

CASE 4999: PLUGGING CASE (LEA)  
STANDARD PROD. CO. - BROWN LEASE  
WELLS NOS. 1, 2, 3, 4, 5, & 5-A

CASE No.

4999

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Application,

Transcripts,

Small Exhibits

ETC.

dearnley, meier & associates

209 SIMMS BLDG., P.O. BOX 1092, PHONE 243-6691 • ALBUQUERQUE, NEW MEXICO 87103  
1216 FIRST NATIONAL BANK BLDG. EAST • ALBUQUERQUE, NEW MEXICO 87108

BEFORE THE  
NEW MEXICO OIL CONSERVATION COMMISSION  
MORGAN HALL, STATE LAND OFFICE BUILDING  
SANTA FE, NEW MEXICO

June 20, 1973

IN THE MATTER OF:

The hearing called by the Oil  
Conservation Commission on its own  
motion to permit Standard Production  
Company and Aetna Life and Casualty  
and all other interested parties to  
appear and show cause why the Brown  
Lease Wells Nos. 1, 2, 3, 4, 5, and  
5-A, located in Units F, D, C, F,  
E, and E, respectively, of Section  
25, Township 25 South, Range 36  
East, Lea County, New Mexico,  
should not be plugged and abandoned  
in accordance with a Commission-  
approved plugging program, and why  
the location of Well No. 6 in Unit  
L and No. 7 in Unit M of said  
Section 25 should not be cleaned  
and levelled.

Case No. 4999

BEFORE: State Geologist, A. L. Porter, Jr.,  
Secretary-Director

I. R. Trujillo,  
Member

TRANSCRIPT OF HEARING

dearnley, meier & associates

209 SIMMS BLDG., P.O. BOX 1092, PHONE 243-6601, ALBUQUERQUE, NEW MEXICO 87103  
1216 FIRST NATIONAL BANK BLDG. EAST, ALBUQUERQUE, NEW MEXICO 87108

1 MR. PORTER: Case 4999.

2 MR. CARR: Case 4999: In the matter of the hearing

3 called by the Oil Conservation Commission on its own motion

4 to permit Standard Production Company and Aetna Life and

5 Casualty and all other interested parties to appear and

6 show cause why the Brown Lease Wells Nos. 1, 2, 3, 4, 5, and

7 5-A, located in Units F, D, C, F, E, and E, respectively, of

8 Section 25, Township 25 South, Range 36 East, Lea County,

9 New Mexico, should not be plugged and abandoned in accordance

10 with a Commission-approved plugging program, and why the

11 location of the Well No. 6 in Unit L and No. 7 in Unit M

12 of said Section 25 should not be cleaned and levelled.

13 We have one witness, Mr. Ramey.

14 \* \* \* \*

15 JOSEPH D. RAMEY,

16 was called as a witness, and having been already duly sworn

17 according to law, testified as follows:

18 DIRECT EXAMINATION

19 BY MR. CARR:

20 Q Will you state your name and position for the record?

21 A Joe D. Ramey, supervisor of the Commission's District

22 One Office in Hobbs, New Mexico.

23 Q Does District One include the portion of Lea County

24 involved in this particular case?

25 A Yes.

1 Q Do your duties as District supervisor include making  
2 recommendations to the Commission as to when wells  
3 should be plugged and abandoned?

4 A Yes, they do.

5 Q Are you familiar with the subject matter of Case 4999?

6 A I am. This is a show cause hearing to permit Standard  
7 Production Company to show cause why their Brown Lease  
8 Wells Nos. 1, 2, 3, 4, 5, and 5-A should not be plugged  
9 and abandoned, and why wells Nos. 6 and No. 7 should  
10 not be cleaned and levelled and restored as near as  
11 possible to their original condition.

12 MR. PORTER: Are Wells 6 and 7 plugged?

13 THE WITNESS: Yes, they have been plugged by a  
14 Commission-approved plugging program, but there are small  
15 pits or reserve pits that need to be levelled and compacted.

16 Q (By Mr. Carr) Have you all of the reports filed with  
17 the Commission concerning these wells, and have you  
18 inspected or has someone from your office inspected  
19 the well sites?

20 A Yes, I have been to the well sites.

21 Q Do you have these records with you?

22 A Yes, sir.

23 Q Could you briefly summarize the history of the wells  
24 as they are reflected in the well records?

25 A The Brown No. 1 had its C-101 approved December 24th,

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1958. It is located 980 feet from the north and 2,310 feet from the west line of Section 25, Township 25 South, Range 36 East, Lea County, New Mexico. An 8 and 5/8 inch was set at 322 and circulated. Morris R. Antweil was named operator, and the Form C-103 was approved on 5/20/59. Antweil drilled the well to 3,406 feet and set 5 1/2 inch pipe at 3,406 feet with 150 sacks of cement. On March 27th, 1959, the well was perforated from 3,754 to 3,779. Standard Production Company assumed operations by a Form C-110, which was approved on 11/3/60. Standard worked over the well at 7,160 by setting a bridge plug at 3,150 and perforating the upper Yates from 3,042 to 3,140. The potential of the well was for 1,400 MCF of gas per day. This well had an accumulative production of 148,043 MCF of gas and 480 barrels of oil. It was disconnected from the El Paso Gas system on February 17th, 1972. The last form we have is a Form C-103, which was approved on August 9th, 1967.

The Brown No. 2 had its Form C-101 approved in 1959 at a location 330 feet from the north line and 825 feet from the west line of the same section, township, and range. A C-103 later changed the name of the well to the Brown No. 2 Well. Eight and five-eighth inch casing was set at 360 and five and a half

1 was circulated to 3,321, which was also the total  
2 depth of the well, with 175 sacks of cement. It was  
3 completed January 7th, 1960 from perforations 3,234  
4 to 3,284. It ran eighty barrels of oil and 2 barrels  
5 of water. In May, 1960, the perforations were squeezed,  
6 and the well was drilled deeper to a total depth of  
7 3,331 feet, and completed. The open hole was squeezed  
8 with no result, and the well was shut in soon after  
9 that. The well produced an accumulative total of  
10 15,736 barrels of oil, and the last production was  
11 in November, 1968, for 17 barrels of oil.

12 The C-101 for the Brown No. 3 was approved on  
13 7/1/60 at a location 356 feet from the north line and  
14 650 feet from the west line of the same section, township,  
15 and range. Seven and five-eighth inch casing was set  
16 at 572, and it was circulated with 5 1/2 inch pipe at  
17 3,247 with 150 sacks of cement. It was completed on  
18 June 1st, 1960 from 3,186 to 3,198 for 75 barrels of  
19 oil and 6 barrels of water. I might point out that  
20 the well was completed on 6/1/60 and the C-101 was  
21 approved on 7/1/60, so this operator drilled and  
22 completed this well without permission from the Hobbs  
23 Office. Last production was in March, 1969 when it  
24 produced 25 barrels of oil. The accumulative from  
25 the well was 6,814 barrels of oil.

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1 The C-101 for the Brown Well No. 4 was approved  
2 7/29/60 at 1,690 feet from the north line and 1,870  
3 feet from the west line of the same section, township,  
4 and range. Eight and five-eighth inch casing was set  
5 at 577 and circulated through 5 1/2 inch pipe to 3,246,  
6 the total depth. The well was completed on 8/15/60  
7 from perforations of 3,195 to 3,206 for 80 barrels of  
8 oil and 12 barrels of water. The last production was  
9 in March, 1969 when the operator produced 25 barrels  
10 of oil and 400 barrels of water. Accumulated production  
11 was shown to be 15,695 barrels.

