

PL CASE 6770: PLUGGING CASE - OCD  
NATIONAL PETROLEUM COMPANY AND INTERESTED  
PARTIES, SAN JUAN COUNTY, NEW MEXICO

CASE NO.

6770

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APPLICATION,  
TRANSCRIPTS,  
SMALL EXHIBITS,

ETC.

STATE OF NEW MEXICO  
 ENERGY AND MINERALS DEPARTMENT  
 OIL CONSERVATION DIVISION  
 STATE LAND OFFICE BLDG.  
 SANTA FE, NEW MEXICO  
 3 January 1980

EXAMINER HEARING

-----  
 IN THE MATTER OF: )

The hearing called by the Oil Conser- )  
 vation Division on its own motion to ) CASE  
 permit National Petroleum Company and ) 6770  
 all other interested parties to appear )  
 and show cause why its Well No. 1, )  
 located 905 feet from the north line )  
 and 1155 feet from the west line of )  
 Section 22, Township 29 North, Range )  
 11 West, San Juan County, New Mexico, )  
 should not be plugged and abandoned in )  
 accordance with a Division-approved )  
 plugging program. )  
 -----

BEFORE: Richard L. Stamets

TRANSCRIPT OF HEARING

A P P E A R A N C E S

For the Oil Conservation  
 Division:

Ernest L. Padilla, Esq.  
 Legal Counsel to the Division  
 State Land Office Bldg.  
 Santa Fe, New Mexico 87501

## I N D E X

FRANK T. CHAVEZ

Direct Examination by Mr. Padilla

3

## E X H I B I T S

Division Exhibit One, Photo

6

Division Exhibit Two, Map

5

MR. STAMETS: Call next 6770, in the matter of the hearing called by the Oil Conservation Division on its own motion to permit National Petroleum Company and all other interested parties to appear and show cause why its Well No. 1 in San Juan County, New Mexico, should not be plugged and abandoned in accordance with a Division-approved plugging program.

Call for appearances in this case.

MR. PADILLA: Ernest L. Padilla for the Oil Conservation Division, and Mr. Examiner, I have one witness who needs to be sworn.

MR. STAMETS: Any other appearances in this case? Have the witness stand and be sworn, please.

(Witness sworn.)

FRANK T. CHAVEZ

being called as a witness and having been duly sworn upon his oath, testified as follows, to-wit:

DIPECT EXAMINATION

BY MR. PADILLA:

Q Mr. Chavez, for the record, would you state your name, by whom you're employed, and in what capacity?

A My name is Frank T. Chavez. I'm employed by the State of New Mexico, Oil Conservation Division, as a field representative in the Aztec District Office.

Q How long have you held this position?

A I've held this position for almost two years.

Q Mr. Chavez, have you previously testified before the Division and are your credentials a matter of record?

A They are.

MR. PADILLA: Mr. Examiner, I submit -- I tender Mr. Chavez as an expert witness.

MR. STAMETS: The witness is considered qualified.

Q Mr. Chavez, are you familiar with the subject matter of this case?

A Yes, I am.

Q What is the purpose of this case?

A The purpose of this case is to call The National Petroleum Company and other interested parties to show cause why their well No. 1 should not be properly plugged and abandoned.

Q Have you reviewed all the reports and files of the Division concerning this well?

A Yes, I have. The only record that we

have on this well is a completion card. We do not have any other report that has been filed by the company.

Q Can you briefly summarize the history of the well?

A According to our records, this well was completed in the summer of 1926. There is a note on the card that it was plugged and abandoned in 1932; however, surface inspection shows that 4-1/2 inch casing is open at the surface, and there is a flow of water, which is making a marshy area, and this is located as shown on Exhibit Number Two, within the city limits of Bloomfield.

At this time the City of Bloomfield would like to extend a street across the area where the well is located and develop, or allow that area to be developed and made residential housing, and they cannot do that until this well is -- is properly plugged and abandoned.

Q Could failure to plug this well cause waste of the hydrocarbons?

A Yes, it could. This well is, according to this record that we have, is 700 feet deep and located within the Bloomfield-Farmington Pool. We do not know exactly where the waterflow is coming from and water could at the same time be encroaching on the oil in the Farmington Sand.

Q Could -- is that water brackish water?

A Yes, it is and there is a possibility of

polluting fresh water in the area from this well.

Q Are you prepared to recommend a plugging program at this time or would you prefer to wait until plugging actually occurs?

A I'd prefer to wait because we have no actual record of what is downhole.

Q Have you prepared Exhibits One and Two? Exhibit One, would you describe that?

A Okay, Exhibit One is a photograph of the, I imagine, surface pipe sticking out of the well and flowing water. We did not gauge the rate of water but the photo clearly shows that it is a significant amount of water flowing from this pipe.

Q Is that an accurate -- does the photo accurately describe the condition of the well today?

A Yes, it does.

Q And Exhibit Two?

A Exhibit Number Two is a map of the section, which includes part of the City of Bloomfield, and the arrow points to the well location as it's located in reference to the streets in the City of Bloomfield.

