

CASE 5042: PLUGGING CASE (EDDY)
EVERETT D. BURGETT - PURE STATE
STATE WELLS NOS. 1, 2, 3, & 7

CASE No.

5041

Application,

Transcripts,

Small Exhibits

ETC.

dearnley, meier & associates

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

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BEFORE THE
NEW MEXICO OIL CONSERVATION COMMISSION
CONFERENCE ROOM, STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO
August 9, 1973

EXAMINER HEARING

IN THE MATTER OF:

Hearing called by the Oil Conservation
Commission on its own motion to permit
Everett D. Burgett and Fireman's Fund
American Insurance Companies and all
other interested parties to appear and
show cause why the Pure State Wells
Nos. 1, 2, 3, and 7 located in Units J,
J, O, and O, respectively, of Section 15,
Township 21 South, Range 27 East, Eddy
County, New Mexico, should not be
plugged and abandoned in accordance with
a Commission-approved plugging program.

Case No. 5042

IN THE MATTER OF:

Hearing called by the Oil Conservation
Commission on its own motion to permit
Kent Shannon and American Employers'
Insurance Company and all other interested
parties to appear and show cause why the
Chaparral Tejano Well No. 1 located in
Unit D of Section 10, Township 7 South,
Range 26 East, Chaves County, New Mexico,
should not be plugged and abandoned.

Case No. 5043

BEFORE: ELVIS A. UTZ,
Examiner.

TRANSCRIPT OF HEARING

1 MR. UTZ: Next on the docket, we have two
2 plugging cases. Well, we will call Case 5042.

3 MR. CARR: If we could call both of these cases
4 at this time and consolidate them for purposes of
5 testimony.

6 MR. UTZ: 5042 and 5043. Those two cases will
7 be consolidated for purposes of hearing. Separate
8 orders will be rendered.

9 MR. CARR: In the matter of the hearing called
10 by the Oil Conservation Commission on its own motion
11 to permit Everett D. Burgett and Fireman's Fund American
12 Insurance Companies and all other interested parties to
13 appear and show cause why the Pure State Wells Nos. 1,
14 2, 3, and 7 located in Units J, J, O, and O, respectively,
15 of Section 15, Township 21 South, Range 27 East, Eddy
16 County, New Mexico, should not be plugged and abandoned
17 in accordance with a Commission-approved plugging program.

18 In the matter of the hearing called by the Oil
19 Conservation Commission on its own motion to permit
20 Kent Shannon and American Employers' Insurance Company
21 and all other interested parties to appear and show cause
22 why the Chaparral Tezano Well No. 1 located in Unit D
23 of Section 10, Township 7 South, Range 26 East, Chaves
24 County, New Mexico, should not be plugged and abandoned
25 in accordance with a Commission-approved plugging program.

dearnley, meier & associates

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1 Mr. Examiner, the Commission has one witness
2 we'd like to have sworn.

3 MR. UTZ: Will the witness stand and be sworn?
4 (Whereupon, Mr. Utz swears the witness.)

5 MR. UTZ: Are there other appearances in these
6 cases?

7 (No response.)

8 MR. UTZ: You may proceed.

9 * * * *

10 W. S. GRESSETT,
11 was called as a witness, and after being duly sworn,
12 testified as follows:

13 DIRECT EXAMINATION

14 BY MR. CARR:

15 Q Will you state your name, position and place of residence?

16 A W. S. Gressett, Supervisor of Commissions, District Two,
17 Artesia, New Mexico.

18 Q Does District Two include the portions of Eddy and
19 Chaves Counties and are they involved in these cases?

20 A Yes, sir.

21 Q Do your duties as District Supervisor include making
22 recommendations to the Commission as to when wells should
23 be plugged and abandoned?

24 A Yes, sir.

25 Q Are you familiar with the subject matter of cases 5042

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1 and 5043?

2 A Yes.

3 Q What is the purpose of these cases?

4 A The cases are called to allow the operators to appear
5 and show cause why they should not be properly plugged
6 and abandoned to prevent waste.

7 Q Are you familiar with the subject wells in these cases?

8 A Yes, sir.

9 Q And, Mr. Gressett, have you reviewed all the reports
10 filed with the Commission concerning these wells?

11 A Yes, sir.

12 Q And do you have these reports with you today?

13 A Yes, sir, I do.

14 Q Will you please refer to these reports and give us a
15 history of each of the wells as directed in the official
16 reports?

17 A Everett D. Burgett Pure State Well Number 1, drilling was
18 commenced in September of 1953. It was completed, an
19 allowable was assigned in March of 1956, and the well
20 produced for a period of time and then it was shut in.
21 And the Burgett remained shut in for a number of years.