12 The Brown No. 5 was drilled by Morris Antweil,  
13 and the C-101 was approved 9/15/59 at a location of  
14 650 feet from the north line and 990 feet from the  
15 west line of the same section, township, and range.  
16 Eight and five-eighth inch casing was set at 536 and  
17 circulated through 5 1/2 inch pipe at 3,289 with 250  
18 sacks of cement. The well was completed on 1/16/60  
19 from 3,244 to 3,280. At this time, Standard assumed  
20 operation of this well, and changed the name to the  
21 Brown No. 5. The last production from the well was  
22 in October, 1968, when the well produced 71 barrels of  
23 oil and 82 barrels of water. Accumulative production  
24 was 10,526 barrels. The well was converted to a  
25 disposal well probably some time in 1968, which was



1 prior to the effective date of Commission Order R-3221,  
2 covering salt water disposal. The last form on the  
3 well was September 9th, 1960. I might say that the  
4 well was converted without any knowledge of the Hobbs  
5 Office and without any order from the Commission. I  
6 think at this time that Standard Production Company  
7 moved west approximately 200 feet from the Brown No. 5  
8 and drilled the Brown No. 5-A, which we have designated  
9 as Well 5-A. I don't have any footage, I don't have  
10 any reports on the well. I know the well size because  
11 it's a pumping unit, but we have no records covering  
12 this well.

13 The Brown 6 and the Brown 7 were drilled and have  
14 been plugged with approved casing-- with an approved  
15 plugging program. The Brown No. 6 has no marker, and  
16 the pit needs to be covered.

17 Do you want me to go into the production history?

18 Q No.

19 A The same is true on the Brown No. 7. It was drilled  
20 and then plugged and marked. There is no description  
21 on the marker, but it does have a pit that needs to  
22 be covered.

23 Q Mr. Ramey, you have other communication with Standard  
24 Production Company concerning these wells, have you not?

25 A Yes, sir.

1 Q And these have been marked as Oil Conservation Commission  
2 Exhibit One in this case?

3 A Yes. The correspondence started on February 23rd, 1968.

4 I also have a letter from Mr. Brown of Standard  
5 Production Company dated 8/5/69, in which he said he  
6 was going to clean up around the Well No. 6, and that  
7 he was thinking about converting the Well No. 5 to a  
8 disposal well. I have another letter of June 19th, 1972,  
9 another from August 11th, 1972, and another from May  
10 1st, 1973.

11 Q Will the plugging of these wells prevent waste?

12 A Yes. The Brown No. 2 was leaking gas, and in the rest  
13 of the wells, there is always the danger of downhole  
14 failure and communication between zones, or contamination  
15 of fresh water.

16 Q Do you have a plugging program to recommend to the  
17 Commission at this time concerning these wells?

18 A No, I do not. I particularly could not recommend one  
19 for the Brown 5-A since I have no information on it.

20 Q Is it your opinion that this would be better handled  
21 by deciding on a program at the site?

22 A Yes, it would.

23 Q Are the documents included in Exhibit One true and  
24 correct copies of the records in the Commission files?

25 A Yes, they are.

1 MR. CARR: I offer Exhibit One in Case 4999.  
2 MR. PORTER: Exhibit One will be admitted.  
3 (Whereupon Oil Conservation Commission Exhibit One  
4 was admitted in evidence.)  
5 MR. CARR: I have no further questions.  
6 MR. PORTER: Are there any further questions of  
7 the witness?  
8 (No response)  
9 MR. PORTER: The witness may be excused.  
10 (Witness excused.)  
11 (Whereupon the Commission conferred.)  
12 (Hearing continues.)  
13 MR. PORTER: An order will be issued in Case 4999,  
14 requiring the wells in question to be plugged, the plugging  
15 to be done in accordance with the recommendations of the  
16 District supervisor in the Hobbs District Office.  
17 \* \* \* \* \*  
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1 STATE OF NEW MEXICO )  
2 ) ss  
3 COUNTY OF BERNALILLO )

4 I, RICHARD E. McCORMICK, a Certified Shorthand  
5 Reporter, in and for the County of Bernalillo, State of  
6 New Mexico, do hereby certify that the foregoing and attached  
7 Transcript of Hearing before the New Mexico Oil Conservation  
8 Commission was reported by me; and that the same is a true  
9 and correct record of the said proceedings to the best of  
10 my knowledge, skill and ability.

11 *Richard E. McCormick*  
12 \_\_\_\_\_  
13 CERTIFIED SHORTHAND REPORTER  
14  
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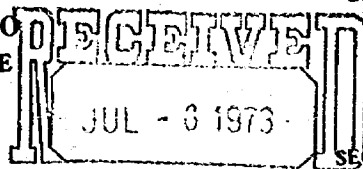
	<u>I N D E X</u>	<u>P A G E</u>
1		
2	<u>WITNESS</u>	
3	JOSEPH D. RAMEY	3
4	Direct Examination by Mr. Carr	
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11	<u>E X H I B I T S</u>	
12	<u>EXHIBIT</u>	<u>ADMITTED</u> <u>OFFERED</u>
13	OCC #1	10 9
14	Letters	
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## OIL CONSERVATION COMMISSION

STATE OF NEW MEXICO  
P. O. BOX 2088 - SANTA FE  
87501

June 7, 1973



OIL CONSERVATION COMM  
Santa Fe

I. R. TRUJILLO  
CHAIRMAN

LAND COMMISSIONER  
ALEX J. ARMJO  
MEMBER

STATE GEOLOGIST  
A. L. PORTER, JR.

SECRETARY - DIRECTOR

CERTIFIED - RETURN  
RECEIPT REQUESTED

Mr. L. F. Brown  
Standard Production Co.  
2606 Marlboro  
Lubbock, Texas

Aetna Life & Casualty  
Casualty & Surety Division  
1000 Corriban Tower Building  
Dallas, Texas 75201

Mr. Craig R. Smith  
Aetna Life & Casualty  
401 Hinkle Building  
Roswell, New Mexico 88201

Re: Brown Lease Wells Nos. 1, 2, 3, 4,  
5, 5-A, 6 and 7, Units F, D, C, F,  
E, E, L and M, respectively, of  
Section 25, Township 25 South,  
Range 36 East, Lea County, New  
Mexico, Aetna Life & Casualty  
\$10,000 Blanket Bond Form 39-A1

Gentlemen:

Enclosed is a copy of the docket of the Examiner  
Hearing to be held on Wednesday, June 20, 1973, at 9:00  
a.m. in the Oil Conservation Commission Conference Room,  
State Land Office Building, Santa Fe, New Mexico. Case  
No. 4999 concerns the subject matter.

Very truly yours,

WILLIAM L. CARR  
Special Assistant Attorney General  
Oil Conservation Commission

WFC/dr  
enclosure

cc: Oil Conservation Commission - Hobbs

DOCKET: REGULAR HEARING - WEDNESDAY - JUNE 20, 1973

OIL CONSERVATION COMMISSION - 9 A.M. - MORGAN HALL, STATE LAND OFFICE  
BUILDING, SANTA FE, NEW MEXICO

CASE 4990: In the matter of the hearing called by the Oil Conservation Commission of New Mexico upon its own motion to consider the application of Thriftway Company, operator of a petroleum refinery in Bloomfield, New Mexico, for certification to the Commissioner of Public Lands as a small business enterprise within the state not having an adequate supply of charge stocks and eligible to be granted a preference, pursuant to Chapter 34, New Mexico Laws of 1967, for the purchase of state royalty oil. The Commission will consider the application and such pertinent evidence as may be submitted concerning the capacity of the refinery, the source and grade of all refinery charge stocks currently available to the applicant, the minimum amount and grade of additional refinery charge stocks needed to meet existing refinery commitments or existing refinery capacity, and the efforts made by applicant to purchase refinery charge stocks on the open market.

CASE 4991: Application of El Paso Natural Gas Company for the amendment of the prorated gas pool rules promulgated by Order No. R-1670, as amended.