Q Did you prepare Exhibit Two?

A Yes, sir, I did.

MR. PADILLA: I tender Exhibits One and



Two into evidence, Mr. Examiner.

MR. STAMETS: May I see the exhibits,  
please?

These exhibits will be admitted.

Are there any questions of the witness?

He may be excused.

Anything further in this case? The case  
will be taken under advisement.

(Hearing concluded.)

## REPORTER'S CERTIFICATE

I, SALLY W. BOYD, a Certified Shorthand Reporter,  
DO HEREBY CERTIFY that the foregoing and attached Transcript  
of Hearing before the Oil Conservation Division was reported  
by me; that the said transcript is a full, true, and correct  
record of the hearing, prepared by me to the best of my ability  
from my notes taken at the time of the hearing.

Sally W. Boyd C.S.R.  
Sally W. Boyd, C.S.R.

I do hereby certify that the foregoing is  
a complete record of the proceedings in  
the Examiner hearing of Case No. 6772  
heard by me on 1-3 1980.  
Richard L. Stewart, Examiner  
Oil Conservation Division

## NEW MEXICO GIL CONSERVATION COMMISSION

## EXAMINER HEARING

SANTA FE, NEW MEXICOHearing Date JANUARY 3, 1980 Time: 9:00 A.M.

NAME	REPRESENTING	LOCATION
E.R. Manning	El Paso Natural Gas	El Paso, TX
William L. Cook	Trumbull Block & Co.	Midland, TX
Carroll D. Reed	alpha Variety Inc	Midland, TX
Johnny Phillips	Southland Royalty	Farmington
Curtis Parsons	Self	Artesia
Jim Brown	Roth Co., Avoca	Midland
Wm. P. Aycock	Kelblin & Kelblin	Santa Fe
W. F. Kellakin	Dachester Exploration, Inc.	Midland, TX
Rick O'Bannon	Exxon Co USA	Midland, TX
Martha M. Strong	Montgomery Law Firm	Santa Fe
Allen M. Hoppe	Dachester Exploration, Inc.	Midland
H. L. McCannell	R. G. Gifford	Santa Fe
R. Gifford	Self	Midland
John Yerronka	Harvey E. Yates	Midland
Arthur L. Lott	"	Midland
Bob Strand	"	Midland
Brenda Smith	"	Midland

## NEW MEXICO OIL CONSERVATION COMMISSION

## EXAMINER HEARING

SANTA FE, NEW MEXICOHearing Date JANUARY 3, 1980 Time: 9:00 A.M.

NAME	REPRESENTING	LOCATION
Harry L. ...	Reading & Bates Petroleum	Denver, Co.
Robert H. ... R.L. WICKER	Reading & Bates Petroleum Co.	Denver, Co.
Clad Baker	Gates Pet	Artesia
R.M. Richardson	" "	Roswell
Don Stenard	USOS	Albuquerque
Ray Beck	Yates	Artesia
Richard Petre	Southland Royalty Co.	Midland
Dennis Eriksen	" "	"
Steve Sill	" "	Midland
Jon J. McClellan	McClellan Oil Corp.	Roswell
Gilbert E. Miller	Intercontinental Corporation	Tulsa, Okla.
George ...	"	Midland, Texas
James T. Moscos	Gates Pet	Artesia, NM
Murkin Burns	Ray Baker	San Antonio

STATE OF NEW MEXICO  
BUREAU AND MINERAL DEPARTMENT  
OIL CONSERVATION DIVISION  
JOHN LAND OFFICE, JR.  
SANTA FE, NEW MEXICO  
JANUARY 1950

EXAMINER HEARING

IN THE MATTER OF

The hearing called by the oil conser-  
vation division on its own motion to  
permit National Petroleum Company and  
all other interested parties to appear  
and show cause why its well No. 1,  
located 905 feet from the north line  
and 1155 feet from the west line of  
Section 22, Township 29 North, Range  
11 West, San Juan County, New Mexico,  
should not be plugged and abandoned in  
accordance with a Division-approved  
plugging program.

REPORT: Richard L. Stamets

TRANSCRIPT OF HEARING

A P P E A R A N C E S

For the Oil Conservation

Division:

Ernest L. Padilla, Esq.  
Legal Counsel to the Division  
State Land Office Bldg.  
Santa Fe, New Mexico 87501

I - 1 - X

FRANK T. CHAVES

Direct Examination by Mr. Adilla

3

## EXHIBITS

Division Exhibit One, Photo

Division Exhibit Two, Map

4

5

MR. STAMETS: Call next 6770, in the matter of the hearing called by the Oil Conservation Division on its own motion to permit National Petroleum Company and all other interested parties to appear and show cause why its Well No. 1 in San Juan County, New Mexico, should not be plugged and abandoned in accordance with a Division-approved plugging program.

Call for appearances in this case.

MR. PADILLA: Ernest L. Padilla for the Oil Conservation Division, and Mr. Examiner, I have one witness who needs to be sworn.

