CASE 4491: MOTION OF THE OCC TO PERMIT W. C. WELCH TO PLUG HIS STATE WELL NO. 1, DE BACA CO.

ase Number

Application Transcripts. Small Exhibits



BEFORE THE NEW MEXICO OIL CONSERVATION COMMISSION SANTA FE, NEW MEXICO

February 3, 1971

EXAMINER HEARING

IN THE MATTER OF:

Hearing called by the Oil Conservation Commission on its own motion to permit W. C. Welch and all other interested persons to appear and show cause why his State Well No. 1 located 660 feet from the South and West lines of Section 28, Township 2 South, Range 26 East, DeBaca County, New Mexico, should not be plugged and abandoned in accordance with a Commission-approved plugging program.

Case No. 4491

BEFORE: Daniel S. Nutter, Examiner

SPECIALIZING INCODENTIONS, NEARINGS, STATEMENTS, EXPERT TESTIMONY, DAILY COPY, CONVENTIONS

209 SIMMS BLDQ, • P.O. BOX 1092 • PHONE 242 6691 • ALBUQUERQUE, NEW MEXICO

dearnley-meier reporting service, inc.

TRANSCRIPT OF HEARING

		page 2		
	1	MR. NUITER: At the present time, we'll call Case		
	2	Number 4491.		
	3	MR. NATCH: Case 4491, in the matter of the hearing		
	4	called by the Oil Conservation Commission on its own motion		
;	5	to permit W. C. Welch and all other interested persons to		
2 2 2	6	appear and show cause why his State Well No. 1 located 660 feet		
	7	from the South and West lines of Section 28, Township 2 South,		
mei	8	Range 26 East, De Baca County, New Mexico, should not be		
dearnley-meier	9	plugged and abandoned in accordance with a Commission-approved		
arn	10 plugging program.			
11 If the Examiner		If the Examiner please, George Hatch appearing on		
CONVENTIONS CONVENTIONS	12	behalf of the Commission. I have one witness, Mr. Bill		
7, CONV	13	Gressett. I'd like to have him sworn, please.		
TESTIMONY, DAILY COPY, Querque. Nemmexi Ewmexico 87108	14	MR. NUTTER: All right.		
жонт, D Роце, -	15	(Witness sworn.)		
⊢ ⊃ z	16	W. A. GRESSETT		
5, EXPER 91 • ALB 24 0 • ALB	17	called as a witness, having been first duly sworn, was		
TEXENTS, EXPE 243-6601 • A L . J C U E R Q U E	18	examined and testified as follows:		
RINGS, STAT 2 o Phone East o Ali	19	DIRECT EXAMINATION		
, HEAR IN X 1092 -	20	BY MR. HATCH:		
EPOSITIONS, P.O. BOX	21	Q Would you state your name and position for the		
SPECIALIZING IN: DEPOSITIONS, HEARINGS, STATEMENTS, 204 SIMMS BLDG., P.O. BOX 1092 • PHONE 243-069 FIRST NATIONAL BANK BLDG. EAST • ALBUQUES		record now, please.		
		A W. A. Gressett, District Supervisor of District Two		
5PECI 204 S	24	of the Oil Conservation Commission.		
	25	Q Would you spell your last name for the Reporter, pleas		

and the second second

PAGE 3

G-r-e-double s-e-double t. A 1 All right. And where do you reside, Mr. Gressett? 2 Q In Artesia. А 3 Q In reference to this case that has just been called, 4 4491, I think you have some additional information that you 5 gained yesterday that is going to cause you to make a б recommendation that the case be dismissed. Would you report 7 dearnley-meier that to the Examiner, please. 8 А Yes, sir. I recommend that this case be dismissed 9 due to change in operator from W. C. Welch to Luttrell Oil and 10 Gas Company effective 2/1/71. 11 SPECIALIZING IN: DEPOSITIONS, HEARINGS, STATEMENTS, EXPERT TESTINONY, DAILY COPY, CONVENTIONS 12 Q And they have filed with your office in Artesia 209 SIMMS BLDG. & P.D. BOX 1002. PHONE 243-6691. ALBUQUERQUE. NEW MEXICO 87103 First national Bank Bldg. East-Albuquerque, new mexico 87108 a drilling project that you have agreed to? 13 Yes, sir. That's correct. 14 А 15 MR. NUTTER: Case Number 4491 will be dismissed. 16 17 18 19 20 21 22 23 24 25

page 4



5 PAGE

STATE OF NEW MEXICO)) SS COUNTY OF BERNALILLO)

I, CHARLOTTE J. MACIAS, Court Reporter in and for the County of Bernalillo, State of New Mexico, do hereby certify that the foregoing and attached Transcript of Hearing before the New Mexico Oil Conservation Commission was reported by me and that the same is a true and correct record of the said proceedings, to the best of my knowledge, skill and ability.

nene Court Reporter

the

a ristai

f do Perces.