Applicant, in the above-styled cause, seeks the amendment of the General Rules and Regulations for the Prorated Gas Pools of Northwest New Mexico and Southeast New Mexico, as promulgated by Commission Order No. R-1670, as amended. Applicant proposes:

1. That Rule 9 (B) of the Northwest New Mexico Gas Proration Rules and 10 (A) of the Southeast New Mexico Gas Proration Rules each be amended to provide that the monthly allowable assigned to a marginal well would be equal to its latest available monthly production.
2. That Rule 13 of the Northwest New Mexico and Southeast New Mexico Gas Proration Rules be amended to provide that the proration period would be the 12-month period from 7:00 a.m. April 1 of each year to 7:00 a.m. April 1 of the following year. (The current proration period, due to terminate at 7:00 a.m. January 1, 1974, would be extended to 7:00 a.m. April 1, 1974).
3. That Rule 16 (A) of the Northwest New Mexico and Southeast New Mexico Gas Proration Rules be amended to provide that each proration period consist of four classification periods for the purpose of classifying wells marginal, each such classification period being of three months duration; and to provide that after production data is available for the last month of each such classification period, any well which had an underproduced status at the beginning of the gas proration period would be classified marginal

(Case 4991 continued from Page 1)

if its highest single month's production during the classification period is less than its average monthly allowable for the classification period, unless within 15 days after receipt of notice of classification of a well as marginal, the operator of the well or other interested person presents satisfactory evidence to the Commission showing that the well is not of marginal character and should not be so classified.

Applicant, in addition to the above-requested specific rule changes, further requests such additional word changes in other orders and/or Rules of the Commission (including but not limited to Order No. R-333-F-1) as may be necessary to effectuate the substantive rule changes proposed herein.

CASE 4992: In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit Corinne Grace and the Travelers Indemnity Company and all other interested parties to appear and show cause why the Ranger Lake Wells Nos. 1 and 3 located in Unit N of Section 11, Township 12 South, Range 34 East, Lea County, New Mexico should not be plugged and abandoned in accordance with a Commission-approved plugging program.

CASE 4993: In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit Corinne Grace and the Travelers Indemnity Company and all other interested parties to appear and show cause why the T. P. State Well No. 1 located in Unit A of Section 17, Township 10 South, Range 33 East, Lea County, New Mexico, should not be plugged and abandoned in accordance with a Commission-approved plugging program.

CASE 4994: In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit Glenn Petroleum Corporation and United States Fire Insurance Company and all other interested parties to appear and show cause why the Crosby Well No. 1 located in Unit O of Section 26, Township 7 South, Range 30 East, Chaves County, New Mexico, should not be plugged and abandoned in accordance with a Commission-approved plugging program.

CASE 4995: In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit Glenn Petroleum Corporation and United States Fire Insurance Company and all other interested parties to appear and show cause why the Sanders Well No. 1 located in Unit N of Section 25, Township 7 South, Range 30 East, Chaves County, New Mexico, should not be plugged and abandoned in accordance with a Commission-approved plugging program.



- CASE 4996: In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit C. H. Brockett Inc. and the Indemnity Company and all other interested parties to appear and show cause why the Lazy J State "A" Well No. 1 located in Unit A of Section 3, Township 14 South, Range 33 East, Lea County, New Mexico, should not be plugged and abandoned in accordance with a Commission-approved plugging program.
- CASE 4997: In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit Jal Fishing Tool Company and United States Fidelity & Guarantee Company and all other interested parties to appear and show cause why the H. Whitten Well No. 1 located in Unit C of Section 4, Township 24 South, Range 36 East, Lea County, New Mexico, should not be plugged and abandoned in accordance with a Commission-approved plugging program.
- CASE 4998: In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit E. P. Campbell and Aetna Casualty and Surety Company and all other interested parties to appear and show cause why the E. P. Campbell Christmas Well No. 1 located in Unit C of Section 6, Township 23 South, Range 36 East, Lea County, New Mexico, should not be plugged and abandoned in accordance with a Commission-approved plugging program.
- CASE 4999: In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit Standard Production Company and Aetna Life & Casualty and all other interested parties to appear and show cause why the Brown Lease Wells Nos. 1, 2, 3, 4, 5, and 5-A, located in Units F, D, C, F, E, and E, respectively, of Section 25, Township 25 South, Range 36 East, Lea County, New Mexico, should not be plugged and abandoned in accordance with a Commission-approved plugging program, and why the location of Well No. 6 in Unit L and No. 7 in Unit M of said Section 25 should not be cleaned and levelled.
- CASE 5000: In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit Aztec Oil and Gas Company and United States Fidelity and Guaranty Company and all other interested parties to appear and show cause why the Aztec Total Unit Wells Nos. 17 and 18, located in Unit E of Section 20, and Unit H of Section 19, respectively, Township 29 North, Range 13 West, San Juan County, New Mexico, should not be plugged and abandoned in accordance with a Commission-approved plugging program.
- CASE 5001: In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit Tamanaco Oil Corporation and Continental Casualty Company and all other interested parties to appear and show cause why the El Poso Ranch "N" Well No. 11 located in Unit N of Section 11, Township 28 North, Range 1 East, Rio Arriba County, New Mexico, should not be plugged and abandoned in accordance with a Commission-approved plugging program.

- CASE 5002: In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit Tamanaco Oil Corporation and Continental Casualty Company and all other interested parties to appear and show cause why the Pound Ranch "B" Well No. 27 located in Unit B of Section 27, Township 28 North, Range 1 East, Rio Arriba County, New Mexico, should not be plugged and abandoned in accordance with a Commission-approved plugging program.
- CASE 5003: In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit Dan M. Lockie and Hartford Fire Insurance Company Group and all other interested parties to appear and show cause why the Dan M. Lockie, Gersbach Com #1 located in Unit J of Section 3, Township 29 North, Range 16 West, San Juan County, New Mexico, should not be plugged and abandoned in accordance with a Commission-approved plugging program.
- CASE 5004: In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit Pettus and Associates and United States Fidelity and Guaranty Company and all other interested parties to appear and show cause why the Pettus and Associates, Hunt Well No. 1 located in Unit K of Section 3, Township 29 North, Range 16 West, San Juan County, New Mexico, should not be plugged and abandoned in accordance with a Commission-approved plugging program.
- CASE 5005: In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit Pettus and Associates and United States Fidelity and Guaranty Company and all other interested parties to appear and show cause why the Pettus and Associates, Don Stock Well No. 1 located in Unit E of Section 3, Township 29 North, Range 16 West, San Juan County, New Mexico, should not be plugged and abandoned in accordance with a Commission-approved plugging program.
- CASE 5006: In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit Aztec Oil and Gas Company and United States Fidelity and Guaranty Company and all other interested parties to appear and show cause why the Southeast Cha Cha Unit Well No. 1 located in Unit M of Section 32, Township 29 North, Range 13 West, San Juan County, New Mexico, should not be plugged and abandoned in accordance with a Commission-approved plugging program.

Regular Hearing - Wednesday - June 20, 1973

Docket No. 16-73

-5-

CASE 4989: (Continued from the June 6, 1973, Examiner Hearing)

In the matter of the hearing called by the Oil Conservation Commission upon its own motion to consider the amendment of the general rules governing prorated gas pools in Northwest and Southeast New Mexico as promulgated by Order No. R-1670, as amended. Rule 15 of the aforesaid general rules would be amended to provide that if a well is overproduced in an amount exceeding six times its average monthly allowable for the preceding twelve months (or, in the case of a newly connected well or a well in a newly prorated pool, six times its average monthly allowable for the months available), it shall be shut in during that month and each succeeding month until it is overproduced in an amount less than six times its average monthly allowable, as determined above.

Rule 15 would be further amended to permit the Secretary-Director of the Commission to grant a pool-wide moratorium of up to three months on the shutting in of gas wells during periods of high demand emergency if a significant number of the wells in the pool are subject to being shut in.

