OIL CONSERVATION COMMISSION

SANTA FE, NEW MEXICO

BEFORE EXAMINER STOGNER
OIL CONSERVATION DIVISION
EXHIBIT NO. 4
CASE NO. 11487

Hobbs, New Mexico

J. W. Head, M.D.
115 East Fifth Street
Borger, Texas

Re: Head & Miller Well - F. C. DeBaca Lease - Well no. 1
31-20N-31E. Bueyeros Field.

Dear Dr. Head:

Please find enclosed Oil Conservation Commission Form C-102, which you sent me for approval. From the information I gathered from the log of the well and Form C-102, approved by Mr. Andreas on January 3, 1937, I am enclosing a revised form C-102 for your signature. Please return this to me at your earliest convenience and notify me also when you are ready to start plugging operations as I am required to be on the job when the plugging is done.

Very truly yours,

Roy O. Yarbrough
State Oil and Gas Inspector.

ROYPMS
cc Carl Livingston

P. S. To refresh your memory and for your convenience, enclosed please find copy of Form C-102, approved January 3, 1937, by A. Andreas, which matter is referred to in the letter above.

OIL CONSERVATION COMMISSION

SANTA FE, NEW MEXICO

May 2, 1945

J. Wesley Head, M. D.
110 East Fifth Street
Borger, Texas

Re: Case No. 53 - Order No. 587
Head & Miller - Carbon Dioxide well

Dear Dr. Head:

In reply to your recent wire please consult the provisions of the order in the above captioned matter, a copy of which order was transmitted to you by mail January 30, 1945. To refresh your memory the order portion of the order is quoted below:

"IT IS THEREFORE ORDERED:

A. That J. L. Head and W. A. Miller shall be permitted to plug said well in accordance with the provisions of said bond and the laws, rules and regulations of the Commission, unless before such plugging is performed any of those claiming the ownership or operating rights of said well supply the Commission with acceptable bond to cover said well pending the outcome of said litigation determining title to the land upon which said well is located and the consequent operating rights thereof. If, however, after six months from the effective date of this order, the petitioners herein have not already plugged said well or if any of those claiming the operating rights or ownership of said well have not supplied an acceptable bond to the Commission, then the petitioners herein must proceed to plug said well in accordance with the laws, rules and regulations of the Commission and its administrative requirements.

B. The order herein shall be effective 15 days after its execution."

You will observe three things: The order did not go into effect until 15 days after its execution date, which was January 29, 1945. Then for

six months Head and Miller are permitted to plug said well unless before such plugging is performed any of the interested parties supply the Commission with an acceptable plugging bond to cover the well pending the outcome of existing litigation. Then after that six months period the well must be plugged if no bond is submitted or if Head and Miller has not already plugged the well. Head and Miller, under the provisions of the above quoted order, are required in the plugging procedure to plug said well in accordance with the laws, rules and regulations and administrative requirements of the Commission.

The requirements governing plugging provide that application shall be made in triplicate upon Form C-102, notice of intention to plug, setting forth the plugging program. Before actual plugging is to be performed approval is required by an authorized agent of the Commission - this is Mr. Roy Yarbrough, State Oil and Gas Inspector, Hobbs, New Mexico. Your plugging program which you may propose may or may not be in keeping with good conservation practices. Mr. Yarbrough passes upon such features. When approved by that official then you perform the plugging in accordance with the approved notice. Then when the actual plugging is done a report of plugging is made in triplicate upon Form C-103, showing how the proposal of plugging was carried out. When this latter report is approved by Mr. Yarbrough, your bond is entitled to cancellation.

In my letter of April 25, I simply recited the fact that no plugging bond had thus far been submitted. Then on April 27 when I learned that a plugging bond was expected to be filed soon I deemed it advisable simply to advise you of the fact that a bond was expected to be filed. I felt that I should so inform you since in substance the order provides that for a six months period Head and Miller may plug the well in accordance with administrative requirements provided one of the interested parties did not file a plugging bond before the well was actually plugged.

Very truly yours,

Paul L. Wimpey
Chief Clerk & Legal Adviser

CBL:MS
cc Roy Yarbrough

May 16, 1945

Dr. J. Wesley Head,
110 East Fifth Street
Borger, Texas

Re: Case No. 53 - Order No. 587
Head & Miller - Carbon Dioxide well

Dear Dr. Head:

As requested in your letter of May 12 you are being sent herewith a set each of Form C-102 and C-103. Under separate cover you are being sent Circular 5 of the Commission. At page 23 note the "Outline of Steps to be Taken by Well Operators From Beginning to End". See steps 14 and 15 which refer to the particular page and rule governing plugging of a well.