T

fio oil

<u>a</u> (* 1

th.

ne.

an (New g 18

.37

4491

Listion

6.0

209 SIMMS BLDG., P.O. BOX 1002.0PHONE 243-0601.0LBUQUERQUE. NEW MEXICO 87103 FIRST NATIONAL BANK BLDG. EAST. ALBUQUERQUE, NEW MEXICO 87108

SPECIALIZING IN: DEPOSITIONS, HEARINGS, STATEMENTS, EXPERT TESTIMONY, DAILY COPY, CONVENTIONS

11 12 13 14 15 16 17 18 19 20 21 22 23 24 25

1

2

3

4

5

6

7

8

9

10

dearnley-meier 🖅

BEFORE THE NEW MEXICO OIL CONSERVATION COMMISSION Santa Fe, New Mexico January 13, 1971

EXAMINER HEARING

IN THE MATTER OF:

The hearing called by the Oil Conservation Commission on its own motion to permit W. C. Welch and all other interested persons to appear and show cause why his State Well No. 1 located 660 feet from the South and West lines of Section 28, Township 2 South, Range 26 East, De Baca County, New Mexico, should not be plugged and abandoned in accordance with a Commission-approved plugging program.

BEFORE: Daniel S. Nutter, Examiner.

TRANSCRIPT OF HEARING

Case No. 4491

)

)

)

}

)

)

)

MR. NUTTER: We will now call Case 4491.

MR. HATCH: Case 4491. In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit W. C. Welch and all other interested persons to appear and show cause why his State Well No. 1 located 660 feet from the South and West lines of Section 28, Township 2 South, Range 26 East, De Baca County, New Mexico, should not be plugged and abandoned in accordance with a Commission-approved plugging program.

This case failed to get advertised in sufficient time in the DeBaca County newspaper, so it was necessary to re-advertise this case to the next examiner hearing.

MR. NUTTER: Case 4491 will be continued to the next examiner hearing to be held at 9 o'clock a.m. on February 3, 1971, at this same place.

STATE OF NEW MEXICO)) ss COUNTY OF SANTA FE)

I, ETHEL S. ROMERO, Secretary, Oil Conservation Commission, do hereby certify that the foregoing and attached Transcript of Hearing before the New Mexico Oil Conservation Commission was reported by me; and that the same is a true and correct record of said proceedings to the best of my knowledge, skill and ability.

Jachel A Romano

Ethel S. Romero

1 00 haveny martify that the foregoing is 3 and a constant of the scane fings in 81 house to hearing of Case So. 949 Normal Jo constant Case So. 19.21 New Keyleo Otl Conservation Constant

CASE 4496: Application of BTA Oth Froducers for a pressure maintenance project, Lea and Roosevelt Countres, New Mexico. Applicant, in the abovestyled cause, seeks authority to institute a pilot pressure maintenance project in the Vada Pernsylvanian Pool by the injection of water into the Bough "C" formation in its 685 ltd. Bond Well No. 5 located in the SW/4 of Section 4, Township 9 South, Range 36 East, Lea County, New Mexico. Applicant further seeks the designation of a project area and the promulgation of rules for the project including a procedure whereby additional injection wells and the injection of air or gas may be approved administratively.

CASE 4486 (Continued and Readvertised):

Application of Continental Gil Company for a waterflood expansion, a dual completion, and lease commingling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to expand its Langlie-Mattix Jack A-29 waterflood project, Langlie-Mattix Pool, Lea County, New Mexico, to include the NW/4 NE/4 of Section 29, Township 24 South, Range 37 East, prior to said tract being offset by an injection well. Applicant also proposes to drill and dually complete a well in the SW/4 NE/4 of said Section 29 in such a manner as to produce gas from the Jalmat Gas Pool and inject water into the Langlie-Mattix Pool as an additional injection well. Applicant further seeks authority to commingle the Langlie-Mattix production from its Jack A-29 and Jack B-29 leases (both in the proposed project area) allocating production by the subtraction method after separately metering production from the Jack A-29 Lease.

