CASE 5002: PLUGGING CASE (RA) TAMANACO - ROUND RANCE "B" WELL No. 27.

CASE No. 5002Application, Transcripts, Small Ethibts





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BEFORE THE OIL CONSERVATION COMMISSION OF THE STATE OF NEW MEXICO

CASE NO. 5002 Order No. R-4576

IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION COMMISSION ON ITS OWN MOTION TO PERMIT TAMANACO OIL CORP-ORATION 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.

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 guorum 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 Tamanaco Oil Corporation is the owner and operator of the Pound Ranch "B" Well No. 27, located in Unit B of Section 27, Township 28 North, Range 1 East, NMPM, Rio Arriba County, New Mexico.

(3) That in order to prevent waste and protect correlative rights said Pound Ranch "B" Well No. 27 should be plugged and abandoned in accordance with a program approved by the Aztec District Office of the New Mexico Oil Conservation Commission on or before August 1, 1973. -2-Case No. 5002 Order No. R-4576

IT IS THEREFORE ORDERED:

(1) That Tamanaco Oil Corporation and Continental Casualty Company are hereby ordered to plug and abandon the Pound Ranch "B" Well No. 27, located in Unit B of Section 27, Township 28 North, Range 1 East, NMPM, Rio Arriba County, New Mexico, on or before August 1, 1973.

(2) That Tamanaco Oil Corporation and Continental Casualty Company, prior to plugging and abandoning the above-described well, shall obtain from the Aztec Office of the Commission, a Commission-approved program for said plugging and abandoning, and shall notify said Aztec Office of the date and hour said work is to be commenced whereupon the Commission may, at its option, witness such work.

(3) 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.



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1. R. TRUJILLO, Chairman

ALEX J. ARMIJO, Member A. L. PORTER. Member & Secretary Jr.

SEAL

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OIL CONSERVATION COMMISSION

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

June 7, 1973

CERTIFIED - RETURN RECEIPT REQUESTED

Tamanaco Oil Corporation c/o Verity, Burr & Cooley 152 Petroleum Center Building Farmington, New Mexico, 87401

Continental Cashalty Company 2976 Wilshire Flvd. Los Angeles, Cilifornia

Tamanaco Oil Oprporation c/o Lorenzo Topia, Esq. Suite 1805 National Building 505 Marquette, N. W. Albuquerque, New Mexico

> Pound Ranch "B" Well No. 27, Unit B, Section 27, Township 28 North, Range 1 East, Rio Arriba County, New Mexico, Continental Casualty Company \$10,000 Blanket Bond Form 39-Al

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. 5002 concerns the subject matter.

Re:

truly yours.

WILLIAM F. CARR Special Assistant Attorney General Oil Conservation Commission

WFC/dr enclosure cc: Oil Conservation Commission - Aztec I. R. TRUILLO CHAIRMAN

LAND COMMISSIONER ALEX J. ARMIJO

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

MEMBER

Albuquerque, New Mexico

Mr. H. K. Riddle

1400 Mesilla, N.E.

Docket No. 16-73

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 Regular Hearing - Wednesday - June 20, 1973 -2Docket No. 16-73

(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 Corine 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.

> : In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit Gleun 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 0 of Section 26, Township 7 South, Range 30 East, Chaves County, New Mexico, should not be plugged and abandoned in accordance with a Commissionapproved plugging program.

5: 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 4995:

CASE 4994:

Regular Hearing - Wednesday - June 20, 1973 -3Docket No. 16-73

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.

<u>CASE 4998</u>: 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 Totah 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. Regular Hearing - Wednesday - June 20, 1973

Docket No. 16-73

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 Commissionapproved plugging program.

CASE 5003:

ASE 5002:

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

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.



OIL CONSERVATION COMMISSION

STATE OF NEW MEXICO 1000 RIO BRAZOS ROAD - AZTEC 87410

November 30, 1973

Mr. H. K. Riddle Route 5, Box 5466 Albuquerque, New Mexico 87123

Re: Plugging Operations Tamanaco Oil Corp.

Dear Mr. Riddle:

The plugging programs for the Tamanaco Oil Corporation wells in Rio Arriba County are set out below:

Pound Ranch B #27, B-27-28N-1E

Set the bottom plug from 877 feet to 731 feet with 19 sacks of cement.

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Cut and pull the casing.

Set a 100 foot cement plug 50 feet in and 50 feet out of casing stub.

Set a 100 foot cement plug at the surface with a marker as required by Rule 202.

Fill all pits, level the location and remove all junk.