22 Pure State Number 2, drilling was commenced in
23 October of 1954, and completion in December of 1954. An
24 allowable was assigned to this well and it produced for
25 a period of time and was subsequently shut in.

1 Pure State Number 3, drilling was commenced in
2 April of 1955, and was completed, an allowable was assigned
3 in May of 1955. This well produced for a period of time
4 and was shut in.

5 Pure State Number 7, drilling commenced in March
6 of 1957, completed, an allowable was assigned in May of
7 1957. This well produced for a period of time and was
8 shut in.

9 In 1963, there was a show cause hearing why these
10 wells should not be plugged and abandoned. The operator
11 appeared and testified that he would put them back on
12 production and this was Case Number 2793 and the order
13 was entered on May 8, 1963, being Order Number R-2483.
14 Mr. Burgett went out and done some work on the wells in
15 October of 1963, and filed a report stating that he had
16 placed them back on production. This report was returned
17 to the operator for clarification and additional information
18 and to date we have not heard from him.

19 MR. UTZ: When was this?

20 A This was in -- the report was received November 5, 1963.
21 At that time he was supposed to put them back on, but
22 if he did he never did report any production and, like I
23 said, when we returned the report for additional information
24 and corrections, he just failed to send it back in. So,
25 according to our records, the wells have not produced any

oil in the last twelve years, at least.

Q (By Mr. Carr) Okay. Would you go on now to the Kent Shannon well?

A The Kent Shannon Chaparral Tezano Well No. 1, the note is the Commission approved this well on October 18, 1968. And then on March 10, 1970, he filed a report showing, that he desired instructions to plug. I approved the form with a plugging recommendation on it and sent it back to him. Then, on August 28, he called and said the rancher would like to keep the well for a water well. So I then mailed him the necessary reports for this and I didn't hear anything from him, so I wrote him a letter in September of 1971, January of 1972, and May of 1973, and haven't heard from him.

Q When was the last date you heard from Mr. Shannon?

A That I heard from him?

Q Yes.

A That telephone conversation on May 28, '70. The last form that he submitted was received in our office on March 6, 1970.

Q Mr. Gressett, what type of plugging program do you recommend for these wells?

A I would recommend the plugging program consisting of plug laid and poured and cement plugs in each well in such a manner as to confine the oil, gas or water to its

zone there, the region it's found.

Q And you would prefer to have that left to the discretion of the district officer at the time the wells are plugged?

A Yes, I would.

MR. CARR: I have nothing further.

CROSS-EXAMINATION

BY MR. UTZ:

Q Mr. Gressett, the wells subject to Case 5042, the Gressett-Burgett wells-- sorry about that. Are those the same wells and the same pool that over the years we have had problems with oil running all over the landscape?

A Yes, sir, they sure are.

Q Bad shape and so forth?

A Right.

Q And now, you want to plug them?

A Yes, sir, sure do.

MR. UTZ: Are there other questions of the witness?

CROSS-EXAMINATION

BY MR. PORTER:

Q Mr. Gressett, is this pool where the operator at one time was producing his well into an open pit and then skimming the oil off of the pit?

A Yes.

1 Q And making approximately ninety eight percent water?

2 A Yes, sir, that's correct.

3 Q Approximately how deep are the wells?

4 A Five hundred and sixty to eighty feet.

5 Q Five hundred sixty to eighty feet?

6 A Yes, sir.

7 Q And you don't know -- well, I guess you have some kind
8 of record of how many pipes in the hole?

9 A Yes, sir. I have very little. Would you like how much?

10 Q No, that's all right if you have a report of it. Now,
11 what evidence do you have of fresh water in the area?

12 A There are windmills in the immediate area and some wells
13 in the area reported water, shallow water.

14 Q Well, this is my concern about the pipe, whether or not
15 there was surface casing in each hole.

16 A Yes, sir. I believe the pipe is set through all of the
17 surface water.

18 Q All right.

19 A Now, whether it's cemented adequately to keep it from
20 going down the hole --

21 Q And I would assume that the water that he produced that
22 the oil was nonpotable?

23 A Yes, sir.

24 MR. UTZ: Other questions?

25 (No response.)

dearnley, meier & associates

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MR. UTZ: The witness may be excused. Statements
in the case?

STATE OF NEW MEXICO)
COUNTY OF BERNALILLO) SS.