- CASE 4497:
- D7: Application of Twinlakes Oil Company for special pool rules and a non-standard proration unit, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks the promulgation of special rules for the Twin Lakes-San Andres Pool, Chaves County, New Mexico, including provisions for the classification of oil and gas wells, spacing for oil and gas wells, and a limiting gas-oil ratio of 4000 to one. Applicant further seeks the establishment of a 160-acre non-standard Twin Lakes-San Andres gas proration unit comprising the W/2 W/2 of Section 36, Township 8 South, Range 28 East.

CASE 4491: (Continued from the January 13, 1971, Examiner Hearing)

In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit W. C.Welch and all other interested persons to appear and show cause why his State Well No. 1 located 660 feet from the South and West lines of Section 28, Township 2 South, Range 26 East, De Baca County, New Mexico, should not be plugged and abandoned in accordance with a Commission-approved plugging program.

CASE 4492: (Continued from the January 13, 1971, Examiner Hearing) In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit Norman R. Jones and all other interested persons to appear and show cause why his State A Well No. 1 located in the NE/4 SE/4 of Section 16, Township 30 South, Range 14 West, Hidalgo County, New Mexico, should not be plugged and abandoned in accordance with a Commission-approved plugging program. OIL CONSERVATION COMMISSION P. O. BOX 2088 SANTA FE, NEW MEXICO 87501

February 8, 1971

Mr. W. C. Welch 302 West Grand Artesia, New Mexico American Employers' Insurance Company Surety Claim Department c/o Edwin H. Ward, Resident Agent Artesia, New Mexico. Re: Case No. 4491 W. C. Welch State Well No. 1, located 660 feet from the South and West lines of Section 28, Township 2 South, Range 26 East, HMPM, De Baca County, New Mexico - American Employers' Insurance Company \$10,000 Blanket Plugging Bond Gentlemen: Enclosed is a copy of Order No. R-4096 entered by the Commission in the subject case.

Very truly yours,

GEORGE M. MATCH Special Assistant Attorney General

GMM/esr Enclosure

CCI NC. James E. Kirk Mr. Bill Gressett
Attorney at Law Supervisor, District 2
401 San Pedro Drive, N.E. Gil Conservation Commission
Albuquerque, New Mexico Drawer DD
Artesia, New Mexico

BEFORE THE OIL CONSERVATION COMMISSION OF THE STATE OF NEW MEXICO

IN THE NATTER OF THE HEARING CALLED BY THE OIL CONSERVATION COMMISSION ON ITS OWN MOTION TO PERMIT W. C. WELCH AND ALL OTHER INTEREGTED PERSONS TO APPEAR AND SHOW CAUSE WHY HIS STATE WELL NO. 1, LOCATED 660 FRET FROM THE SOUTH LINE AND 660 FRET FROM THE WEST LINE OF SECTION 28, TOWNSHIP 2 SOUTH, RANGE 26 EAST, HMPM, DE BACA COUNTY, HEW MEXICO, SHOULD NOT BE PLUGGED AND ABANDONED IN ACCORDANCE WITH A COMMISSION-APPROVED PLUGGING PROGRAM.

> CASE No. 4491 Order No. R-4096

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on February 3, 1971, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 8th day of February, 1971, the Commission, a quorum being present, 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 Commission has jurisdiction of this cause and the subject matter thereof.

(2) That the District Supervisor of the Commission's Artesia district office requested that Case No. 4491 be <u>dismissed</u>.

(3) That the request for dismissal should be granted.

IT IS THEREFORE OPDERED:

That Case No. 4491 is hereby dismissed.

-2-CASE No. 4491 Order No. R-4096

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

STATE OF NEW MEXICO OIL CONSERVATION COMMISSION me King BRUCE KING, Chairman ALEX JANIJA, Member A. L. PORTER, Jr. Member & Secretary

esr/

9	OFFICE DEPARTMENT	PENALTY FOR PRIVATE USE TO AVOID PAYMENT OF POSTAGE, \$300				
		DELIVERING OFFICE				
-71548-10	Co., Surety Flaim Dept.	PRAY				
	c/o Edwin H. Ward	FOR				
~£5-16-	Artesia, New Maxico	PEACE				
	INSTRUCTIONS: Show name and address below and					
1967	INSTRUCTIONS: Show have and where applicable. Complete instructions on other side, where applicable. Moisten guaged ende, attach and hold firmly to back of article. Print on front of article RETURN RECEIPT REQUESTED.	TO RETURN				
Apr.	NAME OF SENDER					
3811	CIL CONSERVATION COMMISSION					
	STREET AND NO. OR P.O. BOX	GMH				
E	P. O. Box 2088	······································				
POST OFFICE, STATE, AND ZIP CODE SANTA FE, NEW MEXICO 87501						
Ltr 1-22-71 - Case 4491						

a alas en anno 1979 - 1979 - 1979 - 1979 - 1979 - 1979 - 1979 - 1979 - 1979 - 1979 - 1979 - 1979 - 1979 - 1979

