

CASE 5003: - PLUGGING CASE (SJ)
DAN M. LOCKIE - DAN M. LOCKIE,
GERSBACH COM #1

CASE No.

5003

Application,

Transcripts,

Small Exhibits

ETC.

dearnley, meier & associates

200 SIMMS BLDG., P.O. BOX 1092, PHONE 243-6001, ALBUQUERQUE, NEW MEXICO 87103
1212 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 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 No. 5003

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

I. R. Trujillo,
Member

TRANSCRIPT OF HEARING

1 MR. PORTER: Case 5003.

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

10 The Commission has one witness, and the record
11 should reflect that the witness has been sworn.

12 * * * *

13 EMORY ARNOLD,
14 was called as a witness, and having been already duly sworn
15 according to law, testified as follows:

16 DIRECT EXAMINATION

17 BY MR. CARR:

18 Q Will you state your name and occupation for the record?

19 A Emory Arnold, District supervisor for the Oil Conservation
20 Commission's District Three Office.

21 Q Is San Juan County included in District Three?

22 A Yes.

23 Q Is the portion of San Juan County involved in this case
24 included in District Three?

25 A Yes.

- 1 Q Will you briefly describe your duties as District
2 supervisor as they relate to this case?
- 3 A I am responsible for the regulation of spacing, drilling,
4 production, prorationing, and the plugging of oil and
5 gas wells.
- 6 Q Your duties do include the plugging and abandoning of
7 certain wells?
- 8 A Yes, sir.
- 9 Q Are you familiar with the subject matter of Case 5003?
- 10 A Yes, I am.
- 11 Q What is the purpose of this case?
- 12 A The purpose of this case is to have the operator, Dan
13 M. Lockie, and the bonding company show cause as to
14 why the Gersbach Com #1 Well should not be plugged and
15 abandoned.
- 16 Q Are you familiar with this well?
- 17 A Yes.
- 18 Q And are you familiar with the reports filed with the
19 Commission concerning this well?
- 20 A Yes.
- 21 Q Have you visited the well site recently?
- 22 A Yes.
- 23 Q Do you have these records with you?
- 24 A Yes.
- 25 Q Would you refer to the records, and give us a history of

1 the well as is reflected in there?

2 A The Gersbach Com #1 Well is in the southeast quarter
3 of Section 3, Township 29 South, Range 16 West, San
4 Juan County, New Mexico. It is located 1875 feet from
5 the south line and 650 feet from the east line of
6 Section 3, Township 29 North, Range 16 West. The C-103
7 was approved in 1962, and the well was drilled to a
8 total depth of 5,505 feet. It was completed as an
9 oil well at an interval of 3,369 to 3,405 feet. The
10 initial potential was 14 barrels of oil per day. The
11 well was cased as follows: 8 5/8 inch casing to 159
12 feet with 225 sacks of cement, and 5 1/2 inch casing
13 to 3,469 feet, with 125 sacks of cement. It was
14 completed in the open hole, and the name was changed
15 to the Gersbach Com #1 on January 21st, 1966. The
16 well produced oil periodically until 1970, when it
17 produced 21 barrels for the year. Accumulative
18 production to date has been 10,582 barrels. The well
19 has reported no production since 1970. The last form
20 filed was a Form C-104, filed on 5/9/69.

21 Q In your opinion, would properly plugging and abandoning
22 this well prevent waste?

23 A Yes. I think it is possible that failure to plug this
24 well might result in waste.

25 Q Do you have a plugging program that you would recommend

1 to the Commission at this time?

2 A No, not at this time. However, I will recommend a
3 plugging program to the operator at such time that he
4 is ready to plug.

5 MR. CARR: I have no further questions.

6 MR. PORTER: Do you recommend the same time period
7 for the approval of the plugging of this well that you did
8 in the previous cases?

9 THE WITNESS: Right, sixty days.

10 MR. PORTER: Are there any further questions?

11 (No response)

12 MR. PORTER: The witness may be excused.

13 (Witness excused.)

14 (Whereupon the Commission conferred.)

15 (Hearing continues.)

16 MR. PORTER: Plugging will be ordered in Case 5003,
17 and the order will be issued in accordance with the
18 recommendations of the witness.

19 By the way, we have, subsequent to the setting of
20 this case for hearing, been contacted by Mr. Lonny Kramer,
21 who is a representative of the operator, and he has stated
22 that he is getting a plugging contractor, so I presume we
23 are not going to have any difficulty.

24 Also let the record indicate that we have been
25 contacted by Hartford Fire Insurance Company, and they have

dearnley, meier & associates

200 SIMMS BLDG., P.O. BOX 1002, PHONE 243-6691, ALBUQUERQUE, NEW MEXICO 87103
1216 FIRST NATIONAL BANK BLDG., EAST ALBUQUERQUE, NEW MEXICO 87108

1 indicated that the well will be plugged.