When you prepare Form C-102 in triplicate outlining your plugging program you are to submit that form to Roy O. Yarbrough, State Oil and Gas Inspector, Hobbs, New Mexico, for his consideration of approval; however, Mr. Yarbrough's approval will be subject to the provisions of the above captioned order which, as heretofore pointed out to you, prescribes a six months period in which any interested party may submit an acceptable plugging bond to the Commission unless prior to that time you have performed the plugging.

Very truly yours,

Carl B. Livingston
Chief Clerk & Legal Adviser

CBL:MS
cc Roy Yarbrough

Roy: Will send you the log when you are ready for it. Whatever approval you give to C-102 should be conditioned to the provisions of Order 587 - Will be glad to assist you in wording the qualification under which your approval of the plugging

KIKER & SANCHEZ
ATTORNEYS AT LAW
SALMON BUILDING
SANTA FE, NEW MEXICO

H. A. KIKER
MANUEL A. SANCHEZ

September 8, 1945

Mr. Roy O. Yarbrough,
Oil & Gas Inspector,
Hobbs, New Mexico.

Dear Mr. Yarbrough:

Your wire with reference to the Head and Miller well has just been received.

Our wire sent to you yesterday was the result of a telephone conference between the writer and Mr. Carl C. Livingston, in which Mr. Livingston suggested to wire you. The writer of this letter was in Denver on September 6th, and left there feeling hopeful that a plugging bond would be secured in the very near future for the Colo-Mex Gas Company, which company is interested in this well. The people interested in that Company are very much opposed to having the well plugged, and some of them have agreed to personally indemnify the surety company which may write a bond for them.

We shall need the information requested in our wire as soon as you can give it to us, and we shall be glad to have you wire us or telephone us at our expense immediately upon receipt by you of the designation of a date by Head and Miller when they will appear on the premises to plug the well. For this information we thank you in advance.

Very truly yours,

H. A. Kiker

HAK/JF
AIRMAIL

ILLEGIBLE

1217-A

CLASS OF SERVICE DESIRED			
DOMESTIC		CABLE	
TELEGRAM		FULL RATE	
DAY LETTER		DEFERRED	
NIGHT MESSAGE		NIGHT LETTER	
NIGHT LETTER		SHIP RADIOGRAM	

Patrons should check class of service desired; otherwise message will be transmitted as a full-rate communication.

WESTERN UNION

R. B. WHITE
PRESIDENT

NEWCOMB CARLTON
CHAIRMAN OF THE BOARD

J. C. WILLEVER
FIRST VICE-PRESIDENT

CHECK

ACCT'G INFMN.

TIME FILED

Send the following message, subject to the terms on back hereof, which are hereby agreed to

Roy O. Yarbrough
Oil Conservation Commission, Hobbs, New Mexico

Will you please advise us when it is known the date on which Head & Miller Propose to plug Harding County Dry Ice Well Baca Lands at Bueyeros we expect to off offer Commission new bond for interested paties in short time.

Kiker & Sanchez

CLASS OF SERVICE DESIRED			
DOMESTIC		CABLE	
TELEGRAM		FULL RATE	
DAY LETTER		DEFERRED	
NIGHT MESSAGE		NIGHT LETTER	
NIGHT LETTER		SHIP RADIOGRAM	

Patrons should check class of service desired; otherwise message will be transmitted as a full-rate communication.

COPY OF WESTERN UNION TELEGRAM

To: Kiker & Sanchez

Notice of intention to plug Head & Miller Well No. 1 Section 31 T20N R31E Harding County approved as of August 29th, but I have not received notice of the date they intend to start plugging operations as of this date. A copy of the plugging Program is on file at the Oil Conservation Commission Santa Fe office and you may see it by contacting Mr. Carl B. Livingston.

Signed Roy O. Yarbrough
Oil & Gas Inspector

CLASS OF SERVICE

This is a full-rate Telegram or Cablegram unless its deferred character is indicated by a suitable symbol above or preceding the address.