BEFORE THE OIL CONSERVATION COMMISSION  
OF THE STATE OF NEW MEXICO

CASE NO. 4999  
Order No. R-4574

IN THE MATTER OF THE HEARING CALLED BY  
THE OIL CONSERVATION COMMISSION ON ITS  
OWN MOTION TO PERMIT STANDARD PRODUCTION  
COMPANY AND AETNA LIFE & CASUALTY AND ALL  
OTHER INTERESTED PARTIES TO APPEAR AND  
SHOW CAUSE WHY THE BROWN LEASE WELLS NOS.  
1, 2, 3, 4, 5, and 5-A, LOCATED IN UNITS  
F, D, C, F, E, AND E, RESPECTIVELY, OF  
SECTION 25, TOWNSHIP 25 SOUTH, RANGE 36  
EAST, LEA COUNTY, NEW MEXICO, SHOULD NOT  
BE PLUGGED AND ABANDONED IN ACCORDANCE  
WITH A COMMISSION-APPROVED PLUGGING PROGRAM,  
AND WHY THE LOCATION OF WELL NO. 6 IN UNIT L  
AND NO. 7 IN UNIT M OF SAID SECTION 25 SHOULD  
NOT BE CLEANED AND LEVELLED.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on June 20, 1973,  
at Santa Fe, New Mexico, before the Oil Conservation Commission  
of New Mexico, hereinafter referred to as the "Commission."

NOW, on this 28th day of June, 1973, the Commission  
a quorum being present, having considered the testimony presented  
and the exhibits received at said hearing, and being fully ad-  
vised 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 Standard Production Company is the owner and  
operator of the Brown Lease Wells Nos. 1, 2, 3, 4, 5, 5-A, 6,  
and 7, located in Units F, D, C, F, E, E, L, and M, respectively,  
of Section 25, Township 25 South, Range 36 East, NMPM, Lea  
County, New Mexico.

(3) That in order to prevent waste and protect correlative  
rights said Brown Lease Wells Nos. 1, 2, 3, 4, 5, and 5-A  
should be plugged and abandoned in accordance with a program  
approved by the Hobbs District Office of the New Mexico Oil  
Conservation Commission on or before August 1, 1973.

-2-

Case No. 4999  
Order No. R-4574

(4) That the locations of Well No. 6 in Unit L and No. 7 in Unit M of said Section 25 should be cleaned and levelled.

IT IS THEREFORE ORDERED:

(1) That Standard Production Company and Aetna Life & Casualty are hereby ordered to plug and abandon the Brown Lease Wells Nos. 1, 2, 3, 4, 5, and 5-A, located in Units F, D, C, F, E, and E, respectively, of Section 25, Township 25 South, Range 36 East, NMPM, Lea County, New Mexico, on or before August 1, 1973.

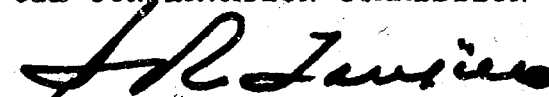
(2) That Standard Production Company and Aetna Life & Casualty, prior to plugging and abandoning the above-described well, shall obtain from the Hobbs Office of the Commission, a Commission-approved program for said plugging and abandoning, and shall notify said Hobbs Office of the date and hour said work is to be commenced whereupon the Commission may, at its option, witness such work.

(3) That Standard Production Company and Aetna Life & Casualty are hereby ordered to clean and level the location of Wells No. 6 in Unit L and No. 7 in Unit M of said Section 25 on or before August 1, 1973.


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

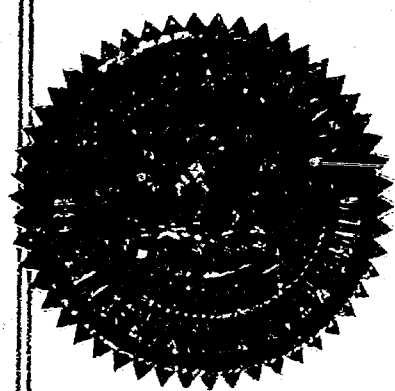
DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO  
OIL CONSERVATION COMMISSION

  
I. R. TRUJILLO, Chairman

ALEX J. ARMIJO, Member

  
A. L. PORTER, Jr., Member & Secretary



S E A L

dr/

DOCKET: REGULAR HEARING - WEDNESDAY - JUNE 20, 1973

OIL CONSERVATION COMMISSION - 9 A.M. - MORGAN HALL, STATE LAND OFFICE  
BUILDING, SANTA FE, NEW MEXICO

CASE 4990: In the matter of the hearing called by the Oil Conservation Commission of New Mexico upon its own motion to consider the application of Thriftway Company, operator of a petroleum refinery in Bloomfield, New Mexico, for certification to the Commissioner of Public Lands as a small business enterprise within the state not having an adequate supply of charge stocks and eligible to be granted a preference, pursuant to Chapter 34, New Mexico Laws of 1967, for the purchase of state royalty oil. The Commission will consider the application and such pertinent evidence as may be submitted concerning the capacity of the refinery, the source and grade of all refinery charge stocks currently available to the applicant, the minimum amount and grade of additional refinery charge stocks needed to meet existing refinery commitments or existing refinery capacity, and the efforts made by applicant to purchase refinery charge stocks on the open market.

CASE 4991: Application of El Paso Natural Gas Company for the amendment of the prorated gas pool rules promulgated by Order No. R-1670, as amended.

Applicant, in the above-styled cause, seeks the amendment of the General Rules and Regulations for the Prorated Gas Pools of Northwest New Mexico and Southeast New Mexico, as promulgated by Commission Order No. R-1670, as amended. Applicant proposes:

1. That Rule 9 (B) of the Northwest New Mexico Gas Proration Rules and 10 (A) of the Southeast New Mexico Gas Proration Rules each be amended to provide that the monthly allowable assigned to a marginal well would be equal to its latest available monthly production.

2. That Rule 13 of the Northwest New Mexico and Southeast New Mexico Gas Proration Rules be amended to provide that the proration period would be the 12-month period from 7:00 a.m. April 1 of each year to 7:00 a.m. April 1 of the following year. (The current proration period, due to terminate at 7:00 a.m. January 1, 1974, would be extended to 7:00 a.m. April 1, 1974).

3. That Rule 16 (A) of the Northwest New Mexico and Southeast New Mexico Gas Proration Rules be amended to provide that each proration period consist of four classification periods for the purpose of classifying wells marginal, each such classification period being of three months duration; and to provide that after production data is available for the last month of each such classification period, any well which had an underproduced status at the beginning of the gas proration period would be classified marginal

(Case 4991 continued from Page 1)

if its highest single month's production during the classification period is less than its average monthly allowable for the classification period, unless within 15 days after receipt of notice of classification of a well as marginal, the operator of the well or other interested person presents satisfactory evidence to the Commission showing that the well is not of marginal character and should not be so classified.

Applicant, in addition to the above-requested specific rule changes, further requests such additional word changes in other orders and/or Rules of the Commission (including but not limited to Order No. R-333-F-1) as may be necessary to effectuate the substantive rule changes proposed herein.

CASE 4992: In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit Corinne Grace and the Travelers Indemnity Company and all other interested parties to appear and show cause why the Ranger Lake Wells Nos. 1 and 3 located in Unit N of Section 11, Township 12 South, Range 34 East, Lea County, New Mexico should not be plugged and abandoned in accordance with a Commission-approved plugging program.

CASE 4993: In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit Corinne Grace and the Travelers Indemnity Company and all other interested parties to appear and show cause why the T. P. State Well No. 1 located in Unit A of Section 17, Township 10 South, Range 33 East, Lea County, New Mexico, should not be plugged and abandoned in accordance with a Commission-approved plugging program.

CASE 4994: In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit Glenn Petroleum Corporation and United States Fire Insurance Company and all other interested parties to appear and show cause why the Crosby Well No. 1 located in Unit O of Section 26, Township 7 South, Range 30 East, Chaves County, New Mexico, should not be plugged and abandoned in accordance with a Commission-approved plugging program.

CASE 4995: In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit Glenn Petroleum Corporation and United States Fire Insurance Company and all other interested parties to appear and show cause why the Sanders Well No. 1 located in Unit N of Section 25, Township 7 South, Range 30 East, Chaves County, New Mexico, should not be plugged and abandoned in accordance with a Commission-approved plugging program.

CASE 4996: In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit C. H. Brockett Inc. and the Indemnity Company and all other interested parties to appear and show cause why the Lazy J State "A" Well No. 1 located in Unit A of Section 3, Township 14 South, Range 33 East, Lea County, New Mexico, should not be plugged and abandoned in accordance with a Commission-approved plugging program.

