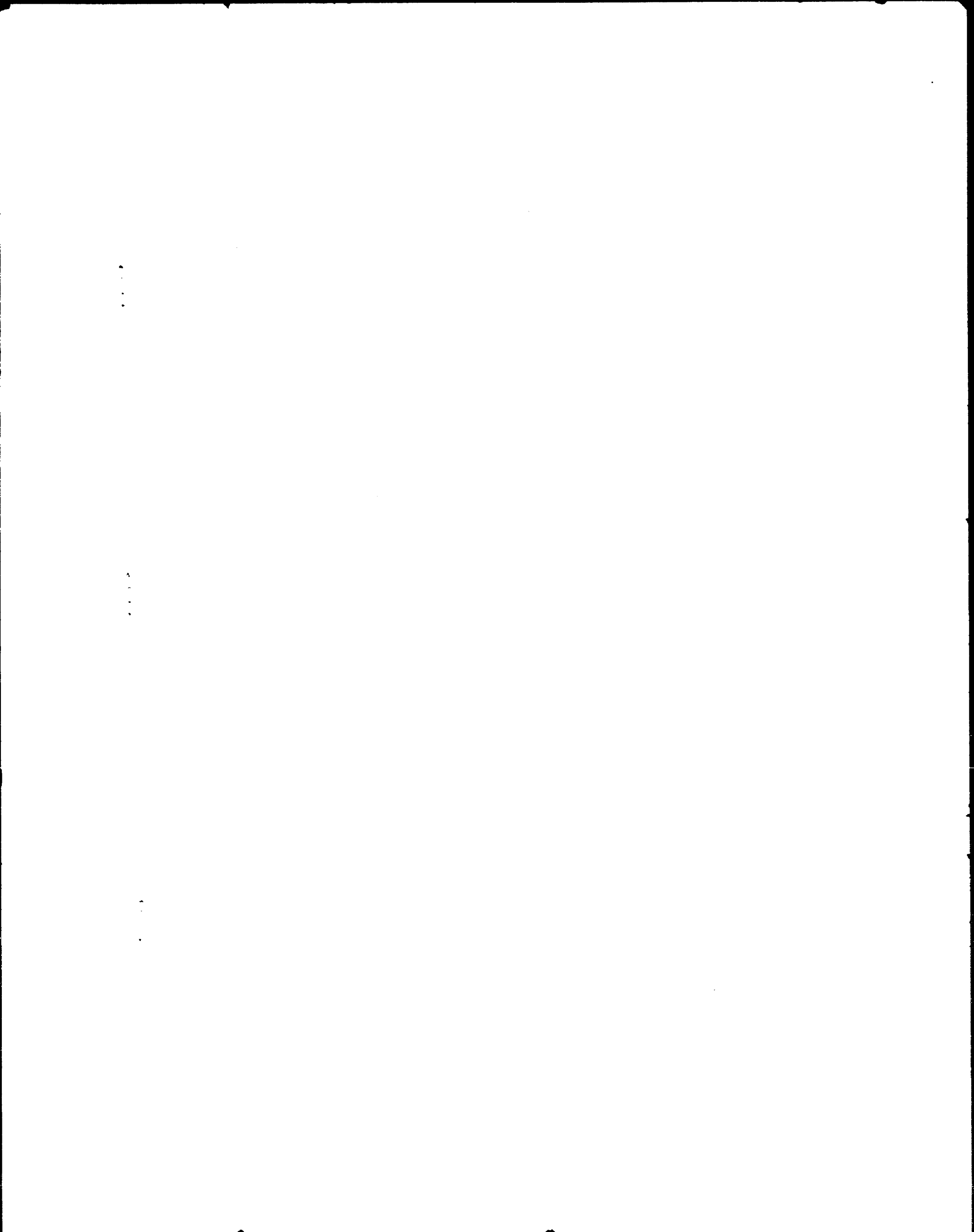
STATE OF NEW MEXICO }
COUNTY OF BERNALILLO } ss.

I, MARGARET McCOSKEY, Notary Public and Court Reporter, do hereby certify that the foregoing and attached transcript of proceedings before the New Mexico Oil Conservation Commission at Santa Fe, New Mexico, is a true and correct record to the best of my knowledge, skill and ability.

IN WITNESS WHEREOF I have affixed my hand and notarial seal this 6th day of April, 1955.

My commission expires:
August 15, 1956.

Margaret McCoskey
Notary Public-Court Reporter



BEFORE THE
Oil Conservation Commission
SANTA FE, NEW MEXICO

IN THE MATTER OF:

CASE NO. 812, 813, 814

TRANSCRIPT OF PROCEEDINGS

ADA DEARNLEY AND ASSOCIATES
COURT REPORTERS
ROOMS 105, 106, 107 EL CORTEZ BUILDING
TELEPHONE 7-9546
ALBUQUERQUE, NEW MEXICO

BEFORE THE
OIL CONSERVATION COMMISSION
State of New Mexico
Santa Fe, New Mexico
January 13, 1955

IN THE MATTER OF:

Application of the Commission upon its own
motion for an order directed to Roy Timmons to
appear and show cause why the Kerlin No. 1 Well,
SE/4 NW/4 34-21N-30E, Harding County, New Mexi-
co, should not be ordered plugged.

) Case No.
812

Application of the Commission upon its own
motion for an order directed to Roy Timmons
and to American Employers' Insurance Company
to appear and show cause why the Timmons
No. 1 Well, SW/4 NE/4 33-21N-30E, Harding
County, New Mexico, should not be ordered
plugged.

) Case No.
813

Application of the Commission upon its own
motion for an order directed to Roy Timmons
and to Fidelity and Deposit Company of Mary-
land to appear and show cause why the Tixier
Well No. 1, SW/4 NE/4 2-20N-30E, Harding
County, New Mexico, should not be ordered
plugged.

) Case No.
814

BEFORE:

Mr. E. S. (Johnny) Walker
Mr. W. B. Macey, Secretary

TRANSCRIPT OF PROCEEDINGS

MR. MACEY: The next cases on the docket are Cases 812, 813,
and 814.

MR. KITTS: If it please the Commission, on Cases 812, 813,
and 814, all involving one operator on the Roy Timmons, we received
this telegram yesterday from Mr. Timmons, from St. Louis. "Unable
to attend hearing tomorrow on account of sickness. Would appreciate
continuance for thirty days. Signed, Roy E. Timmons."

MR. MACEY: I presume Mr. Timmons means until February.

MR. KITTS: Sure, he does.

MR. MACEY: Is there objection to the continuance of Cases 812, 813 and 813 until the February 16th hearing? If not, the cases will be continued until that date.

* * * * *

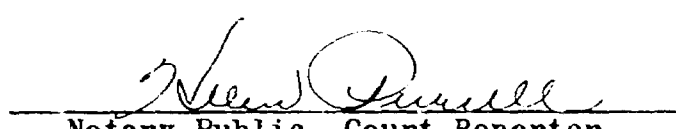
STATE OF NEW MEXICO)

ss

COUNTY OF BERNALILLO)

I, HELEN PURCELL, Court Reporter, do hereby certify that the foregoing and attached transcript of proceedings before the New Mexico Oil Conservation Commission at Santa Fe, New Mexico, is a true and correct record to the best of my knowledge, skill and ability.

IN WITNESS WHEREOF I have affixed my hand and notarial seal this 19th day of January, 1955.


Notary Public, Court Reporter

My Commission Expires:

~~June 19, 1955~~

Dec 18, 1957