WESTERN UNION

1201

JOSEPH L. EGAN
PRESIDENT

SYMBOLS
DL = Day Letter
NL = Night Letter
LC = Deferred Cable
NLT = Cable Night Letter
Ship Radiogram

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

DB11

1949 JAN 9 AM 9 50

D AYA37 PD=RATON NMEX 9 908A=

:ROY YORBROUGH=

:CARE STATE OIL AND GAS COMMISSION OR.RES HOBBS NMEX=

902 WEST Broadway

:PLEASE ADVISE BY RETURN WIRE IF YOU WILL BE ABLE TO MEASURE FLOW OF DEBACCA WELL NUMBER TWO TOMORROW AS PER TELEPHONE CONVERSATION OF YESTERDAY=

:C W TUDOR=

No. 557

By At

THE COMPANY WILL APPRECIATE SUGGESTIONS FROM ITS PATRONS CONCERNING ITS SERVICE

CLASS OF SERVICE

This is a full-rate Telegram or Cablegram unless its deferred character is indicated by a suitable symbol above or preceding the address.

WESTERN UNION

JOSEPH L. EGAN
PRESIDENT

1201

(39)

SYMBOLS

DL = Day Letter
NL = Night Letter
DC = Deferred Cable
NLT = Cable Night Letter
Ship Radiogram

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Case 1257

1949 JAN 11 PM 8 45

AMA305 PD=ROY NMEX 11 925A=

MR ABERNATHY=

OIL CONSERVATION OFFICE HOBBS NMEX=

IF YOU CANT COME BY TOMORROW PLEASE LET ME KNOW=

O W STEVENS=

59

THE COMPANY WILL APPRECIATE SUGGESTIONS FROM ITS PATRONS CONCERNING ITS SERVICE

COSMOPOLITAN HOTEL
HOST OF THE WEST
DENVER, COLORADO

Jan 14 - 49

Mr Yarbrough
Oil Conservation
~~Hobbs~~ N Mex

Dear Mr Yarbrough

will you please let me know when you can meet me at the well to take the measurment of the CO_2 gas known as the Miller ~~Head~~ well or ~~Boca~~ no 2 the one Mr Tudor called you about, near Mosquero N Mex

Yours Very Truly

O W Stevens
Po Box 2101
Denver Colo

The operator at Roy said you had left the Rone when I arrived Wednesday night

George Marion with the RFC
called on aug 31- 1944 and ask
for depth and thickness on producing
formation in Hand and Miller and
carbonic chemical corp in Lacs
8- 29- and 19- 19- 30

Dec 31- 20 31.

Box 1545
Hobbs, New Mexico
January 24, 1949

Mr. C. W. Tudor
549 West Washington Blvd.
Chicago, Illinois

Dear Sir:

I took a volume test on Solo Gas Company, Healy and Appel Well No. 1, F. S. De Baca Lease, Sec. 31, T. 20N, R. 31E.

After opening the well wide open on 8 5/8 opening and flowing for four hours the test showed the well to be making 3,125,000 ft. of CO_2 Gas as of January 19, 1949.

Test made by Roy E. Yarbrough, State Oil & Gas Inspector. Witnesses by Clyde B. Neill and W. T. Stevens.

Very truly yours,

Roy E. Yarbrough
Oil & Gas Inspector

ROY:og
cc: Guy Shepard
State Land Office

Clyde B. Neill
W. T. Stevens

DOMESTIC SERVICE

Check the class of service desired; otherwise this message will be sent as a full rate telegram

FULL RATE TELEGRAM		SERIAL	
DAY LETTER		NIGHT LETTER	

WESTERN UNION

JOSEPH L. EGAN, PRESIDENT

1206

INTERNATIONAL SERVICE

Check the class of service desired; otherwise this message will be sent at the full rate

FULL RATE		DEFERRED	
CODE		NIGHT LETTER	

NO. WDS.-CL. OF SVC.	PD. OR COLL.	CASH NO.	CHARGE TO THE ACCOUNT OF	TIME FILED

Send the following message, subject to the terms on back hereof, which are hereby agreed to

PSJ | SER PREPAID 1-26-49

ROY YARBROUGH
STATE OIL AND GAS INSPECTOR
HOBBS NEW MEXICO

CONFIRMATION

PLEASE WIRE COLLECT 549 W. WASHINGTON VOLUME AND PRESSURE BACA WELL, HARDING COUNTY. PLEASE GIVE EXPECTED FLOW THRU 6-5/8" AND 2" PIPE.

REGARDS.

C. W. TUDOR

549 6-5/8" 2"

CLASS OF SERVICE

This is a full-rate Telegram or Cablegram unless its deferred character is indicated by a suitable symbol above or preceding the address.