MR. STAMETS: Any other appearances in this case? Have the witness stand and be sworn, please.

(Witness sworn.)

FRANK T. CHAVEZ

being called as a witness and having been duly sworn upon his oath, testified as follows, to-wit:

DIRECT EXAMINATION

BY MR. PADILLA:

Q Mr. Chavez, for the record, would you state your name, by whom you're employed, and in what capacity?

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Q How long have you held this position?

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Q Mr. Chavez, have you previously testified before the Division and are your credentials a matter of record?

A They are.

MR. PADILLA: Mr. Examiner, I submit -- I tender Mr. Chavez as an expert witness.

MR. STAMETS: The witness is considered qualified.

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have on this well is a completion card. We do not have any other report that has been filed by the company.

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At this time the City of Bloomfield would like to extend a street across the area where the well is located and develop, or allow that area to be developed and made residential housing, and they cannot do that until this well is -- is properly plugged and abandoned.

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A Yes, it could. This well is, according to this record that we have, is 700 feet deep and located within the Bloomfield-Farmington Pool. We do not know exactly where the waterflow is coming from and water could at the same time be encroaching on the oil in the Farmington Sand.

Q Could -- is that water brackish water?

A Yes, it is and there is a possibility of

polluting fresh water in the area from this well.

Q Are you prepared to recommend a plugging program at this time or would you prefer to wait until plugging actually occurs?

A I'd prefer to wait because we have no actual record of what is downhole.

Q Have you prepared Exhibits One and Two? Exhibit One, would you describe that?

A Okay, Exhibit One is a photograph of the, I imagine, surface pipe sticking out of the well and flowing water. We did not gauge the rate of water but the photo clearly shows that it is a significant amount of water flowing from this pipe.

Q Is that an accurate -- does the photo accurately describe the condition of the well today?

A Yes, it does.

Q And Exhibit Two?

A Exhibit Number Two is a map of the section, which includes part of the City of Bloomfield, and the arrow points to the well location as it's located in reference to the streets in the City of Bloomfield.

Q Did you prepare Exhibit Two?

A Yes, sir, I did.

MR. PABILLA: I tender Exhibits One and

Two into evidence, Mr. Examiner.

MR. STAMITS: Ha, I see the exhibits,  
please?

These exhibits will be admitted.

Are there any questions of the witness?

He may be excused.

Anything further in this case? The case  
will be taken under advisement.

(Hearing concluded.)

## REPORTER'S CERTIFICATE

I, SALLY W. BOYD, a Certified Shorthand Reporter,  
DO HEREBY CERTIFY that the foregoing and attached Transcript  
of Hearing before the Oil Conservation Division was reported  
by me; that the said transcript is a full, true, and correct  
record of the hearing, prepared by me to the best of my ability  
from my notes taken at the time of the hearing.

\_\_\_\_\_  
Sally W. Boyd, C.S.R.

I do hereby certify that the foregoing is  
a complete record of the proceedings in  
the Examiner hearing of Case No. \_\_\_\_\_,  
heard by me on \_\_\_\_\_ 19\_\_\_\_.

\_\_\_\_\_, Examiner  
Oil Conservation Division

STATE OF NEW MEXICO  
ENERGY AND MINERALS DEPARTMENT  
OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING  
CALLED BY THE OIL CONSERVATION  
DIVISION FOR THE PURPOSE OF  
CONSIDERING:

CASE NO. 6770  
Order No. R-6242

IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION  
DIVISION ON ITS OWN MOTION TO PERMIT NATIONAL PETROLEUM COMPANY  
AND ALL OTHER INTERESTED PARTIES TO APPEAR AND SHOW CAUSE WHY  
ITS WELL NO. 1 LOCATED 905 FEET FROM THE NORTH LINE AND 1155  
FEET FROM THE WEST LINE OF SECTION 22, TOWNSHIP 29 NORTH, RANGE  
11 WEST, SAN JUAN COUNTY, NEW MEXICO, SHOULD NOT BE PLUGGED AND  
ABANDONED IN ACCORDANCE WITH A DIVISION-APPROVED PLUGGING PROGRAM.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on January 3, 1980,  
at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 16th day of January, 1980, the Division  
Director, 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 Division has jurisdiction of this cause and the  
subject matter thereof.

(2) That National Petroleum Company is the owner and operator  
of a well known only as Well No. 1, located 905 feet from the North  
line and 1155 feet from the West line of Section 22, Township 29  
North, Range 11 West, NMPM, San Juan County, New Mexico.

(3) That in order to prevent waste and protect correlative  
rights said Well No. 1 should be plugged and abandoned in accord-  
ance with a program approved by the Aztec District Office of the  
New Mexico Oil Conservation Division on or before February 15  
1980, or the well should be returned to active drilling status  
or placed on production.

-2-

Case No. 6770  
Order No. R-6242

IT IS THEREFORE ORDERED:

(1) That National Petroleum Company is hereby ordered to plug and abandon Well No. 1 located 905 feet from the North line and 1155 feet from the West line of Section 22, Township 29 North, Range 11 West, NMPM, San Juan County, New Mexico, or in the alternative, to return the well to active drilling status or place the well on production on or before February 15, 1980.