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

Claudia D. Fahrenthold
COURT REPORTER

I do hereby certify that the foregoing is
a complete record of the proceedings in
the Examiner hearing of Case No. 5042,
heard by me on August 7, 1973.
New Mexico Oil Conservation Commission Examiner

I N D E XWITNESSW. S. GRESSETTPage

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No. 635945

RECEIPT FOR CERTIFIED MAIL—20¢ Case 5042

SENT TO

Everett D. Burgett

STREET AND NO.

Box 940

CITY, STATE, AND ZIP CODE

Carlsbad, N.M. 88220

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

POSTMARK OR DATE

FEES ADDITIONAL TO 20¢ FEE

POD Form 3800
July 1963

NO INSURANCE COVERAGE PROVIDED—
NOT FOR INTERNATIONAL MAIL

(See other side)

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 EVERETT D. BURGETT AND FIREMAN'S FUND AMERICAN INSURANCE COMPANIES AND ALL OTHER INTERESTED PARTIES TO APPEAR AND SHOW CAUSE WHY THE PURE STATE WELLS NOS. 1, 2, 3, AND 7 LOCATED IN UNITS J, J, O, AND O, RESPECTIVELY, OF SECTION 15, TOWNSHIP 21 SOUTH, RANGE 27 EAST, EDDY COUNTY, NEW MEXICO, SHOULD NOT BE PLUGGED AND ABANDONED IN ACCORDANCE WITH A COMMISSION-APPROVED PLUGGING PROGRAM.

CASE NO. 5042
Order No. R-4616

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on August 9, 1973, at Santa Fe, New Mexico, before Examiner Elvis A. Utz.

NOW, on this 23rd day of August, 1973, the Commission, a quorum being present, having considered the testimony, the record, and the recommendations of the Examiner, and being fully advised in the premises,

FINDS:

(1) That due public notice having been given as required by law, the Commission has jurisdiction of this cause and the subject matter thereof.

(2) That Everett D. Burgett is the owner and operator of the Pure State Wells Nos. 1, 2, 3, and 7, located in Units J, J, O, and O, respectively, of Section 15, Township 21 South, Range 27 East, NMPM, Eddy County, New Mexico.

(3) That on May 8, 1963, a hearing was held before the Oil Conservation Commission to allow any interested party to appear and show cause why said wells should not be plugged and abandoned.

(4) That Mr. Everett D. Burgett appeared at this hearing and assured the Commission that said wells would be either placed on production or plugged within 90 days.

(5) That said wells have neither been placed on production nor plugged and have not produced oil for more than ten years.

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Case No. 5042
Order No. R-4616

(6) That in order to prevent waste and protect correlative rights said Pure State Wells Nos. 1, 2, 3, and 7 should be plugged and abandoned in accordance with a program approved by the Artesia District Office of the New Mexico Oil Conservation Commission on or before October 1, 1973.

IT IS THEREFORE ORDERED:

(1) That Everett D. Burgett and Fireman's Fund American Insurance Companies are hereby ordered to plug and abandon the Pure State Wells Nos. 1, 2, 3, and 7, located in Units J, J, O, and O, respectively, of Section 15, Township 21 South, Range 27 East, NMPM, Eddy County, New Mexico, on or before October 1, 1973.

(2) That Everett D. Burgett and Fireman's Fund American Insurance Companies, prior to plugging and abandoning the above-described well, shall obtain from the Artesia office of the Commission, a Commission-approved program for said plugging and abandoning, and shall notify said Artesia 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


ALEX J. ARMIJO, Member


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



S E A L

dr/

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

RECEIVED
JUN 19 1963

O. C. C.
ARTERIA, OFFICE

IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION COMMISSION ON ITS OWN MOTION TO PERMIT EVERETT D. BURGETT AND ALL OTHER INTERESTED PARTIES TO APPEAR AND SHOW CAUSE WHY THE PURE STATE WELLS NOS. 1, 2, 3, AND 7, LOCATED IN UNITS J AND O OF SECTION 15, AND THE MAGNOLIA STATE WELL NO. 1, LOCATED IN UNIT E OF SECTION 14, ALL IN TOWNSHIP 21 SOUTH, RANGE 27 EAST, EDDY COUNTY, NEW MEXICO, SHOULD NOT BE PLUGGED IN ACCORDANCE WITH A COMMISSION-APPROVED PLUGGING PROGRAM.

CASE No. 2793
Order No. R-2483

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on April 24, 1963, at Santa Fe, New Mexico, before Elvis A. Utz, Examiner duly appointed by the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission," in accordance with Rule 1214 of the Commission Rules and Regulations.