El Poso Ranch N #11, N-11-28N-1E

Set the bottom plug from total depth to 1309 feet with 21 sacks of cement.

Cut and pull casing.

Set a 100 foot cement plug 50 feet in and 50 feet out of casing stub.

Set a cement plug from 100 feet to the surface with a marker as required by Rule 202

Fill all pits, level the location and remove all junk.

Rule 202, copy enclosed, requires all cement plugs to be separated by mudladen fluid.

Contact this office by phone approximately 24 hours prior to the time the plugging operations are to begin so that a witness can be on location during the plugging operations.

I. R. TRUJILLO CHAIRMAN

LAND COMMISSIONER ALEX J. ARMIJO MEMBER

STATE GEOLOGIST A. L. PORTER, JR. SECRETARY - DIRECTOR November 30, 1973

Mr. H. K. Riddle Page 2

If there are further questions, please call.

Yours very truly,

A. R. Kendrick

Engineer, District #3

ARK:mc

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

Continental Casualty Co. 310 South Michigan Ave. Chicago, 111ino's 60604



OIL CONSERVATION COMMISSION

STATE OF NEW MEXICO 1000 RIO BRAZOS ROAD - AZTEC 87410

May 22, 197

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GOVERNOR BRUCE KING CHAIRMAN

LAND COMMISSIONER ALEX J. ARMIJO MEMBER

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

5001

Mr. William Carr, Attorney New Mexico Oil Conservation Commission P. O. Box 2088 Santa Fe, New Mexico

Re: Plugging & Abandonment Hearing Tamanaco Oll Corporation Pound Ranch B #27, B-27-28N-1E El Poso #11, N-11-28N-1E

Dear Mr. Carr:

We have letters from the operator of the above two wells dated September, 1963, which indicate it is the operator's opinion that the wells are capable of commercial production. The Pound Ranch #1 well is reported as having a gas zone present at 790 feet and the El Poso #11 is represented as being capable of producing 10 barrels of oil per day from a total depth of 1450 feet. Based upon these claims the Commission postponed action to require

To my knowledge no further drilling or production has taken place at either of these locations since 1963. I, therefore, recommend that you set a case for hearing before the Commission to have the operator show cause why these wells should not be plugged and abandoned in accordance with a Commission approved plugging program.

Thank you.

Yours very truly, (lu

Emery G. Arnold Supervisor, District #3

ECA:mc

cc: H. K. Riddle 1409 Mesilla N. E. Albuquerque, New Mexico

> Jack Cooley, Agent Petroleum Center Building Farmington, New Mexico

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

August 13, 1973

Mr. Robert E. Huffman, Supervisor Surety Claim Department CNA/Insurance 310 South Michigan Avenue Chicago, Illinois 60604

Dear Mr. Huffman:

Thank you for your correspondence of July 19, 1973, concerning the \$10,000 Blanket Bond filed with the Oil Conservation Commission covering certain wells drilled by Tamanaco Oll Company) in the northwestern part of New Mexico.

As per your request, I have enclosed a copy of the bond and correspondence relating thereto.

If I may be of any further assistance to you, do not hesitate to call.

Very truly yours,

WILLIAM F. CARR Special Assistant Attorney General Oil Conservation Commission

WFC/dr enclosures

Mr. Emery Arnold CC: 011 Conservation Commission Aztec, New Mexico 87410

June 5, 1981 - Care 4502

Mr. B. R. Copenhaver, Jr. And Andrew Continental Casualty Company 2975 Wilshira Boulevard, Los Angeles 5, California

un dises Tagara

Re: \$10,000 Blankst Flugging Bond, Tamanaco Oil Corp.

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Dear Siz: Secretar Siz: Secretar Singular secretar states and secretarian secretarian secretarian secretarian secretarian

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Becaipt of your request for cancellation of the abovecaptioned bond is hereby acknowledged.

In compliance with your request, the bond issued by your company on behalf of Taxanaco Oil Corporation, will be cancelled on June 25, 1951, as to any property or wells acquired, started or drilled <u>after</u> that date.

It should be noted, however; that the bond-will remain in offect as to any property or wells acquired, started, or drilled prior to June 26, 1951.

Very truly yours,

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A. L. PORTER, Jr.; Secretary-Director

Oil Conservation Commission Artasia, Aztec, Hobbs



Gentlemen:

Enclosed is Form C-105 in quintuplicate, WELL RECORD on Tamanaco Oil Corp. 27- B Pound Ranch well.