CASE 4997: In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit Jal Fishing Tool Company and United States Fidelity & Guarantee Company and all other interested parties to appear and show cause why the H. Whitten Well No. 1 located in Unit C of Section 4, Township 24 South, Range 36 East, Lea County, New Mexico, should not be plugged and abandoned in accordance with a Commission-approved plugging program.

CASE 4998: In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit E. P. Campbell and Aetna Casualty and Surety Company and all other interested parties to appear and show cause why the E. P. Campbell Christmas Well No. 1 located in Unit C of Section 6, Township 23 South, Range 36 East, Lea County, New Mexico, should not be plugged and abandoned in accordance with a Commission-approved plugging program.

CASE 4999: In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit Standard Production Company and Aetna Life & Casualty and all other interested parties to appear and show cause why the Brown Lease Wells Nos. 1, 2, 3, 4, 5, and 5-A, located in Units F, D, C, F, E, and E, respectively, of Section 25, Township 25 South, Range 36 East, Lea County, New Mexico, should not be plugged and abandoned in accordance with a Commission-approved plugging program, and why the location of Well No. 6 in Unit E and No. 7 in Unit M of said Section 25 should not be cleaned and levelled.

CASE 5000: In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit Aztec Oil and Gas Company and United States Fidelity and Guaranty Company and all other interested parties to appear and show cause why the Aztec Total Unit Wells Nos. 17 and 18, located in Unit E of Section 20, and Unit H of Section 19, respectively, Township 29 North, Range 13 West, San Juan County, New Mexico, should not be plugged and abandoned in accordance with a Commission-approved plugging program.

CASE 5001: In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit Tamaraco Oil Corporation and Continental Casualty Company and all other interested parties to appear and show cause why the El Poso Ranch "N" Well No. 11 located in Unit N of Section 11, Township 28 North, Range 1 East, Rio Arriba County, New Mexico, should not be plugged and abandoned in accordance with a Commission-approved plugging program.



CASE 5002: In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit Tamanaco Oil Corporation and Continental Casualty Company and all other interested parties to appear and show cause why the Pound Ranch "B" Well No. 27 located in Unit B of Section 27, Township 28 North, Range 1 East, Rio Arriba County, New Mexico, should not be plugged and abandoned in accordance with a Commission-approved plugging program.

CASE 5003: In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit Dan M. Lockie and Hartford Fire Insurance Company Group and all other interested parties to appear and show cause why the Dan M. Lockie, Gersbach Com #1 located in Unit J of Section 3, Township 29 North, Range 16 West, San Juan County, New Mexico, should not be plugged and abandoned in accordance with a Commission-approved plugging program.

CASE 5004: In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit Pettus and Associates and United States Fidelity and Guaranty Company and all other interested parties to appear and show cause why the Pettus and Associates, Hunt Well No. 1 located in Unit K of Section 3, Township 29 North, Range 16 West, San Juan County, New Mexico, should not be plugged and abandoned in accordance with a Commission-approved plugging program.

CASE 5005: In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit Pettus and Associates and United States Fidelity and Guaranty Company and all other interested parties to appear and show cause why the Pettus and Associates, Don Stock Well No. 1 located in Unit E of Section 3, Township 29 North, Range 16 West, San Juan County, New Mexico, should not be plugged and abandoned in accordance with a Commission-approved plugging program.

CASE 5006: In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit Aztec Oil and Gas Company and United States Fidelity and Guaranty Company and all other interested parties to appear and show cause why the Southeast Cha Cha Unit Well No. 1 located in Unit M of Section 32, Township 29 North, Range 13 West, San Juan County, New Mexico, should not be plugged and abandoned in accordance with a Commission-approved plugging program.

CASE 4989: (Continued from the June 6, 1973, Examiner Hearing)

In the matter of the hearing called by the Oil Conservation Commission upon its own motion to consider the amendment of the general rules governing prorated gas pools in Northwest and Southeast New Mexico as promulgated by Order No. R-1670, as amended. Rule 15 of the aforesaid general rules would be amended to provide that if a well is overproduced in an amount exceeding six times its average monthly allowable for the preceding twelve months (or, in the case of a newly connected well or a well in a newly prorated pool, six times its average monthly allowable for the months available), it shall be shut in during that month and each succeeding month until it is overproduced in an amount less than six times its average monthly allowable, as determined above.

Rule 15 would be further amended to permit the Secretary-Director of the Commission to grant a pool-wide moratorium of up to three months on the shutting in of gas wells during periods of high demand emergency if a significant number of the wells in the pool are subject to being shut in.

POST OFFICE DEPARTMENT  
OFFICIAL BUSINESS

WELL NM JUN 20 1973

Penalty for Private Use to Avoid Payment of Postage, \$300

POSTMARK OF DELIVERING OFFICE

Print your name and address below. If you want to restrict delivery, or to have the address of delivery shown on this receipt, check block(s) on other side. Morten gummed ends and attach this card to back of article.

RETURN TO

Oil Conservation Commission  
P. O. Box 2088  
Santa Fe, New Mexico 87501  
Case No. 4999

Case No. 4999

Santa Fe, New Mexico 87501  
P. O. Box 2088  
Oil Conservation Commission

WELL NM JUN 20 1973

Penalty for Private Use to Avoid Payment of Postage, \$300

POSTMARK OF DELIVERING OFFICE

Print your name and address below. If you want to restrict delivery, or to have the address of delivery shown on this receipt, check block(s) on other side. Morten gummed ends and attach this card to back of article.

POST OFFICE DEPARTMENT  
OFFICIAL BUSINESS

No. 635915

RECEIPT FOR CERTIFIED MAIL--20¢

SENT TO  
Mr. Craig R. Smith  
STREET AND NO.  
401 Hinkle Building  
CITY, STATE, AND ZIP CODE  
Roswell, N. M. 88201

POSTMARK OR DATE

If you want a return receipt, check which  
☐ 10¢ shows to whom and when delivered  
☐ 35¢ shows to whom, when, and address where delivered

If you want delivery only to addressee, check here  
☐ 50¢ fee

FEES ADDITIONAL TO 20¢ FEE

POD Form 3800 July 1963 NO INSURANCE COVERAGE PROVIDED-- NOT FOR INTERNATIONAL MAIL (See other side)

No. 635913

RECEIPT FOR CERTIFIED MAIL--20¢

SENT TO  
Aetna Life & Casualty  
STREET AND NO.  
1000 Corriban Tower Bldg.  
CITY, STATE, AND ZIP CODE  
Dallas, Texas 75201

POSTMARK OR DATE

If you want a return receipt, check which  
☐ 10¢ shows to whom and when delivered  
☐ 35¢ shows to whom, when, and address where delivered

If you want delivery only to addressee, check here  
☐ 50¢ fee

FEES ADDITIONAL TO 20¢ FEE

POD Form 3800 July 1963 NO INSURANCE COVERAGE PROVIDED-- NOT FOR INTERNATIONAL MAIL (See other side)

Case 4999 - Standard Production Company

TESTIMONY FOR SHOW CAUSE HEARINGS

Make appearance for Oil Conservation Commission

one witness: Joe Kamey

1. Name, position, place of residence.
2. Does district I include Dea County?
3. Does it include the part of Dea County involved in this case?
4. Would you briefly describe your duties as district supervisor as they relate to this case?  
(recommendations to the Commission as to when wells should be plugged and abandoned)
5. Are you familiar with subject matter of Case No. 4999?
6. What is the purpose of this case?  
(be sure wells are identified)
7. Are you familiar with these wells?
8. Have you reviewed all reports filed with the Commission concerning ~~this~~ these wells and visited the well site(s)?
9. Do you have these records with you?
10. Please refer to these records and give us the history of ~~the~~ each well as reflected by the official records:
  - A. application to drill and date
  - B. operator
  - C. location and dedicated acreage (C-102)
  - D. well depth
  - E. formation completed in
  - F. information from other forms
11. The date of the last official form.
12. Other communication  
(any which is relative to this case that should be called to the examiner's attention)
13. How recently have you visited these wells?
14. Would you tell us what you found at the site:
  - A. abandoned
  - B. a dry hole
  - C. any sign of present production
15. Would there be any danger in leaving ~~this~~ these wells in ~~its~~ their present condition?
16. Could it be a safety problem?
17. Do you have any opinion as to whether or not the wells should be plugged?