(2) That National Petroleum Company, prior to plugging and abandoning the above-described well, shall obtain from the Aztec office of the Division, a Division-approved program for said plugging and abandoning, and shall notify said Aztec office of the date and hour said work is to be commenced whereupon the Division may, at its option, witness such work.

(3) That jurisdiction of this cause is retained for the entry of such further orders as the Division may deem necessary.

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

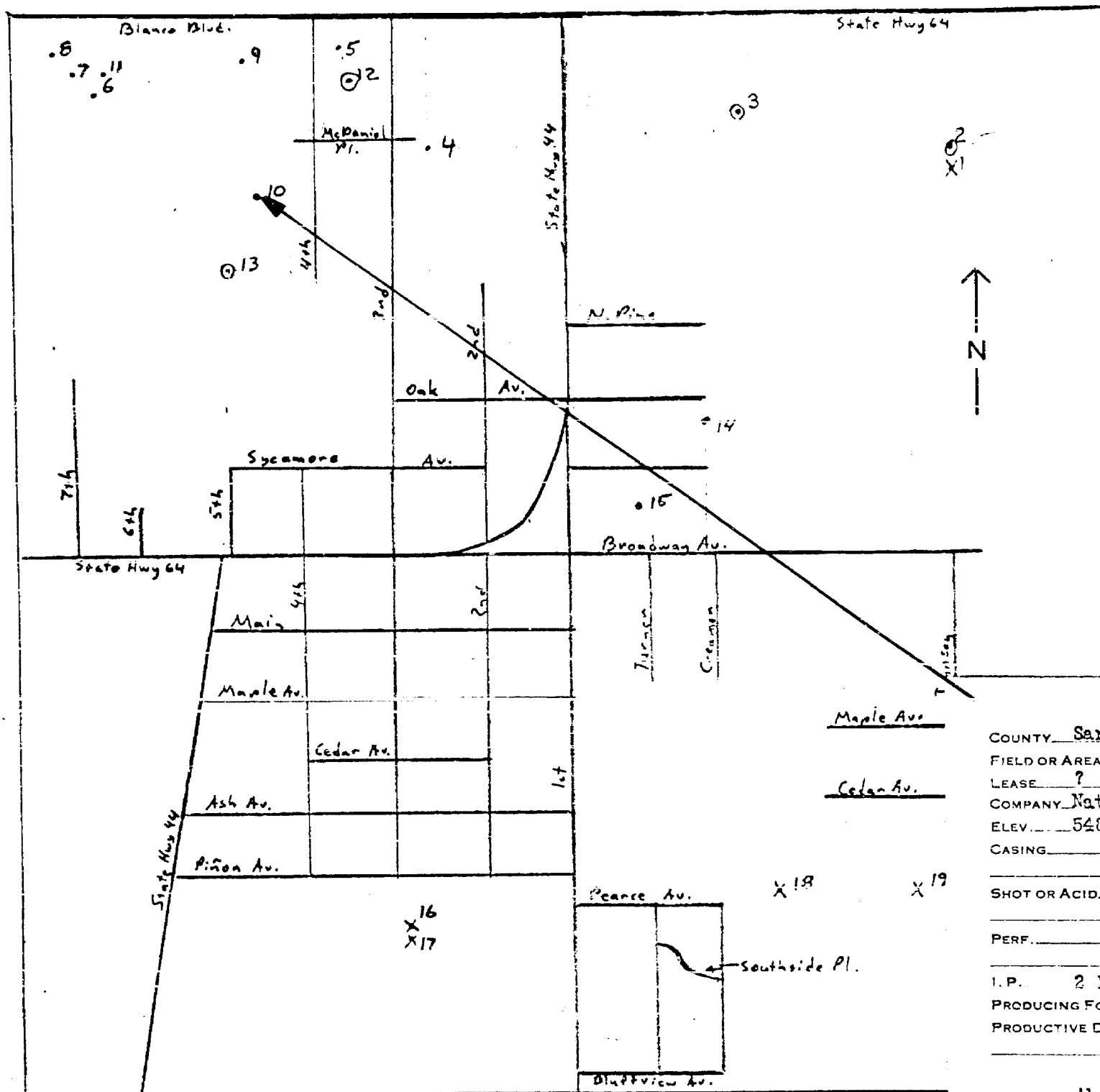
STATE OF NEW MEXICO  
OIL CONSERVATION DIVISION



*Joe D. Ramey*  
JOE D. RAMEY  
Director

S E A L

fd/



Wells in Sec. 22, Twp 29N. R.