1	OFTICIAL BLANKING	PENALTY FOR PRIVATE USE TO ANOID PAYNENT OF POSTAGE, SNO		
1967 otto-71548-10	Mr. W. C. Welchurze & 302 West Grand M. PM & Artesia, New Mexico	PRAV E FOR PEACE		
	INSTRUCTIONS: Show name and address below and complete instructions on other hide, where applicable. Mointen gummed ends, attach and huld firmly to back of asticle. Print on front of article RETURN RECEIPT REQUESTED.	RETURN TO		
orm 3811. Apr.	NAME OF SENDER OIL CONSERVATION COMMISSION STREET AND NO. OR 1:0. BOX GMH P. O. BOX 2088			
1001	POST OFFICE, STATE, AND ZIP CODE SANTA FE, NEW MEXICO 87 Ltr 1-22-71 - Case			

Mr. W. C. Welch	POSTMARK OR DATE
STREET AND NO. <u>302 West Grand</u> CITY, STATE, AND ZIP CODE	
Artesia, New Mexico 8821 Hyou want a return receipt. check which If you	rant only
Lowhom When, and address to addr and when where delivered check h delivered FEES ADDITIONAL TO 20t FEE 50e	te

RECEIPT FOR CERTIFIED MAIL-206

	neoch i con ocninico mait206	
	SENT AMerican Employers' Insura	
တ	Surety Claim Department	OR DATE
82	STREE CYCO Edwin H. Ward, Resider	t Agent
332	CITY, STATE, AND ZIP CODE Artesia, New Mexico	1-22-71
No. 6	If you want c return receipt, check which If you want 10t shows 35t shows to whom, to whom when, and address and when delivered where delivered the c heck here	
<u>R</u> 1	FEES ADDITIONAL TO 20% FEE 500 fee POD FOR HELD NO INSURANCE COVERAGE PROVIDEO- LIVES LT NOT BOLIFTERNAT CANCEMAL 9]	(See other side)







: 	an an tara tara tara tara tara tara tara	
		े के 11 क े है। जनवारी के 17 के 16 कि
		bju postien «E
5.		01771 (1777) Bernes (1777) (17
		· · · · · · · · · · · · · · · · · · ·

OIL CONSERVATION COMMISSION P. O. BOX 2088 SANTA FE, NEW MEXICO 87501

• •

January 22, 1971

CERTIFIED - RETURN RECEIPT REQUESTED

Mr. W. C. Welch 302 West Grand Artesia, New Maxico

American Employers' Insurance Company Surety Claim Department c/o Edwin H. Ward, Resident Agent Artesia, New Mexico



Re: W. C. Welch State Well No. 1, located 660 feet from the South and West lines of Section 28, Township 2 South, Range 26 East, NMPM, De Baca County, New Mexico - American Employers' Insurance Company \$10,000 Blanket Plugging Bond

Gentlemen:

Enclosed is a copy of the docket of the Examiner Hearing to be held on Wednesday, February 3, 1971, at 9 a.m. in the Oil Conservation Commission Conference Room, State Land Office Building, Santa Fe, New Mexico. Case 4491, which was continued from the January 13, 1971, Examiner Hearing, concerns the subject matter.

Very truly yours,

GEORGE M. HATCH Special Assistant Attorney General

GNEL/ear Enclosure

cc: Mr. James E. Kirk Attorney at Law 401 San Pedro Drive, N.E. Albuguerque, New Mexico Mr. Bill Gressett Supervisor, District 2 Oil Conservation Commission Drawer DD Artesia, New Maxico

OIL CONSERVATION COMMISSION P. O. BOX 2088

SANTA FE, NEW MEXICO 87501

December 30, 1970

Mr. James E. Kirk Attorney at Law 401 San Pedro Drive, N.E. Albuquerque, New Mexico

 \bigcap

Dear Mr. Kirk:

Enclosed is a copy of the docket of the January 13, 1971, Examiner Hearing.