IN GAS PRODUCER

1400 MEDILLA, N.E. ALBUQUERQUE, NEW MEXIC

September 26, 1

We reported to you on Form C-103 on March 14, 1962 that 250' of 7" casing was cemented to surface. Air drilling encountered water at 300' and rig was moved 100' south and redrilled. A 4' nipple is screwed into this 7" surface pipe from the ground up, and a plate welded over the top. This water well is left insupension, pending

5002

use required by the landowner as a water well.

Reported to you on Form C-103 On Sept. 20, 1961 was the following; In the second hole, high gas pressures required very heavy mud to prevent blow-out while drilling from about 790' until we set $4\frac{1}{2}$ " at 1213'. Then we airdrilled on to 1928', pumped our heaviest mud from the pit to fill hole, lifted weighting up to 977', spotted cement back to 877'. Then we cemented $4\frac{1}{2}$ " at 831' with 30 sacks. After 36 hours pump pressure circulated so Dowell came again, cemented with another 60 sacks. The gas pressure kept working and bubbling around the casing during the setting period, so the first cement job did not hold, the second did. We estimate that cement is all the way back up to and around the 389.64' of 7" since we pulled 80,000 # on the 7" and could not pull it.

The gas is probably at around 790' and by perforating, we think this well could be made commercial. There is no pipeline within miles, however, the new dam to be built above El Vado Lake may create a market for this gas for their shops and buildings. A bullplug is screwed into the $4\frac{1}{2}$ " and bumped tight. This well with casing cemented all the way up within the surface pipe, will be left in suspension until such time as gas may be needed or marketed from this area.

Yours very truly, TAMANACO OIL CORPORATION BY: H. K. Riddle, President

Enclosure, Schlumberger, Gamma-Ray on this hole.

DIL CONSERVATION COMMISSION 1000 RÍÓ BRAZOS ROAD AZTEC, NEW MEXICO

Case 4502

May 10, 1963

Tamanaco Oil Company c/o Verity, Burr & Cooley 152 Patroloum Canter Building Farmington, New Maxico

> Re: <u>A27 Pound Ranch "B"</u> B-27-284-18, Rio Arriba County

Gentlemens

Notice of Intention to Drill was filed on the above well on June 20, 1961. Subsequent reports were filed indicating that it was drilled to the Dakota Formation and that 4^{10}_{2} casing was commented at 031'.

The well has evidently been in a temperarily abandoned status since that date. We presume that no further attempt will be made by the operator to complete the well is a producing well and therefore are directing that it be plugged in accordance with New Mexico Oil Conservation Commission rules and regulations. Form G-102 should be filed showing the plugging program, along with Form G-105, well Record Form, indicating formations penetrated. In the event some action is not taken within the next 30 days it is our intention to set the matter for hearing in order that the operator and the bonding company may show cause why the well should not be plugged and abandoned.

Yours very truly

ECA : ks

Smery C. Arnold Supervisor, District #3

co: Continental Casualty Company 2975 Wilshire Boulevard Los Angeles 5, California

> 011 Conservation Commission Box 871 Santa Fe, New Mexico

BEFORE THE OIL CONSERVATION COMMISSION OF THE STATE OF NEW MEXICO

CASE NO. 5002 Order No. R-4576

IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION COMMISSION ON ITS OWN MOTION TO PERMIT TAMANACO OIL CORP-ORATION AND CONTINEY TAL 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.

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 <u>28th</u> 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 Tamanaco Oil Corporation is the owner and operator of the Pound Ranch "B" Well No. 27, located in Unit B of Section 27, Township 28 North, Range 1 East, NMPM, Rio Arriba County, New Mexico.

(3) That in order to prevent waste and protect correlative rights said Pound Ranch "B" Well No. 27 should be plugged and abandoned in accordance with a program approved by the Aztec District Office of the New Mexico Oil Conservation Commission on or before August 1, 1973. -2-Case No. 5002 Order No. R-4576

IT IS THEREFORE ORDERED:

(1) That Tamanaco Oil Corporation and Continental Casualty Company are hereby ordered to plug and abandon the Pound Ranch "B" Well No. 27, located in Unit B of Section 27, Township 28 North, Range 1 East, NMPM, Rio Arriba County, New Mexico, on or before August 1, 1973.

(2) That Tamanaco Oil Corporation and Continental Casualty Company, prior to plugging and abandoning the above-described well, shall obtain from the Aztec Office of the Commission, a Commission-approved program for said plugging and abandoning, and shall notify said Aztec Office of the date and hour said work is to be commenced whereupon the Commission may, at its option, witness such work.