X Producers

⊙ Reported as P+H

• Wells reported as drilled and no records

- |                         |                 |
|-------------------------|-----------------|
| 1. Mañana Gas Inc.      | Finch #1        |
| 2. Melbourne Pet. Corp. | M.T. Finch #1   |
| 3. " " "                | R.L. Finch #1   |
| 4. Frank Webber         | ? #1            |
| 5. Finley & Johansen    | Hare #1         |
| 6. Haney & Smith        | Kittell #1      |
| 7. Mid Continent Oil    | Hare #1         |
| 8. Smith & Miley        | Bishop #3       |
| 9. Bloomfield Oil Co.   | Grace Bishop #4 |
| 10. Nat'l Petr. Co.     | ? #1            |
| 11. A.E. Haney          | Bishop #1       |
| 12. Vincent & Goodrum   | Refinery Hare   |
| 13. Page & Davis        | Salmon #1       |
| 14. Finley & Johansen   | Fee #1          |
| 15. Bloomfield Oil Co.  | J.W. Garrison   |
| 16. Kimbell Oil Co.     | Cook #2         |
| 17. " "                 | Gak #1          |
| 18. John C. Pickett     | Grace Pearce    |
| 19. Kimbell Oil Co.     | Huntman #1      |

COUNTY San Juan STATE NEW MEXICO SEC. 22 T. 29N R. 905'

FIELD OR AREA Bloomfield LOCATION 905'

LEASE ? WELL NO. 1

COMPANY Nat'l Petr. Co. SPD. ? COMPLETED ?

ELEV. 5485' T.D. 700' P.B. ?

CASING ?

SHOT OR ACID ?

PERF. ?

I.P. 2 BO & 10 BW

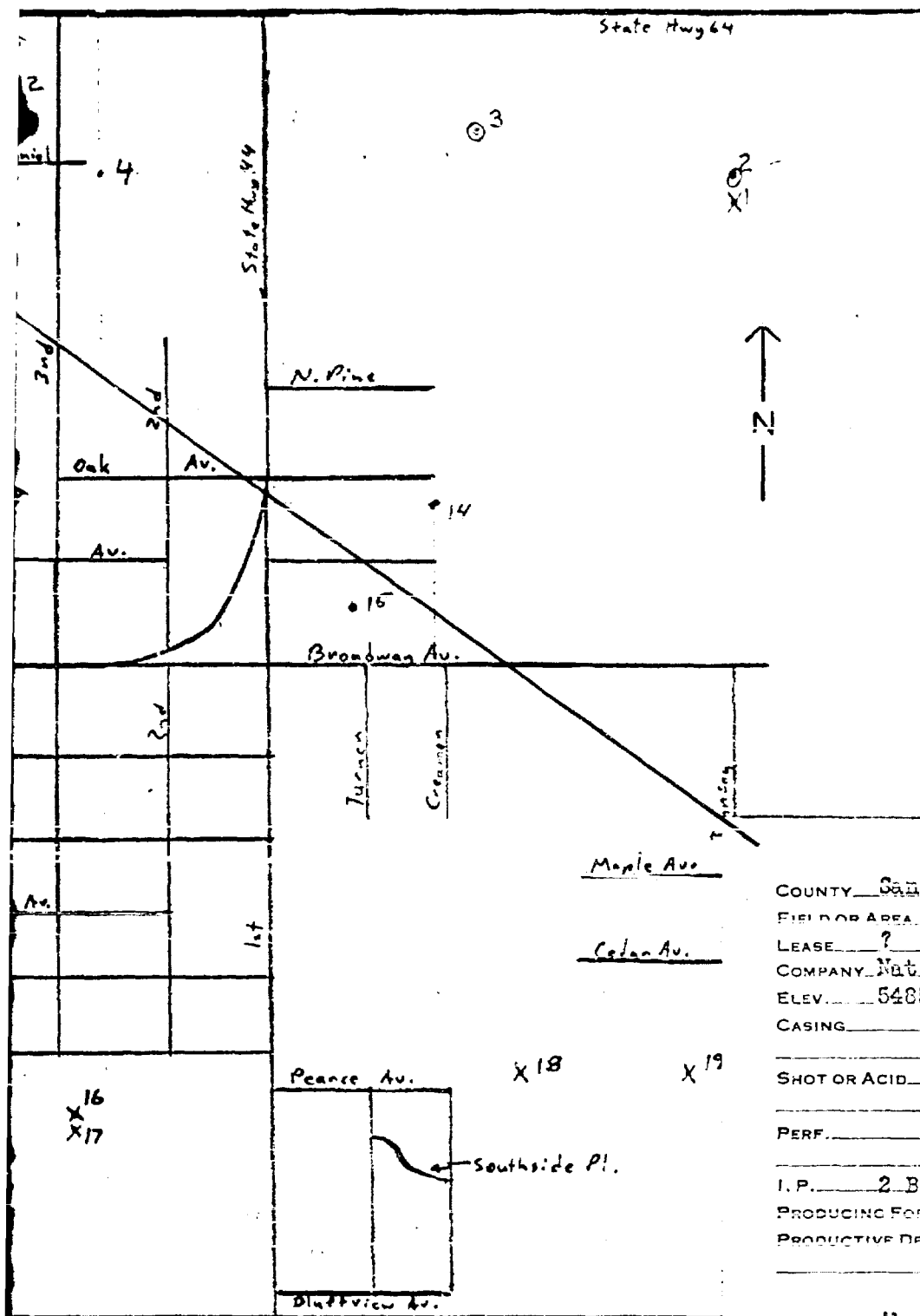
PRODUCING FORM. ?