WESTERN UNION

JOSEPH L. EGAN
PRESIDENT

1201

SYMBOLS

DL = Day Letter
NL = Night Letter
LC = Deferred Cable
NLT = Cable Night Letter
Ship Radiogram

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RW14 SER PD WUX CHICAGO ILL 26 945A

1949 JAN 26 AM 10 07

ROY YARBROUGH

STATE OIL AND GAS INSPECTOR HOBBS

PLEASE WIRE COLLECT TRY 49 W WASHINGTON VOLUME AND PRESSURE

BACA WELL HARDY COUNTY PLEASE GIVE EXPECTED FLOW THROUGH X 6-58 INCHES

AND 2 INCH PIPE REGARDS.

C W TUDOR

559
Y 10187P

THE COMPANY WILL APPRECIATE SUGGESTIONS FROM ITS PATRONS CONCERNING ITS SERVICE

Date: December 3, 1949
Place:
One-well Bond #833289 COLO-MEX GAS CO.
Description:

To: The New Mexico Oil Conservation Commission
Santa Fe, New Mexico

TRANSFER

WHEREAS, the undersigned is (are) signer(s) of approved C-101, Notice of Intention to Drill (in effect the permit to drill), hereinafter referred to as the permit, the well covered by the bond noted in the caption, assuring plugging when dry or abandoned in accordance with the laws, rules and regulations of the New Mexico Oil Conservation Commission, hereinafter referred to as the Commission;

WHEREAS, the undersigned no longer desire(s) to operate said well and now wish(es) to be relieved of further responsibility under said bond and permit;

NOW, therefore, subject to the approval of the Commission, the undersigned transfer(s) the permit to the party executing the acceptance thereof hereinbelow, and request(s) cancellation of the above captioned bond.

COLO-MEX GAS COMPANY

By [illegible]

Secretary

ACCEPTANCE

The undersigned has (have) read and understand(s) the foregoing transfer and subject to the approval of the Commission accept(s) said transfer under the undersigned's well plugging bond on file with the Commission with the same force and effect as though the permit had been originally approved in the name of the undersigned.

ICECO, INC.

By [illegible]

Approved:

Box 1545
Hobbs, New Mexico
January 31, 1949

Mr. C. W. Tudor
549 W. Washington Blvd.
Chicago, Illinois

Dear Mr. Tudor:

On January 24, 1949, I wrote you giving you the report on the volume test I took on the Baca Well in Harding County.

On January 26, I received a telegram from you requesting this information so I immediately sent a telegram back to you.

Today we have again received a request for this information. Enclosed is copy of the letter I wrote you on January 24, 1949.

Very truly yours,

Oil & Gas Inspector

cg
encl.

January 20, 1950

SWNW 32-20N-31E Head & Miller, F. C. De Baca No. 1 well was never drilled

NWNE 31-20N-31E Iceco, Inc. Debaca No. 2 transferred from Colo-Mex

OIL CONSERVATION COMMISSION

SANTA FE, NEW MEXICO

June 1, 1951

Iceco, Incorporated
115 West Center
Tucumcari, New Mexico

Attention: Mr. Don Schreiber

Dear Mr. Schreiber:

As agreed in my recent visit to you, I am sending you a supply of C-102, C-103, C-105, C-110, C-114 forms, as well as a copy of the Rules and Regulations.

In checking our files for the Iceco DeBaca No. 2, I find that it is complete. I note that a Notice of Intention to Drill the Iceco No. 1 SENW 31-20-31, was cancelled and we are of the impression that this well was never drilled - if true please advise.

We have a file for the Iceco Libby No. 1 SWNE 31-20N-31E, which I assume was drilled and if it was drilled we are considerably lacking in detailed reports. In other words to complete this file it will be necessary to file the C-103 on casing, cementing, perferating or any other operation which might have taken place while this well was being drilled, as well as the completion data, that is wellhead pressure, initial potential and the method of completion.

It is my understanding that you were taking from 3 wells, and if this is true I am afraid one of your wells has been drilled without permission, and if this be the case I suggest that you file with us Form C-101 - Notice of Intention to Drill as well as the above mentioned reports.

Before producing these wells you are supposed to have a C-110 since it is your authorization to produce. I would suggest that you file all three of these.

There is also the matter of reporting the production. These reports on the C-114 should include the amount of gas produced from each well lisjed separately as well as the amount of solids and liquids extracted.

I would appreciate receiving these reports at the earliest possible time. I am particularly interested in receiving your production reports for the year 1950.

