

Entered December 21, 1976



BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION COMMISSION ON ITS OWN MOTION TO PERMIT JOHN W. ADAMS, EXECUTOR OF ESTATES OF R. W. AND JUNE ADAMS; AND RUTH MCGAHEY, FRED MCGAHEY AND DAVID MCGAHEY dba ADAMS & MCGAHEY, AMERICAN EMPLOYERS' INSURANCE COMPANY, AND ALL OTHER INTERESTED PARTIES TO APPEAR AND SHOW CAUSE WHY CERTAIN WELLS LOCATED IN TOWNSHIP 21 NORTH, RANGE 30 EAST, HARDING COUNTY, NEW MEXICO, SHOULD NOT BE PLUGGED AND ABANDONED IN ACCORDANCE WITH A COMMISSION-APPROVED PLUGGING PROGRAM.

CASE NO. 5743
Order No. R-5336

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on November 4, 1976, at Santa Fe, New Mexico, before the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission."

NOW, on this 21st day of December, 1976, the Commission, a quorum being present, having considered the testimony presented 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 John W. Adams, Executor of Estates of R. W. and June Adams; and Ruth McGahey, Fred McGahey and David McGahey dba Adams & McGahey are the owners and operators of the Gonzales Well No. 2, located in Unit P of Section 9, the Adams & McGahey Well No. 1, located in Unit B of Section 16, and the Gonzales "A" Well No. 1, located in Unit H of Section 32, all in Township 21 North, Range 30 East, NMPM, Harding County, New Mexico.

(3) That American Employers' Insurance Company is the surety on the Oil Conservation Commission plugging bond on which John W. Adams, Executor of Estates of R. W. and June Adams; and Ruth McGahey, Fred McGahey, and David McGahey, dba Adams & McGahey are principals.

(4) That in order to prevent waste and protect fresh waters, said wells were ordered to be plugged and abandoned pursuant to Commission Order No. R-5270 following notice and hearing.

(5) That applicant made timely application for a De Novo hearing.

(6) That the evidence offered at said hearing was insufficient to prove that said wells are capable of production, are not endangering fresh waters, or are not causing waste of carbon dioxide gas.

(7) That in order to provide the Commission with data sufficient to show whether or not said wells are capable of production, are an endangerment to fresh waters, or may cause waste of carbon dioxide gas, Forms C-103 and C-104 properly completed and containing missing well data should be filed with the Santa Fe office of the Commission on or before January 15, 1977, for each of said three wells; Form C-105 properly completed and containing missing well data should be filed on or before January 1, 1977, for the Gonzales "A" Well No. 1; and each of said wells should have a potential production test conducted thereon with liquid samples being taken.

(8) That John W. Adams, Executor of Estates of R. W. and June Adams; and Ruth McGahey, Fred McGahey and David McGahey dba Adams and McGahey are also the owners and operators of the State Well No. 1 located in Unit L of Section 27 and the Galliger Well No. 1 located in Unit N of Section 9, both in Township 21 North, Range 30 East, NMPM, Harding County, New Mexico.

(9) That in order to prevent waste and protect fresh waters, said wells were ordered to be plugged and abandoned pursuant to Commission Order No. R-5271 following notice and hearing.

(10) That the Commission has retained jurisdiction over these wells according to the provisions of Order No. R-5271, and therefore properly considered testimony relating to their producing capacity and the possibility of their endangerment to fresh waters and their potential for causing waste of carbon dioxide gas at the above-mentioned De Novo hearing.

(11) That the evidence offered at said hearing was insufficient to prove that said wells are capable of production, are not endangering fresh waters; or may not cause waste of carbon dioxide gas.

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(12) That in order to provide the Commission with data sufficient to show whether or not said wells are capable of production, are an endangerment to fresh waters or may cause waste of carbon dioxide gas, Forms C-103 and C-104 properly completed and containing missing well data should be filed with the Commission on or before January 15, 1977, for each of said two wells; and each of said wells should have a potential production test conducted thereon with liquid samples being taken.

(13) That the well tests and liquids sampling required should be completed on or before April 1, 1977.

(14) That the operator should notify the Santa Fe office of the Commission in sufficient time so that the Commission at its option can witness said tests.

(15) That if any of the provisions of this Order are not complied with, Orders Nos. R-5270 and R-5271 should be reinstated as they pertain to each of the five above-described wells.

IT IS THEREFORE ORDERED:

(1) That John W. Adams, Executor of Estates of R. W. and June Adams; and Ruth McGahey, Fred McGahey, and David McGahey dba Adams & McGahey shall file Forms C-103 and C-104 properly completed and containing missing well data with the Santa Fe office of the Commission on or before January 15, 1977, for each of the following wells in Township 21 North, Range 30 East, NMPM, Harding County, New Mexico:

Gonzales Well No. 2, located in Unit P of Section 9;
Adams & McGahey Well No. 1, located in Unit B of
Section 16;
Gonzales "A" Well No. 1, located in Unit H of Section 32;
State Well No. 1, located in Unit L of Section 27; and
Galliger Well No. 1, located in Unit N of Section 9.

(2) That John W. Adams, Executor of Estates of R. W. and June Adams; and Ruth McGahey, Fred McGahey, and David McGahey dba Adams & McGahey shall file Form C-105 properly completed and containing missing well data with the Santa Fe office of the Commission on or before January 15, 1977, for the Gonzales "A" Well No. 1 located in Unit H of Section 32, Township 21 North, Range 30 East, NMPM, Harding County, New Mexico.

(3) That the operator of the five above-described wells shall test each of said wells on or before April 1, 1977, to determine their producing potential and shall take water

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samples.

(4) That the operator shall notify the Santa Fe office of the Commission of the date and time of such tests in sufficient time so that the Commission at its option may witness said tests.

(5) That if Orders (1), (2), (3), or (4) of this Order are not complied with, Orders Nos. R-5270 and R-5271 shall be reinstated as they pertain to each of the five above-described wells.

(6) 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.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

PHIL R. LUCERO, Chairman



EMERY C. ARNOLD, Member



JOE D. RAMEY, Member & Secretary

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