18. Do you have a recommended plugging program to submit to the Commission at this time?

(if there is a recommended plugging program:

1. What should be pulled from the well?
2. Where should plugs be set and why?
3. How many sacks of cement needed?)

19. Do you have true and correct copies of all Commission forms for inclusion in the record of this case?

20. Offer forms as exhibits.

**OIL CONSERVATION COMMISSION**

STATE OF NEW MEXICO  
P. O. BOX 2088 - SANTA FE  
87501

June 7, 1973

**I. R. TRUJILLO**  
CHAIRMAN

LAND COMMISSIONER  
**ALEX J. ARMIJO**  
MEMBER

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

CERTIFIED - RETURN  
RECEIPT REQUESTED

Mr. L. F. Brown  
Standard Production Co.  
2606 Marlboro  
Lubbock, Texas

Mr. Craig R. Smith  
Aetna Life & Casualty  
401 Hinkle Building  
Roswell, New Mexico 88201

Aetna Life & Casualty  
Casualty & Surety Division  
1000 Corriban Tower Building  
Dallas, Texas 75201

Re: Brown Lease Wells Nos. 1, 2, 3, 4,  
5, 5-A, 6 and 7, Units F, D, C, F,  
E, E, L and M, respectively, of  
Section 25, Township 25 South,  
Range 36 East, Lea County, New  
Mexico, Aetna Life & Casualty  
\$10,000 Blanket Bond Form 39-A1

Gentlemen:

Enclosed is a copy of the docket of the Examiner  
Hearing to be held on Wednesday, June 20, 1973, at 9:00  
a.m. in the Oil Conservation Commission Conference Room,  
State Land Office Building, Santa Fe, New Mexico. Case  
No. 4999 concerns the subject matter.

Very truly yours,



WILLIAM F. CARR  
Special Assistant Attorney General  
Oil Conservation Commission

WFC/dr  
enclosure  
cc: Oil Conservation Commission - Hobbs

OIL CONSERVATION COMMISSION  
HOBBS, NEW MEXICO

FILED IN THE  
OIL CONSERVATION COMMISSION  
Case No. 4991 Sub No. 1  
Submitted by OCC  
Hearing Date 6-20-73

February 23, 1968

Standard Production Company  
Box 5006  
Lubbock, Texas 79417

Dear Sirs:

The Commission finds that your below listed P & A well was reported ready for final surface inspection on August 5, 1963. This well was inspected May 25, 1965 and found to be in very bad condition.

Brown No. 6  
Unit L, Section 25, T25S, R36E

1. Pits not cut and leveled.
2. No location marker.
3. Much junk on location.

Attached is a copy of a form letter listing what must be done before a P & A well can pass final surface inspection and the well plugging bond released.

Please attend to this well as soon as possible, as we want to clear it from our P & A hold file. Notify us when the work is done and the well is actually ready for reinspection.

Very truly yours,

OIL CONSERVATION COMMISSION

John W. Runyan  
Geologist, District I

JWR:fd

Attachment

C  
O  
P  
Y

# The Standard Companys

LUBBOCK, TEXAS  
U.S.A. 1969

L. F. BROWN  
PRESIDENT

STANDARD CONCRETE PIPE CO.  
STANDARD PRESSURE PIPE CO.  
STANDARD CONSTRUCTION CO.  
STANDARD PRODUCTION CO.

P.O. Box 5006  
LUBBOCK, TEXAS 79417  
AREA CODE 806 PO 3-3570

Enclosed  
8-5-69

Mr. Joe. Roney  
Supervisor, District 1  
Oil Conservation Commission  
Albany, New Mexico

Re: Brown Lease  
NW 1/4 Sec. 25, T25S, R36E.

Dear Mr. Roney,

Unfortunately for me, I cannot be  
your office in response to your letter  
during your vacation. I proceeded to  
make a personal inspection of the subject  
lease on which we had just completed certain  
clean up work. According to Mr. Rangan your  
letter had to do with signs, slush pit and junk  
on location at the no. 6 drill site.

I found the drill site at no. 6 to be free  
of junk on location, the sign gone and the  
slush pit in need of leveling.

New metal signs were erected on no. 6 and  
no. 7. Arrangements were made to bring back the  
bulldozer that had worked on the other locations  
to level the small slush pit on 6 and 7.

We are working with Continental on water

(Over)

disposal. However, if Administrative  
approval could be secured our best bet would  
be to use No 5 and dispose of lease water  
in the Top of the 7 Pore, which is the only  
section open. This interval is the same  
zone being used by Continental for water  
disposal in their No. 5 Shales, a direct  
offset to our lease.

Please advise if Administrative approval  
is in order to convert our No. 5 into a  
water disposal well.

With best wishes, I wish to

remain

Very truly yours,  
L. F. Brown



OIL CONSERVATION COMMISSION

HOBBS, NEW MEXICO 88240 .

August 11, 1969

Mr. L. F. Brown  
Standard Production Co.  
Box 5006  
Lubbock, Texas 79417

Dear Mr. Brown:

This is in reference to your letter of August 5, 1969 concerning operations on your Brown Lease located in Section 25, T-25-S, R-36-E.

We are glad to hear that you are cleaning up and filling the pit on Well No. 6 so that we may close out the records on this location. However, according to our records, Well No. 7 was an abandoned located and indications are that you have drilled and plugged this well. If this is the case, it will be necessary that you refile Forms C-101 and C-102, and then file Form C-103 showing where casing was set, the total depth of the well and where the plugs were set when the well was plugged and abandoned. It will also be necessary to file Form C-105, which is our Well Log form. This will clear up our file for Well No. 7.

On our recent inspection of your lease we noted two wells located in Unit A which are apparently called 5-A and 5-E. One of these wells had been converted to a test disposal well and the other well was shut in. We can determine from our records that one well, only, was drilled in this unit. May we have your explanation for this?

As to using one of your wells for a disposal well, it will be necessary that you have a hearing before the Commission for this matter since water would be injected into the producing horizon. To have this hearing, it will be necessary that you apply to the Commission in Santa Fe by letter, and in this letter of application briefly state the well location, injection interval and the source and volume of water to be injected. It will also be necessary that a plat showing the well and lease location and a schematic diagram of the well bore of the injection well be submitted.

If I can be of further assistance in this matter, please feel free to call.

Yours very truly,

OIL CONSERVATION COMMISSION

Joe D. Ramey  
Supervisor, District 1

JDR/mc

OIL CONSERVATION COMMISSION

HOBBS, NEW MEXICO 88240

June 1, 1972

Mr. L. F. Brown  
Standard Production Co.  
2606 Marlboro  
Aubbock, Texas

Dear Mr. Brown:

As you know, you are the operator of several wells located in Section 25, T-25-S, R-36-E, Lea County, New Mexico. None of these wells are producing, the latest of which, the Brown No. 1, was disconnected from the El Paso gathering system on February 17, 1972.

Since it is apparent that you are not going to produce these wells, it would appear that they should be plugged and abandoned as soon as possible.

If I do not hear from you by June 15, 1972, to the effect that you do plan to operate this lease, I will recommend that a case be set before the Oil Commission in Santa Fe for you to show cause why these wells should not be plugged and abandoned. Also, by copy of this letter I am advising my attorney, Mr. George Hatch, and am also advising your bonding company of this pending action.

Some time ago I wrote you to the effect that our records indicated that the Brown No. 7 located in Unit M of Section 25, T-25-S, R-36-E, was an abandoned location. However, field inspection indicates that this well had been drilled and plugged. Would you please file Form C-105, Well Record, for this well, and Form C-103 showing where plugs were placed in the well when it was abandoned. Copies of these forms are attached for your use.