Re: Case 4491 - W. C. Welch State Well No. 1, located 660 feet from the South and West lines of Section 28, Township 2 South, Range 26 East, De Baca County, New Mexico

As Case 4491 was not advertised in De Baca County for January 13, 1971, it will be necessary to continue and readvertise the case for February 3, 1971. A docket for February 3 will be sent to you as soon as one has been printed.

Very truly yours,

GEORGE M. HATCH Attorney

GMH/esr Enclosure

cc: Mr. Bill Gressett Supervisor, District 2 Oil Conservation Commission Drawer DD Artesia, New Mexico (Case 4489 continued)

TOWNSHIP 8 SOUTH, RANGE 35 EAST, NMPM SECTION 32: SE/4

TOWNSHIP 8 SOUTH, RANGE 36 EAST, NMPM SECTION 22: SE/4

TOWNSHIP 9 SOUTH, RANGE 34 EAST, NMPM SECTION 12: NW/4

(g) Extend the Buffalo Valley-Pennsylvanian Gas Pool in Chaves County, New Mexico, to include therein:

TOWNSHIP 15 SOUTH, RANGE 28 EAST, NMPM SECTION 6: W/2

(h) Extend the Double L-Queen Pcol in Chaves County, New Mexico, to include therein:

TOWNSHIP 14 SOUTH, RANGE 29 EAST, NMPM SECTION 25: SW/4 SE/4

TOWNSHIP 15 SOUTH, RANGE 30 EAST, NMPM SECTION 7: SW/4

CASE 4490:

Application of Texas Pacific Oil Company for an exception to Order No. R-3221, as amended, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an exception to Order No. R-3221, as amended, which order prohibits the disposal of water produced in conjunction with the production of oil on the surface of the ground in Lea, Eddy, Chaves, and Roosevelt Counties, New Mexico. Said exception would be for the applicant's Wooley Federal Well No. 3 located in Section 21, Township 17 South, Range 30 East, Loco Hills-Abo Pool, Eddy County, New Mexico.

(This Case will be continued to 9:00 o'clock a.m. February 3, 1971) In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit W. C. Welch and all other interested persons to appear and show cause why his State Well No. 1 located 660 feet from the South and West lines of Section 28, Township 2 South, Range 26 East, De Baca County, New Mexico, should not be plugged and abandoned in accordance with a Commissionapproved plugging program.

In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit Norman R. Jones and all other interested persons to appear and show cause why his State A Well No. 1 located in the NE/4 SE/4 of Section 16, Township 30 South, Range 14 West, Hidalgo County, New Mexico, should not be plugged and abandoned in accordance with a Commission-approved plugging program.



Bill Gressett == W.C. Welch State I 660 FSZ & W lines 28, 25, 26E Debree July 29 - 1968 - Notice to dill approved ? 1140 fut => Feb 1969 -Welch was going to lione an interest in the week so allowed to line Jim Kirk - Oct. 1969 YAP? Should set -- Jim Kirk - atty -255-8444 alb-Setforbeam Jun 13, 297/ 3168 Ri

DRAFT

GMH/esr

. .

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 W. C. WELCH AND ALL OTHER INTERESTED PERSONS TO APPEAR AND SHOW CAUSE WHY HIS STATE WELL NO. 1, LOCATED 660 FEET FROM THE SOUTH LINE AND 660 FEET FROM THE WEST LINE OF SECTION 28, TOWNSHIP 2 SOUTH, RANGE 26 EAST, NMPM, DE BACA COUNTY, NEW MEXICO, SHOULD NOT BE PLUGGED AND ABANDONED IN ACCORDANCE WITH A COMMISSION-APPROVED PLUGGING PROGRAM.

CASE No. 4491

Order Nc. R-<u>4096</u>

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on February 3, 1971, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this _____day of February, 1971, the Commission, a quorum being present, having considered 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 Commission has jurisdiction of this cause and the subject matter thereof.

(2) That the District Supervisor of the Commission's Artesia district office requested that Case No. 4491 be <u>dismissed</u>.

(3) That the request for dismissal should be granted.

IT IS THEREFORE ORDERED:

That Case No. 4491 is hereby dismissed.

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

CASE 4492: MOTION OF THE OCC TO PERMIT NORMAN R. JONES TO FLUG HIS STATE A WELL NO. 1. (1020)