NOW, on this 8th day of May, 1963, the Commission, a quorum being present, having considered the evidence adduced, and the recommendations of the Examiner, Elvis A. Utz, 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 Everett D. Burgett appeared at the hearing in this case and stipulated as follows:

(1) That he would plug his Magnolia State Well No. 1, located in Unit E of Section 14, Township 21 South, Range 27 East, NMPM, Eddy County, New Mexico, in accordance with the following minimum plugging program:

1. Set a 25-sack cement plug at total depth.
2. Set a 20-sack cement plug just below the fresh water zone.
3. Set a 5-sack cement plug at the surface.

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CASE No. 2793
Order No. R-2483

4. Fill all intervals between plugs with mud weighing not less than 10 pounds per gallon.
5. Place a regulation steel marker in the surface plug.

(2) That the following-described wells would be producing within 90 days or plugged in the same manner as his Magnolia State Well No. 1:

Pure State Well No. 1, located in Unit J of Section 15, Township 21 South, Range 27 East, NMPM, Eddy County, New Mexico.

Pure State Well No. 2, located in Unit J of Section 15, Township 21 South, Range 27 East, NMPM, Eddy County, New Mexico.

Pure State Well No. 3, located in Unit O of Section 15, Township 21 South, Range 27 East, NMPM, Eddy County, New Mexico.

Pure State Well No. 7, located in Unit O of Section 15, Township 21 South, Range 27 East, NMPM, Eddy County, New Mexico.

IT IS THEREFORE ORDERED:

(1) That Everett D. Burgett is hereby ordered to plug his Magnolia State Well No. 1, located in Unit E of Section 14, Township 21 South, Range 27 East, NMPM, Eddy County, New Mexico, in accordance with the following minimum plugging requirements:

1. Set a 25-sack cement plug at total depth.
2. Set a 20-sack cement plug just below the fresh water zone.
3. Set a 5-sack cement plug at the surface.
4. Fill all intervals between plugs with mud weighing not less than 10 pounds per gallon.
5. Place a regulation steel marker in the surface plug.

(2) That the plugging of the Magnolia State Well No. 1 shall be completed on or before June 1, 1963, and that Everett D.

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CASE No. 2793
Order No. R-2483

Burgett shall notify the District Supervisor, District II, Oil Conservation Commission, Artesia, New Mexico, of the exact time and date plugging operations are to commence.

(3) That if the following-described wells are not producing on or before August 1, 1963, they shall be plugged on or before August 1, 1963, in accordance with the minimum plugging requirements set out above for the Magnolia State Well No. 1, and that Everett D. Burgett shall notify the District Supervisor, District II, Oil Conservation Commission of the exact time and date plugging operations on each well are to commence:

Pure State Well No. 1, located in Unit J of Section 15, Township 21 South, Range 27 East, NMPM, Eddy County, New Mexico.

Pure State Well No. 2, located in Unit J of Section 15, Township 21 South, Range 27 East, NMPM, Eddy County, New Mexico.

Pure State Well No. 3, located in Unit O of Section 15, Township 21 South, Range 27 East, NMPM, Eddy County, New Mexico.

Pure State Well No. 7, located in Unit O of Section 15, Township 21 South, Range 27 East, NMPM, Eddy County, New Mexico.

(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

JACK M. CAMPBELL, Chairman

E. S. WALKER, Member

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

S E A L

esr/

Statt Book.
No Production reported for at
least 12 years.

Pure state accum. total	#142 -	2274
" " " "	347	4531

OIL CONSERVATION COMMISSION
P. O. BOX 871
SANTA FE, NEW MEXICO

RECEIVED

OCT 22 1964

O. C. C.
ARTESIA, OFFICE

October 21, 1964

C
O
P
Y
Fireman's Fund American Insurance Companies
611 San Mateo Boulevard, S.E.
Albuquerque, New Mexico

Attention: Mr. John H. Chester, Claims Representative

Re: Your File: F 106 S 7613
Case No. 2793, Order No. R-2483
Principal: Everett D. Burgett

Gentlemen:

With reference to your letter of October 16, 1964, please be advised that our Artesia District Office has informed us that although Mr. Burgett contends that he has plugged the Magnolia State Well No. 1 he has not filed a plugging report or other reports required by the Commission. As Mr. Burgett did not notify our Artesia District Office of the date and time plugging operations were to commence as required by Order No. R-2483, a Commission representative did not witness the plugging. We therefore cannot release our demand against your company until our Artesia District Office is satisfied that the well was in fact plugged and the required reports have been filed with the Commission.

As the Pure State Wells No. 1, 2, 3, and 7 have produced a small quantity of oil since the issuance of Order No. R-2483, we hereby release our plugging demand concerning these wells.

If the Commission docket another case concerning plugging the Pure State Wells, we will notify you of the hearing. We also will notify you if Mr. Burgett files the necessary forms concerning the Magnolia State Well No. 1 and we are able to release our plugging demand.