(3) 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

f. R. TRUJILLO, Chairman

J. ARMIJO, Member

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

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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 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 NO. 5001 Order No. R-4575

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 <u>28th</u> 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 Tamanaco Oil Corporation is the owner and operator of the El Poso Ranch "N" Well No. 11, located in Unit N of Section 11, Township 28 North, Range 1 East, NMPM, Rio Arriba County, New Mexico.

(3) That in order to prevent waste and protect correlative rights said El Poso Ranch "N" Well No. 11 should be plugged and abandoned in accordance with a program approved by the Aztec District Office of the New Mexico Oil Conservation Commission on or before August 1, 1973.

IT IS THEREFORE ORDERED:

(1) That Tamanaco Oil Corporation and Continental Casualty Company are hereby ordered to plug and abandon the El Poso Ranch -2-Case No. 5001 Order No. R-4575

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"N" Well No. 11, located in Unit N of Section 11, Township 28 North, Range 1 East, NMPM, Rio Arriba County, New Mexico, on or before August 1, 1973.

(2) That Tamanaco Oil Corporation and Continental Casualty Company, prior to plugging and abandoning the above-described well, shall obtain from the Aztec Office of the Commission, a Commission-approved program for said plugging and abandoning, and shall notify said Aztec Office of the date and hour said work is to be commenced whereupon the Commission may, at its option, witness such work.

(3) 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

X J. ARMIJO, Member L. PORTER, Jr., Member & Secretary

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Jase 5002 - Vamanaco TESTIMONY FOR SHOW CAUSE HEARINGS Make appearance for Oil Conservation Commission one witness: Bury Name, position, place of residence. county? include Lio arriba County involved 1. Does district wriba Does it include the part of 2. 10 Would you briefly describe your duties as district supervisor in this case? 3. (recommendations to the Commission as to when wells should as they relate to this case? 5. Are you familiar with subject matter of Case No. 5002 ? What is the purpose of this case? (be sure wells are identified) 6. Have you reviewed all reports filed with the Commission concerning Are you familiar with the well? this/these well and visited the well site (1)? 7. 8. Do you have these records with you? Please refer to these records and give us the history of the/each 9. well as reflected by the official records: 10. A. application to drill and date B. operator C. location and dedicated acreage (C-102) D. well depth formation completed in information from other forms Ε. The date of the last official form. F. (any which is relative to this case that should be called 11. Other communication to the examiner's attention) 12. How recently have you visited theme welle? Would you tell us what you found at the siter 13. condition 14. A. abandoned C any sign of present production Would there be any danger in leaving this well in its present B--a-dry-hole 15. condition? Do you have any opinion as to whether or not the well should 16 --- Could it be a safety problem? 17. be plugged?

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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?

ľ,

20. Offer forms as exhibits.

Docket No. 16-73

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 Regular Hearing - Wednesday - June 20, 1973 -2Docket No. 16-73

(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 Off 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 Commissionapproved 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 Commissionapproved plugging program.

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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.

In the matter of the hearing called by the Oil Conservation Com-CASE 4997: mission 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 Com-

mission 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 Totah 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.

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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 Commissionapproved 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.

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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 and cath successing month until it is overproduced in an amount less than six times its average monthly allowable, as determined

Rule 15 would be further amended to permit the Secretary-Director above. 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.

DRAFT

dr

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 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 NO. 5002 Order No. R-

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:

before July 19, 1973

(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 Tamanaco Oil Corporation is the owner and
operator of the Pound Ranch "B" Well No. 27
located in Unit \underline{B} of Section 27, Township 28 North, Range
1 East , NMPM, Rio Arriba County, New Mexico.
(3) That in order to prevent waste and protect correlative
rights said Pound Ranch "B" Well No. 27
should be plugged and abandoned in accordance with a program
approved by the <u>Aztec</u> District Office of the New Mexico Oil Generation Commission on or before July 19, 1973.
IT IS THEREFORE ORDERED:
(1) That Tamanaco Oil Corporation and Continental Casualty Company
are hereby ordered to plug and abandon the
Pound Ranch "B" Well No. 27
located in Unit B of Section 27, Township 28 North
Range 1 East , NMPM, Rio Arriba County, New Mexico, on or

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(2) That <u>Tamanaco Oil Corporation and Continental Casualty Company</u>, prior to plugging and abandoning the abovedescribed well, shall obtain from the <u>Aztec</u> Office of the Commission, a Commission-approved program for said plugging and abandoning, and shall notify said <u>Aztec</u> Office of the date and hour said work is to be commenced whereupon the Commission may, at its option, witness such work.

(3) 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.