PRODUCTIVE DEPTH OR INTERVAL ?

Abandoned, 9-30-25

REMARKS:

P&A 1932



Wells in Sec. 22, Twp 29N. R. 11W.

X Producers

⊙ Reported as P+A

\* Wells reported as drilled and no other records

1. Mañana Gas Inc.
2. Melbourne Pet. Corp.
3. " " "
4. Frank Webber
5. Finley & Johanson
6. Haney & Smith
7. Mid Continent Oil
8. Smith & Miley
9. Bloomfield Oil Co.
10. Nat'l Petr. Co.
11. A. E. Haney
12. Vincent & Goodrum
13. Page & Davis
14. Finley & Johanson
15. Bloomfield Oil Co.
16. Kimbell Oil Co.
17. " "
18. John C. Pickett
19. Kimbell Oil Co.

- Finch #1  
M.T. Finch #1  
R.L. Finch #1  
? #1  
Hare #1  
Kittell #1  
Hare #1  
Bishop #3  
Grace Bishop #4  
? #1  
Bishop #1  
Refinery Hare #1  
Salmon #1  
Fee #1  
J.W. Garrison #7  
Cook #2  
Oak #1  
Grace Pearce #1  
Hartman #1

6770  
18.5. (Day)  
1-3-80

COUNTY San Juan STATE NEW MEXICO SE NW NW  
SEC. 22 T. 29N R. 11W  
FIELD OR AREA Bloomfield LOCATION 905' N, 1155' W  
LEASE ? WELL NO. 1  
COMPANY Nat'l Petr. Co. SPD. ? COMPLETED SUMMER '26  
ELEV. 5485' T.D. 700' P.B. ?  
CASING ?  
SHOT OR ACID ?  
PERF. ?  
I.P. 2 B0 & 10 B7  
PRODUCING FORM ?  
PRODUCTIVE DEPTH OR INTERVAL ?

REMARKS:

Abandoned, 9-30-25

PEA 1932



Docket No. 1-80

Dockets Nos. 2-80 and 3-80 are tentatively set for January 16 and 30, 1980. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: EXAMINER HEARING - THURSDAY - JANUARY 3, 1980

9 A.M. - OIL CONSERVATION DIVISION 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:

- CASE 6770: In the matter of the hearing called by the Oil Conservation Division on its own motion to permit National Petroleum Company and all other interested parties to appear and show cause why its Well No. 1 located 905 feet from the North line and 1155 feet from the West line of Section 22, Township 29 North, Range 11 West, San Juan County, New Mexico, should not be plugged and abandoned in accordance with a Division-approved plugging program.
- CASE 6786: In the matter of the hearing called by the Oil Conservation Division on its own motion to consider the amendment of its administrative procedure for the approval of infill drilling on existing gas proration units as promulgated by Order No. R 6013 to permit the approval of infill wells as new onshore production wells pursuant to the Natural Gas Policy Act of 1978 without notice and hearing even though such wells have been spudded prior to receiving such approval.
- CASE 6771: Application of Getty Oil Company for a non-standard gas proration unit, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of a 160-acre non-standard gas proration unit comprising the E/2 SW/4 of Section 31, Township 24 South, Range 37 East, and the NW/4 NE/4 and NE/4 NW/4 of Section 6, Township 25 South, Range 37 East, Jalmat Gas Pool, to be dedicated to a well to be drilled at a standard location thereon.
- CASE 6772: Application of Reading & Bates Petroleum Co. for compulsory pooling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Dakota formation underlying the SE/4 of Section 17, Township 24 North, Range 3 West, Chacon-Dakota Pool, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision. Also to be considered will be the designation of applicant as operator of the well and a charge for risk involved in drilling said well.
- CASE 6773: Application of Southland Royalty Company 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 E/2 of Section 20, Township 19 South, Range 27 East, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision. Also to be considered will be the designation of applicant as operator of the well and a charge for risk involved in drilling said well.
- CASE 6774: Application of Doyle Hartman for an unorthodox location, non-standard proration unit, and approval of infill drilling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of a 120-acre non-standard proration unit comprising the NW/4 NW/4 of Section 6, Township 25 South, Range 37 East, and the W/2 SW/4 of Section 31, Township 24 South, Range 37 East, to be dedicated to his Federal Jalmat Com Well No. 1 at an unorthodox location 590 feet from the North line and 660 feet from the West line of said Section 6; applicant further seeks a finding that the drilling of said well is necessary to effectively and efficiently drain that portion of an existing proration unit which cannot be so drained by the existing well.
- CASE 6768: (Continued and Readvertised)
- Application of Alpha Twenty-One Production Company for two non-standard gas proration units, compulsory pooling, unorthodox well location, and approval of infill drilling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of a 40-acre non-standard gas proration unit comprising the SW/4 SE/4 of Section 21, Township 24 South, Range 37 East, Jalmat Gas Pool, to be dedicated to the El Paso Natural Gas Company Shell Black Well No. 2. Applicant also seeks an order pooling all mineral interests in the Jalmat Gas Pool underlying the E/2 SW/4 and NW/4 SE/4 of said Section 21 to form a 120-acre non-standard gas proration unit to be dedicated to a well to be drilled at an unorthodox location 990 feet from the South line and 1650 feet from the West line of said Section 21. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision. Also to be considered will be the designation of applicant as operator of the well and a charge for risk involved in drilling said well. Applicant further seeks a finding that the drilling of said well is necessary to effectively and efficiently drain that portion of the existing proration unit which cannot be so drained by the existing well.