Yours very truly,

ELVIS A. UTZ,
Gas Engineer

EAU/ir

OIL CONSERVATION COMMISSION

SANTA FE, NEW MEXICO

July 25, 1951

Iceco, Inc.
115 W. Center
Tucumcari, New Mexico

Re: The Iceco State #1, SE¼NW¼
Sec. 21, Twp. 20N, Rge. 31E.

Iceco, Inc. De Baca #2, NW¼NE¼
Sec. 31, Twp. 20N, Rge. 31E.

Iceco, Inc. Libby #1, SW¼NE¼
Sec. 31, Twp. 20N, Rge. 31E.

Dear Mr. Holden:

This is in answer to your letter of July 20th, 1951, pertaining to delinquent reports on the above caption wells. In reveiwing the files on the above wells I find the following:

The Iceco #1 -
C-101, Notice of Intention to Drill was filed January 19, 1950, approved by me February 9, 1950. There is some question as to whether this well was drilled or not. If it was drilled we are in need of C-102, Miscellaneous Notices, C-103s, Miscellaneous Report on Wells and C-105 which is a log of wells along with other pertinent data.

Iceco De Baca #2 -

For this well we have the surveyor's plat showing the exact location, C-102 and C-103, which gives an adequate account of the re-work which was accomplished on this well by Halliburton. We are lacking however, form C-105, which is a log of this well along with other information which is noted on the form. It may be the log for this well is not available since it is an old well, but if it is possible to obtain this information we are interested in having it.

Iceco Libby #1 -

We have only a C-101, Notice of Intention to Drill, dated April 19, 1950,

approved by me April 22, 1950. I am under the impression that this well has been drilled and completed and is now delivering gas to your plant. If this is true we need the following forms: C-102 and C-103, covering the exact nature of the casing program as well as any other information on work that was done. These forms should give an account of whip stocking, shooting, plugging back, etc. We also need a C-105, which I am sure should be available for this well.

In my letter of June 1, 1951, to Mr. Don Schreiber, I briefly explained the use of forms C-110, Certificate of Compliance and Authorization to Transport Oil or Gas and form C-114, Gasoline and other Extraction Plant Monthly Reports, and which I have referred to in a recent letter to you. You will note that C-114 is not precisely for Carbon Dioxide production, however this is the form we intend to use until such time as we have a form for this specific reporting. The things that we are interested in pertaining to your operations are the amount of gas produced from each well, the liquids or solids extracted from this volume and where these liquids and solids are marketed.

It will probably be three or four weeks before I am in the vicinity of Tucumcari, but on my next trip to this area I will notify you so that we can get together for a discussion of these matters, however if you possibly can, I would like to have the above information before that time.

Very truly yours,

Elvis A. Utz
Gas Engineer

EAU:lhh

OIL CONSERVATION COMMISSION
P. O. BOX 871
SANTA FE, NEW MEXICO

August 3, 1954

Mr. August Hayoz, Plant Foreman
c/o Iceco Inc.
Bueyeros, New Mexico

Re: Iceco remedial work
on Libby Co_2 wells in
Harding County

Dear Sir:

Concerning the current work being done at the Iceco wells we have received the necessary notices of intention to do this work. Now, as the work progresses on each well if is imperative that Iceco submit to this office an exact and detailed account of all work done on each well with dates. I am aware of the fact that the wells, in general, are in pretty bad condition as regards breaks and leakage in the casing. We shall want to know how much cement is squeezed into each interval, the depths of each interval and the pressures applied.

If bleeder strings are installed all data on these operations will be expected such as the size of the tubing, length of tubing and its effectiveness with respect to elimination of water.

As I have stated before it is essential that proper individual gauges be installed on each well. If, after installation of bleeder strings, you are going to continue having water troubles in the measurement of your gas then it would be advisable to install a gas-water separator before the gas reaches the plant. Along with the orifice meters on the wells you should have at least one temperature gauge recording the gas temperature simultaneously with your meter runs as the temperature element is very important in the computation of gas volumes.

We assume that with all the water that the wells have been making you have had to blow off the wells periodically to get rid of this water. This is a generally accepted practice if it is not over done and the loss of gas is suffered directly by the operator and indirectly by the landowner or recipient of royalties.

I trust I have clarified our stand on this matter.

Very truly yours,

EAC

EUGENE A. CHAVEZ
oil & gas inspector — Dist. # 4

cc:
Ioeco, Tucumcari
Dr. Secord, Chicago
Mr. Norman Libby, Bueyeros