



OIL CONSERVATION COMMISSION

STATE OF NEW MEXICO
1000 RIO BRAZOS ROAD - AZTEC
87410

GOVERNOR
DAVID F. CARGO
CHAIRMAN

LAND COMMISSIONER
ALEX ARMijo
MEMBER

STATE GEOLOGIST
A. L. PORTER, JR.
SECRETARY - DIRECTOR

April 2, 1969

Beard Oil Company
2000 Classen Building
Oklahoma City, Oklahoma

Re: Conversion to Water Well, Beard Oil Co. #1 Floyd Lee
1980/N; 360/E, Section 1, Township 15 North, Range ~~X~~ 17 West,
McKinley County, New Mexico

Gentlemen:

We have received Form C-105, Well Record Form, and Form C-103, Sundry Report, indicating that the above well was to be transferred to Mr. Floyd Lee with his agreement for conversion to a flowing water well.

New Mexico Oil Conservation Rule 106, Paragraph B reads as follows:

"All fresh waters and waters of present or probable value for domestic, commercial, or stock purposes shall be confined to their respective strata and shall be adequately protected by methods approved by the Commission. Special precautions by methods satisfactory to the Commission shall be taken in drilling and abandoning wells to guard against any loss of artesian water from the strata in which it occurs, and the contamination of artesian water by objectionable water, oil or gas."

Information that you have filed does not indicate the source of the artesian water in this well. I have learned from Mr. W. D. Stricklin, your representative, that fresh water was indicated in both the Crevasse Canyon Sandstone and the Massive Gallup Sandstone. As the well was left, both these zones are open in the well bore which is cased only to a depth of sixty-two feet where eight and five-eighths inch casing was cemented. Some other wells in the south end of the San Juan Basin have proven to have artesian flows from the Massive Gallup Sandstone and I do not know of any that flow from the Crevasse Canyon; so the Massive would seem to be the most likely source. However, in view of the question in this regard, I will outline two courses of action below to cover either eventuality and you may proceed accordingly when you determine the source.

1. If the Crevasse Canyon Formation is determined to be the water source, a one hundred foot cement plug should be set in the hole below the base of the Crevasse Canyon to separate this formation from lower porous zones. Casing should then be installed to or through the Crevasse Canyon depending upon how you or Mr. Lee decide that you want to complete the well. This casing should be cemented with sufficient cement to cover the Crevasse Canyon Formation.

2. If the Massive Gallup is determined to be the water source, casing should be installed to or through the Massive Gallup, again depending upon your method of completion, and this casing should be cemented with sufficient cement to cover the Hospah zone.

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As the artesian water in this well is presently unconfined in the well bore from a depth of sixty-two feet to two thousand seventy feet, which section includes several porous sandstone zones, the probability exists that water is being lost from the artesian aquifer. We are therefore directing that action be commenced within the next thirty days to case the well in accordance with the above instructions, or in the alternative to plug and abandon the well in accordance with New Mexico Oil Conservation Commission regulations.

Please contact us if further information is desired.

Thank you.

Yours very truly,

Emery C. Arnold
Supervisor, District #3

ECA:mc

cc: Mr. A. L. Porter
Oil Conservation Commission
Santa Fe, New Mexico

Mr. Floyd Lee
San Mateo, New Mexico

Mr. W. D. Stricklin
Petroleum Plaza
Farmington, New Mexico



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May 7, 1969

Mr. George Hatch
Assistant Attorney General
New Mexico Oil Conservation Commission
P. O. Box 2088
Santa Fe, New Mexico

Re: Conversion to Water Well
Beard Oil Co., Floyd Lee #1, 1980/N; 360/E, Section 1, Township 15 North,
Range 7 West, McKinley County, New Mexico

Dear Mr. Hatch:

Please refer to your copy of my letter written to Beard Oil Company on
April 2, 1969. concerning the above matter;

You will note that we instructed Beard Oil Company to commence operations
on the above well within thirty days of the date of my letter or in the
alternative to plug and abandon the well in accordance with our instructions.

I have had no response from Beard Oil Company to the above mentioned letter.
I am, therefore, requesting that a case be set before the Commission to have
the operator show cause why the well should not be cased according to our
instructions or plugged and abandoned.

It appears that the earliest time that the matter could be set for hearing
would be the June 4, 1969, Examiner Hearing. I request that the matter
be set for that date.

In the event of further developments which might alter the course of action,
I will immediately advise you. Thank you.

Yours very truly,

Emery C. Arnold
Emery C. Arnold
Supervisor, District #3

ECA:mc

cc: Beard Oil Company, 2000 Classen Building, Oklahoma City, Oklahoma
Mr. Floyd Lee, San Mateo, New Mexico
Mr. W. D. Stricklin, Petroleum Building, Farmington, New Mexico
American Casualty Company of Reading Pennsylvania, Surety
Oklahoma City, Oklahoma - 74106