CASE 6767: (Continued from December 12, 1979, Examiner Hearing)

Application of Alpha Twenty-One Production Company for two non-standard gas proration units, unorthodox well location, and approval of infill drilling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of a 40-acre non-standard proration unit comprising the NW/4 NW/4 of Section 27, Township 25 South, Range 37 East, Jalmat Gas Pool, to be dedicated to El Paso Natural Gas Company's Harrison Well No. 2, and also a 200-acre unit comprising the S/2 N/2 and NE/4 NW/4 of said Section 27 to be dedicated to a well to be drilled at an unorthodox location 1980 feet from the North line and 560 feet from the West line of Section 27. Applicant further seeks a finding that the drilling of the latter well is necessary to effectively and efficiently drain that portion of an existing proration unit which cannot be so drained by the existing well.

CASE 6487: (Continued from October 17, 1979, Examiner Hearing)

Application of El Paso Natural Gas Company for approval of infill drilling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks a waiver of existing well-spacing requirements and a finding that the drilling of its Shell E State Com Well No. 2 located in Unit N of Section 6, Township 21 South, Range 36 East, Eumont Gas Pool, Lea County, New Mexico, is necessary to effectively and efficiently drain that portion of the proration unit which cannot be so drained by the existing well.

CASE 6732: (Continued from November 28, 1979, Examiner Hearing)

Application of Dorchester Exploration, Inc. for an unorthodox oil well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of its Morton Solid State Unit Well No. 1 located 2156 feet from the North line and 990 feet from the West line of Section 4, Township 15 South, Range 34 East, Tres Papalotes-Pennsylvanian Pool.

CASE 6775: Application of Harvey E. Yates Company for a unit agreement, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the Young Deep Unit Area, comprising 2242 acres, more or less, of Federal lands in Township 18 South, Range 32 East.

CASE 6776: Application of Harvey E. Yates Company for an unorthodox gas well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of its Young Deep Unit Well No. 1, a Morrow test to be drilled 660 feet from the North and West lines of Section 10, Township 18 South, Range 32 East, the W/2 of said Section 10 to be dedicated to the well.

CASE 6777: Application of Harvey E. Yates Company for an NCPA determination, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks a new onshore reservoir determination for the Amole 22 State Well No. 2 located in Unit G of Section 22, Township 23 South, Range 27 East.

CASE 6778: Application of Harvey E. Yates Company for an NCPA determination, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks a new onshore reservoir determination for its Loco Hills Welch Well No. 2 located in Unit N of Section 4, Township 18 South, Range 29 East.

CASE 6745: (Continued from November 28, 1979, Examiner Hearing)

Application of Harvey E. Yates Company for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Wollicamp-Pennsylvanian formations underlying the W/2 of Section 28, Township 23 South, Range 24 East, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision. Also to be considered will be the designation of applicant as operator of the well and a charge for risk involved in drilling said well.

CASE 6779: Application of Yates Petroleum Corporation for a unit agreement, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the Pronghorn Unit Area, comprising 5,120 acres, more or less, of State and Federal lands in Townships 22 and 23 South, Range 33 East.

CASE 6780: Application of Yates Petroleum Corporation for a unit agreement, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the Serpentine Bends Unit Area, comprising 4,802 acres, more or less, of State and Federal lands in Township 24 South, Ranges 23 and 24 East.

CASE 6781: Application of Yates Petroleum Corporation for an unorthodox gas well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of a Morrow test well to be drilled 660 feet from the South line and 1980 feet from the East line of Section 1, Township 20 South, Range 28 East, the E/2 of said Section 1 to be dedicated to the well.

CASE 6782: Application of Inesco Oil Company for an exception to Order No. R-3221, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an exception to Order No. R-3221 to permit disposal of produced brine into an unlined surface pit located in Unit H of Section 7, Township 19 South, Range 33 East.

CASE 6783: Application of McClellan Oil Corporation for an unorthodox oil well location, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of its Marlise State Well No. 6 located 1155 feet from the North line and 2475 feet from the West line of Section 24, Township 14 South, Range 29 East, Double "L"-Queen Associated Pool, the NE/4 NW/4 of said Section 24 to be dedicated to the well.