2 Also let the record show there are no other
3 appearances in this case.

4 * * * *

5 STATE OF NEW MEXICO)
6) ss
7 COUNTY OF BERNALILLO)

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

15 *Richard E. McCormick*
16 CERTIFIED SHORTHAND REPORTER
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dearnley, meier & associates
209 SIMMS BLDG., P.O. BOX 1092, PHONE 249-6691, ALBUQUERQUE, NEW MEXICO 87103
1216 FIRST NATIONAL BANK BLDG. EAST, ALBUQUERQUE, NEW MEXICO 87108

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PAGE 8

I N D E X

WITNESS
EMORY ARNOLD

PAGE
3

Direct Examination by Mr. Carr

No. 635930

RECEIPT FOR CERTIFIED MAIL—20¢

SENT TO Hartford Fire Insur. Co. Group		POSTMARK OR DATE
STREET AND NO. 720 California Street		
CITY, STATE, AND ZIP CODE San Francisco, Calif. 94108		
If you want a return receipt, check which <input type="checkbox"/> 10¢ shows to whom and when delivered <input type="checkbox"/> 35¢ shows to whom, when, and address where delivered		If you want delivery only to addressee, check here <input type="checkbox"/> 50¢ fee
FEES ADDITIONAL TO 20¢ FEE		
POD Form 3800 July 1963 NO INSURANCE COVERAGE PROVIDED—NOT FOR INTERNATIONAL MAIL (See other side)		

PLEASE FURNISH SERVICE(S) INDICATED BY CHECKED BLOCK(S).
REQUIRED FEE(S) PAID.
☐ Show to whom, date and address where delivered
☐ Deliver ONLY to addressee

RECEIPT
Received the numbered article described below.
SIGNATURE OR NAME OF ADDRESSEE (Must always be filled in)
SIGNATURE OF ADDRESSEE'S AGENT, IF ANY
SHOW WHERE DELIVERED (only if required)

REGISTERED NO.
635930
CERTIFIED NO.
INSURED NO.
DATE DELIVERED
JUN 1 1967

645-16-71848-11 267-108 GPO

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

(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 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 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.

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.

Case 5003 - ~~San M. No. 1~~ No. 1

TESTIMONY FOR SHOW CAUSE HEARINGS

Make appearance for Oil Conservation Commission

one witness: Emory Arnold

1. Name, position, place of residence.
2. Does district III include San Juan County?
3. Does it include the part of San Juan 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. 5003?
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 well in its present condition?
16. ~~Could it be a safety problem?~~
17. Do you have any opinion as to whether or not the well 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.

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 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 NO. 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 NO. 5003
ORDER NO. R-4577

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 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 Dan M. Lockie is the owner and operator of the
Dan M. Lockie Gersbach Com No. 1, located in Unit J of Section 3,
Township 29 North, Range 16 West, NMPM, San Juan County,
New Mexico.

(3) That in order to prevent waste and protect correlative
rights said Dan M. Lockie Gersbach Com No. 1 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 Dan M. Lockie and Hartford Fire Insurance Company
Group are hereby ordered to plug and abandon the Dan M. Lockie
Gersbach Com No. 1, located in Unit J of Section 3, Township 29
North, Range 16 West, NMPM, San Juan County, New Mexico, on or
before August 1, 1973.

-2-

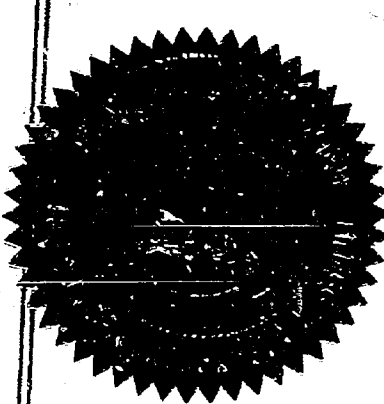
Case No. 5003
Order No. R-4577

(2) That Dan M. Lockie and Hartford Fire Insurance Company Group, 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 causa 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
I. R. TRUJILLO, Chairman

ALEX J. ARMIJO, Member

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

S E A L

og/

Pacific Department
650 California Street
Mail Address: P. O. Box 3615
San Francisco, California 94119



THE HARTFORD

June 14, 1973

AIR MAIL

William F. Carr
Special Assistant Attorney General
Oil Conservation Commission
State of New Mexico
P.O. Box 2088
Santa Fe, New Mexico 87501

Re: Principal: Dan M. Lockie
Obligee: State of New Mexico
Bond No: N 3165953

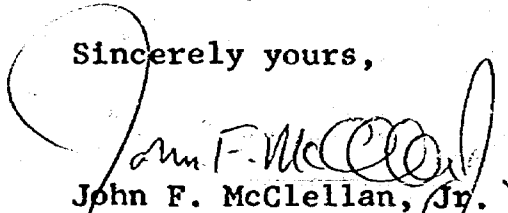
Dear Mr. Carr:

We acknowledge receipt of your recent letter concerning
the June 20th Examiner Hearing.