Yours very truly,

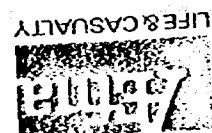
OIL CONSERVATION COMMISSION

Joe D. Ramey  
Supervisor, District 1

JDR/mc  
Attach.

cc-Mr. George Hatch, Attorney  
Oil Conservation Commission  
Santa Fe, New Mexico

Aetna Casualty & Surety Co.  
10th Floor, Corrigan Tower  
Dallas, Texas



Casualty & Surety Division  
1000 Corrigan Tower Building  
Dallas, Texas 75201

June 14, 1972

Mr. Joe D. Ramney  
Supervisor, District 1  
Oil Conservation Commission  
Hobbs, New Mexico 88240

Dear Mr. Ramney:

STANDARD PRODUCTION COMPANY LUBBOCK, TEXAS MR. L. F. BROWN

We have received a copy of your letter, dated June 1, 1972.

We are taking no action on this matter as it appears it does not involve our company in any manner. The previous bond carried for this organization through our company has long since expired and we assume would not be covered under any contract we may have.

We, therefore, are taking no further action.

We trust this handling meets with your approval.

Very truly yours,

*James R. Kelly*

James R. Kelly  
Claim Representative  
Dallas

sl

*Future liability*  
*Feb. 8, 1967*

*Brown /sc*  
*2-5-26-36*

OIL CONSERVATION COMMISSION

HOBBS, NEW MEXICO 88240

June 19, 1972

Aetna Life & Casualty  
Casualty & Surety Division  
2000 Corrigan Tower Bldg.  
Dallas, Texas 75201

Attention: Mr. James F. Kelly

Dear Mr. Kelly:

This is with reference to your letter of June 14, 1972, which states that you are taking no action in the matter of Standard Production Company, Lubbock, Texas, Mr. L. F. Brown, since the bond for this organization through your company has long since expired.

According to our records, this bond was cancelled as to future liability on February 8, 1967. Under our interpretation, your company will still be liable for all wells drilled prior to February 8, 1967. According to our files, this amounts to five wells, which are presently shut in, on the Brown Lease located in Section 25, T-25-S, R-36-E, Lea County, New Mexico.

I have discussed this matter with my attorney, Mr. George Hatch, P. O. Box 2088, Santa Fe, New Mexico, and a show cause hearing as to why the wells should not be plugged and abandoned will be set in the near future.

If you have any questions on this matter, please contact myself or Mr. Hatch, and we will be most happy to answer any questions you may have.

Yours very truly,

OIL CONSERVATION COMMISSION

Joe D. Ramey  
Supervisor, District 1

JDR/mc

OIL CONSERVATION COMMISSION

HOBBS, NEW MEXICO 88240

June 19, 1972

Mr. L. F. Brown  
Standard Production Co.  
2606 Marlboro  
Lubbock, Texas

Dear Mr. Brown:

Since I have had no response to my letter dated June 1, 1972, a hearing will be set in the near future to show cause why your wells located on your Brown Lease located in Section 25, T-25-S, R-36-E, Lea County, New Mexico, should not be plugged and abandoned.

You will be notified of this hearing well in advance of the hearing date.

Yours very truly,

OIL CONSERVATION COMMISSION

Joe D. Ramey  
Supervisor, District 1

JDR/mc

C  
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P  
Y

OIL CONSERVATION COMMISSION

HOBBS, NEW MEXICO 88240

August 11, 1972

Mr. L. F. Brown  
Standard Production Company  
RR 2 Box 183-S  
Lubbock, Texas

Dear Mr. Brown:

As you know, we have contacted you several times to try and determine the exact status and your future plans for several wells on your Brown Lease located in Section 25, T-25-S, R-36-E, Lea County, New Mexico. In order to enlighten you and your bonding company, and to indicate what we have on record, the following will be a short dissertation on what we know of the situation on your Brown Lease.

Well No. 1 located in Unit F was a Jalmat gas well and produced until late last year or early this year, but was disconnected on February 17, 1972, from El Paso Natural Gas Company's gathering system. The well is now shut in.

Well No. 2 located in Unit D is a shut in oil well and has been shut in for some time.

Well No. 3 located in Unit C is also a shut in oil well.

Well No. 4 located in Unit F is a shut in oil well.

Well No. 5 located in Unit E is a shut in oil well.

Well No. 6 located in Unit L was plugged and abandoned in 1963. However, there is no marker at the well, the pit has not been levelled, and there is junk on location. Until these three things have been done, final plugging cannot be approved.

Well No. 7 is apparently a well which was drilled, then plugged and abandoned. In our file for this well we have an approved Form C-101 which has been cancelled and labelled "Abandoned Location." However, all indications are that the well has been plugged and abandoned. There is a marker at the well with a mud pit that has not been levelled. To complete this well file, we will need Form C-105, Well Record, showing pertinent information on the form, plus Form C-103 showing how the well was plugged and abandoned.

Mr. L. F. Brown

-2-

August 11, 1972

OIL CONSERVATION COMMISSION

HOBBS, NEW MEXICO 88240

Also, in Unit E and to the west of your present Well No. 5 there is another well which has been identified as Well No. 5-A. This well was evidently drilled by you some time ago without approval from this agency. In order to have some type of file on this well, we will need Form C-101, Form C-102, and Form C-105.

Please file all necessary paper work for Wells Nos. 5-A and 7 immediately so that we may complete our files and know the situation as it exists on your lease. I should mention that you have violated numerous rules and regulations of the Commission, each of which are subject to a \$1000 per violation fine, and failure to file necessary forms is a further violation of our Rules and Regulations.

You will be contacted by a representative of your bonding company in the very near future to determine what action they will take against you in this matter. In the meantime, the Commission will set a hearing in the very near future which will enable you to show cause why these wells should not be plugged and abandoned.

I have had several inquiries from various individuals as to why this lease is not operating, and inquiries as to whether or not a purchase could be made of this lease. So, you might consider selling these properties if possible.

Yours very truly,

OIL CONSERVATION COMMISSION

Joe D. Ramey  
Supervisor, District 1

JDR/mc  
cc-Mr. Craig R. Smith  
Aetna Life & Casualty  
401 Hinkle Bldg.  
Roswell, New Mexico 88201

OIL CONSERVATION COMMISSION

HOBBS, NEW MEXICO 88240

May 1, 1973

C  
O  
P  
Y  
  
Mr. L. F. Brown  
Standard Production Co.  
RR 2 Box 183-S  
Lubbock, Texas

Dear Mr. Brown:

As you know, there has been considerable correspondence from this office to you regarding the future plans for wells located on your Brown Lease in Section 25, T-25-S, R-36-E. Since you have not answered these inquiries, it would appear that you have abandoned these wells, and I have no alternative but to set the matter for hearing to permit you to show cause why the wells should not be plugged and abandoned.

I have, therefore, turned this matter over to the Commission's attorney, and he in turn will set the matter for hearing in a very short time.

Yours very truly,

OIL CONSERVATION COMMISSION

Joe D. Ramay  
Supervisor, District 1.

JDR/mc

cc-Mr. William F. Carr, Attorney  
Oil Conservation Commission  
Santa Fe, New Mexico

Aetna Life & Casualty  
Casualty & Surety Division  
1000 Corrigan Tower Bldg.  
Dallas, Texas 75201  
Attn: Mr. James F. Kelly





Casualty & Surety Division  
401 Hinkle Bldg.  
103 East Third Street  
Roswell, New Mexico 88201

July 18, 1972

Joe D. Ramey  
Supervisor, District I  
Oil Conservation Commission  
State of New Mexico  
P. O. Box 1980  
Hobbs, New Mexico 88240

RE: Our Bond No: 18 S 36443 BC  
Our File : A(S)19 SC 181839 RG  
Principal : L. F. Brown dba Standard Production Company  
Lubbock, Texas

Dear Mr. Ramey:

This will confirm a conversation with your office on July 13, 1972. I have received correspondence concerning the five wells on the Brown Lease located in Section 25, T-25-S, R-36-E, Lea County, New Mexico. I understand you are on vacation when I called and I will be out of my office for the next two weeks. I will contact you on my return to discuss this matter and obtain some information.