CASE 6784: Application of Merrion & Bayless for a non-standard proration unit and an unorthodox gas well location, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval for a 640-acre non-standard gas proration unit comprising the W/2 of Section 18 and the W/2 of Section 19, Township 32 North, Range 14 West, Barker Creek-Paradox Pool, to be dedicated to its Ute Well No. 7 at an unorthodox location 1685 feet from the South line and 3335 feet from the East line of said Section 19.

In the alternative, applicant seeks an order force pooling all of said Section 19 to form a standard 640-acre unit.

CASE 6785: Application of The Harlow Corporation for compulsory pooling, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the San Andres formation underlying the SW/4 SW/4 of Section 18, Township 8 South, Range 29 East, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision. Also to be considered will be the designation of applicant as operator of the well and a charge for risk involved in drilling said well.

11-29-79

Ernie Padilla:

The card below identifies all we know about the well except that it is flowing water in the center of Bloomfield. The town wants to build a street thru the area where the surface casing is flowing.

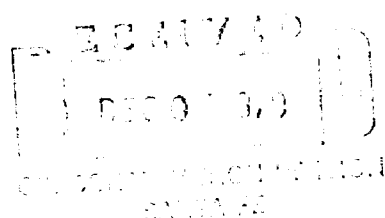
If we can let a contract to plug it without a hearing, let's do it.

If we can't plug it without a show cause hearing, please docket one for it.

The area is kinda' swampy and it would be good if the well could be plugged while the ground is frozen very hard.

You may have a better bunch of well data in Santa Fe.

If we can do more in this regard, please call.



CP

Case 6770

National Petroleum  
Company

STATE	NEW MEXICO
COUNTY	San Juan
SECTION	22
T	29N R 11W
LOCATION	905' N, 1155' W
WELL NO.	1
LEASE	?
COMPANY	Nat'l Petr. Co.
ELEV.	5405'
SPD.	COMPLETED
T. O.	700'
P. B.	
CASING	
SHOT OR ACID	
PERF.	
I.P.	2 BO & 10 EN
PRODUCING FORM	
PRODUCTIVE DEPTH OR INTERVAL	

REMARKS:

Abandoned, 9-30-25

4 cores,

Please docket a case on this  
for show cause hearing.

EP

DRAFT

dr/

STATE OF NEW MEXICO  
ENERGY AND MINERALS DEPARTMENT  
OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING  
CALLED BY THE OIL CONSERVATION  
DIVISION FOR THE PURPOSE OF  
CONSIDERING:

CASE NO. 6770

Order No. R- 6242

IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION DIVISION ON ITS OWN MOTION TO PERMIT NATIONAL PETROLEUM COMPANY AND ALL OTHER INTERESTED PARTIES TO APPEAR AND SHOW CAUSE WHY ITS WELL NO. 1 LOCATED 905 FEET FROM THE NORTH LINE AND 1155 FEET FROM THE WEST LINE OF SECTION 22, TOWNSHIP 29 NORTH, RANGE 11 WEST, SAN JUAN COUNTY, NEW MEXICO, SHOULD NOT BE PLUGGED AND ABANDONED IN ACCORDANCE WITH A DIVISION-APPROVED PLUGGING PROGRAM.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on January 3, 19 80, at Santa Fe, New Mexico, before Examiner Richard L. Stamets

NOW, on this \_\_\_\_\_ day of January, 19 80, the Division Director, 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 Division has jurisdiction of this cause and the subject matter thereof.

(2) That National Petroleum Company is the owner and operator of ~~the~~ <sup>a well known only as</sup> Well No. 1, located 905 feet from the North line and 1155 feet from the West line ~~located in Unit xxxxx~~ of Section 22, Township 29 North, Range 11 West, NMPM, San Juan County, New Mexico.

(3) That \_\_\_\_\_ is the surety on the Oil Conservation Division plugging bond on which \_\_\_\_\_ is principal.

(4) That the purpose of said bond is to assure the state that the subject well(s) will be properly plugged and abandoned when not capable of commercial production.

3 (5) That in order to prevent waste and protect correlative rights said Well No. 1 should be plugged and abandoned in accordance with a program approved by

the Aztec District Office of the New Mexico Oil Conservation Division on or before February 15, 1980, or the well should be returned to active drilling status or placed on production.

IT IS THEREFORE ORDERED:

(1) That National Petroleum Company is ~~xxx~~ hereby ordered to plug and abandon ~~the~~ Well No. 1 located 905 feet from the North line and 1155 feet from the West line ~~located in Unit xxxxxx~~ of Section 22, Township 29 North, Range 11 West, NMPM, San Juan County, New Mexico, or in the alternative, to return the well to active drilling status or place the well on production on or before February 15, 1980.

(2) That National Petroleum Company, prior to plugging and abandoning the above-described well, shall obtain from the Aztec office of the Division, a Division-approved program for said plugging and abandoning, and shall notify said Aztec office of the date and hour said work is to be commenced whereupon the Division may, at its option, witness such work.

(3) That jurisdiction of this cause is retained for the entry of such further orders as the Division may deem necessary.

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