We have written Mr. Lockie in an effort to have him respond
to your letter.

The Hartford will not have a representative present at the
meeting as we assume Mr. Lockie will rectify the problem
personally.

Sincerely yours,


John F. McClellan, Jr.
Surety Claims Department
Hartford Accident and Indemnity Company

JFM:hm

Hartford Fire Insurance Company
Hartford Accident and Indemnity Company
Hartford Life Insurance Company
Hartford Casualty Insurance Company
New York Underwriters Insurance Company
Twin City Fire Insurance Company



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

Dan M. Lockie
Box 285
Miles City, Montana

CERTIFIED - RETURN
RECEIPT REQUESTED

Hartford Fire Insurance Co. Group
720 California Street
San Francisco, California

Re: Dan M. Lockie, Gersbach Com No.1,
Unit J, Section 3, Township 29
North, Range 16 West, San Juan
County, New Mexico, Hartford Fire
Insurance Co. Group \$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. 5003
concerns the subject matter.

Very truly yours,

WILLIAM F. CARR
Special Assistant Attorney General
Oil Conservation Commission

WFC /ac
enclosure

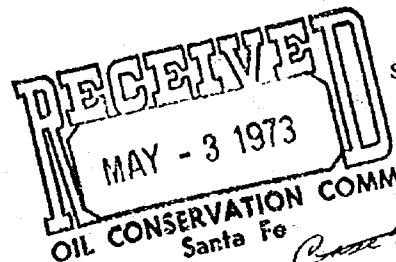
cc: Oil Conservation Commission - Aztec



OIL CONSERVATION COMMISSION

STATE OF NEW MEXICO
1000 RIO BRAZOS ROAD - AZTEC
87410

May 1, 1973



GOVERNOR
BRUCE KING
CHAIRMAN

LAND COMMISSIONER
ALEX J. ARMIJO
MEMBER

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

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

Re: Plugging and Abandonment
Dan M. Lockie, Gersback Com #1
1875 ft. from the south line and 1650 ft. from the east line
Section 2, Township 29 North, Range 16 West, San Juan County, New Mexico

Dear Mr. Carr:

The above well was completed in 1962 as a producing oil well in the Gallup Formation. The well produced sporadically until 1969 and has reported no production since that date.

I am requesting that a hearing be set to have the operator and bonding company show cause why the well should not be plugged and abandoned according to a Commission approved plugging program.

Thank you.

Yours very truly,

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

ECA:nc

cc: Dan M. Lockie
Box 285
Miles City, Montana

Hartford Fire Insurance Company Group
720 California Street
San Francisco, California

DRAFT

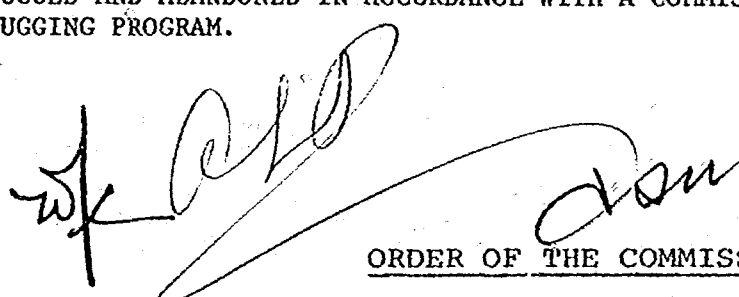
dr/

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 DAN M. LOCKIE AND HARTFORD FIRE INSURANCE COMPANY GROUP AND ALL OTHER INTERESTED PARTIES TO APPEAR AND SHOW CAUSE WHY THE DAN M. LOCKIE GERSBACK COM NO. 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 NO. 5003

Order No. R-4577


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 Dan M. Lockie is the owner and operator of the Dan M. Lockie Gersback Com No. 1 located in Unit J of Section 3, Township 29 North, Range 16 West, NMPM, San Juan County, New Mexico.

(3) That in order to prevent waste and protect correlative rights said Dan M. Lockie Gersback Com No. 1 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 ~~July 19~~, 1973.

IT IS THEREFORE ORDERED:

(1) That Dan M. Lockie and Hartford Fire Insurance Company Group are hereby ordered to plug and abandon the Dan M. Lockie Gersback Com No. 1

located in Unit J of Section 3, Township 29 North, Range 16 West, NMPM, San Juan County, New Mexico, on or

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(2) That Dan M. Lockie and Hartford Fire Insurance Company Group
_____, 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.