I would appreciate your advising me directly of any intended action and as stated above, I will contact you on my return.

Sincerely,

Craig R. Smith  
Resident Claim Representative

ms

NEW MEXICO  
OIL CONSERVATION COMMISSION

Gas Well Plat

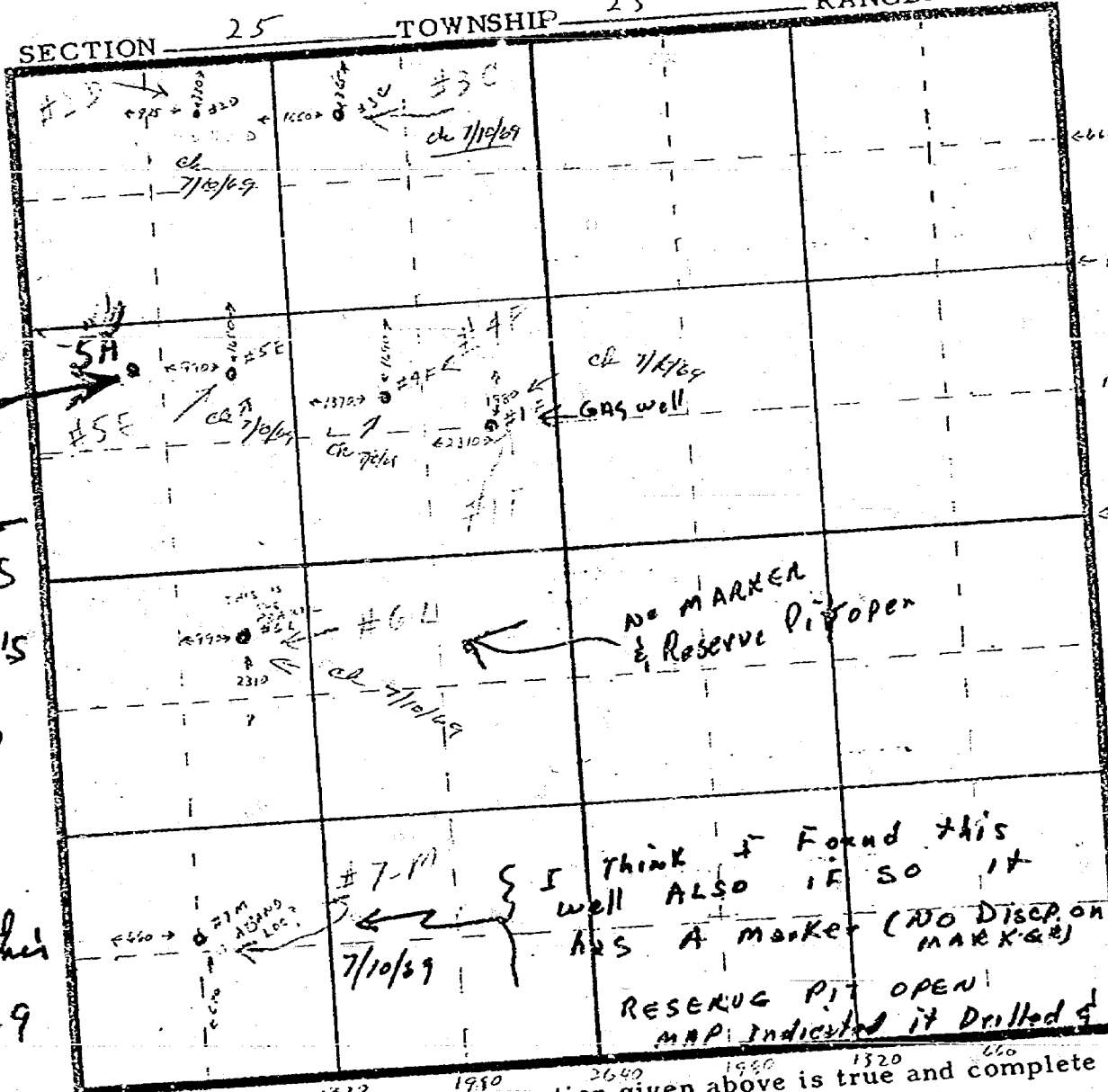
Date \_\_\_\_\_

Std. Prod. Co Brown  
Operator Lease Well No.

Name of Producing Formation \_\_\_\_\_ Pool \_\_\_\_\_

No. Acres Dedicated to the Well \_\_\_\_\_

SECTION 25 TOWNSHIP 25 RANGE 36E



THIS IS  
Brown's  
well  
ALSO  
as  
per  
Mr  
Mathis  
7/10/69

NO MARKER  
& Reserve Pit Open

I think I found this  
well ALSO if so it  
has A marker (NO DISC on  
MARKER)

RESERVE PIT OPEN  
MAP indicated it Drilled &

I hereby certify that the information given above is true and complete  
to the best of my knowledge.

Name \_\_\_\_\_  
Position \_\_\_\_\_  
Representing \_\_\_\_\_  
Address \_\_\_\_\_

(over)

P.A.  
TD  
3328'

AM

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 STANDARD PRODUCTION  
COMPANY AND AETNA LIFE & CASUALTY AND ALL  
OTHER INTERESTED PARTIES TO APPEAR AND  
SHOW CAUSE WHY THE BROWN LEASE WELLS NOS.  
1, 2, 3, 4, 5, and 5-A, located in Units  
F, D, C, F, E, AND E, respectively, of Section  
25, Township 25 South, Range 36 East, Lea  
County, New Mexico, should not be plugged and  
abandoned in accordance with a Commission-  
approved plugging program, and why the location  
of Well No. 6 in Unit L and No. 7 in Unit M of  
said Section 25 should not be cleaned and levelled.

CASE NO. 4999

Order No. R-4574

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on June 20, 1973,  
at Santa Fe, New Mexico, before the Oil Conservation Commission  
of New Mexico, hereinafter referred to as the "Commission."

NOW, on this \_\_\_\_\_ day of June, 1973, 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 Standard Production Company is the owner and  
operator of the Brown Lease Wells Nos. 1, 2, 3, 4, 5, and 5-A, <sup>L, and M,</sup> 6, and 7,  
located in Units F, D, C, F, E, and E, respectively, of Section 25,  
Township 25 South, Range 36 East, NMPM, Lea County, New Mexico.

(3) That in order to prevent waste and protect correlative  
rights said Brown Lease Wells Nos. 1, 2, 3, 4, 5, and 5-A  
should be plugged and abandoned in accordance with a program  
approved by the Hobbs District Office of the New Mexico Oil  
Conservation Commission on or before <sup>August 1,</sup> ~~July 19,~~ 1973.

(4) That the locations of Well No. 6 in Unit L and No. 7 in  
Unit M of said Section 25 should be cleaned and levelled.

-2-

Case No. 4999  
Order No. R-

IT IS THEREFORE ORDERED: *OK*

(1) That Standard Production Company and Aetna Life & Casualty are hereby ordered to plug and abandon the Brown Lease Wells Nos. 1, 2, 3, 4, 5, and 5-A, located in Units F, D, C, F, E, and E, respectively, of Section 25, Township 25 South, Range 36 East, NMPM, Lea County, New Mexico, on or before *August 1,* ~~July 19,~~ 1973.

(2) That Standard Production Company and Aetna Life & Casualty, prior to plugging and abandoning the above-described well, shall obtain from the Hobbs Office of the Commission, a Commission-approved program for said plugging and abandoning, and shall notify said Hobbs Office of the date and hour said work is to be commenced whereupon the Commission may, at its option, witness such work.

*also* *clean and level*  
(3) That the location of Wells No. 6 in Unit L and No. 7 in Unit M of said Section 25 *should be cleaned and levelled by* ~~should be cleaned and levelled by~~ *on or before August 1, 1973,*

(4) 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 herein-  
above designated.