Very truly yours,

J. M. Durrett, Jr.

J. M. DURRETT, Jr.
Special Assistant Attorney General

JMD/esr

cc: Oil Conservation Commission
Drawer DD, Artesia, New Mexico

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

RECEIVED

JUN 19 1963

O. C. C.
ARTESIA, OFFICE

IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION COMMISSION ON ITS OWN MOTION TO PERMIT EVERETT D. BURGETT AND ALL OTHER INTERESTED PARTIES TO APPEAR AND SHOW CAUSE WHY THE MYERS UNION WELL NO. 1, LOCATED IN UNIT I OF SECTION 11, TOWNSHIP 23 SOUTH, RANGE 27 EAST, AND THE RICHARDSON-BASS STATE WELL NO. 1, LOCATED IN UNIT H OF SECTION 5, TOWNSHIP 25 SOUTH, RANGE 28 EAST, BOTH IN EDDY COUNTY, NEW MEXICO, SHOULD NOT BE PLUGGED IN ACCORDANCE WITH A COMMISSION-APPROVED PLUGGING PROGRAM.

CASE No. 2792
Order No. R-2482

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on April 24, 1963, at Santa Fe, New Mexico, before Elvis A. Utz, Examiner duly appointed by the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission," in accordance with Rule 1214 of the Commission Rules and Regulations.

NOW, on this 8th day of May, 1963, the Commission, a quorum being present, having considered the evidence adduced, and the recommendations of the Examiner, Elvis A. Utz, 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 Everett D. Burgett appeared at the hearing in this case and stipulated as follows:

(1) That the Myers Union Well No. 1, located in Unit I of Section 11, Township 23 South, Range 27 East, NMPM, Eddy County, New Mexico, was partially plugged, and that he would complete the plugging by filling the hole with mud weighing not less than 10 pounds per gallon, setting a 5-sack cement surface plug, and placing a regulation steel marker in the surface plug.

(2) That he would plug the Richardson-Bass State Well No. 1, located in Unit H of Section 5, Township 25 South, Range 28 East, NMPM, Eddy County,

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CASE No. 2792
Order No. R-2482

New Mexico, in accordance with the following minimum plugging requirements:

1. Set a 25-sack cement plug at total depth.
2. Set a 20-sack cement plug just below the fresh water zone.
3. Set a 5-sack cement surface plug.
4. Fill intervals between cement plugs with mud weighing not less than 10 pounds per gallon.
5. Set in the surface plug a regulation steel marker.

IT IS THEREFORE ORDERED:

(1) That Everett D. Burgett is hereby ordered to complete the plugging of his Myers Union Well No. 1, located in Unit I of Section 11, Township 23 South, Range 27 East, NMPM, Eddy County, New Mexico, by filling the existing hole with mud weighing not less than 10 pounds per gallon to just below the surface plug, setting a 5-sack cement surface plug, and placing a regulation steel marker in the surface plug.

(2) That Everett D. Burgett is hereby ordered to plug his Richardson-Bass State Well No. 1, located in Unit H of Section 5, Township 25 South, Range 28 East, NMPM, Eddy County, New Mexico, in accordance with the following minimum plugging requirements:

1. Set a 25-sack cement plug at total depth.
2. Set a 20-sack cement plug just below the fresh water zone.
3. Set a 5-sack cement surface plug.
4. Fill intervals between cement plugs with mud weighing not less than 10 pounds per gallon.
5. Set in the surface plug a regulation steel marker.

(3) That the plugging of the two subject wells shall be completed on or before June 1, 1963, and that Everett D. Burgett

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CASE No. 2792

Order No. R-2482

shall notify the District Supervisor, District II, Oil Conservation Commission, Artesia, New Mexico, of the exact time and date plugging operations on each well are to commence.

(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

JACK M. CAMPBELL, Chairman

E. S. WALKER, Member

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

S E A L

esr/

Richardson + Bass State #1-H-5-25-28

We have notice to drill and the plugging report -

I witnessed the plugging as follows. on 7-3-63 set 25 sack

plug @ TD 2496 25 sack plug @ 2250 25 sacks @ 850

25 sacks @ 300 and on 7-6-63 set 5 sack surface plug.

Myers Union #1-I-11-23-27

We have notice to drill and plugging report

see attached letter + copy of C-103 P+A report each well.

November 6, 1963

Mr. Everett D. Burgett
P. O. Box 940
Carlsbad, New Mexico

Re: Delinquent Reports

Dear Mr. Burgett:

We are, herewith, returning the reports which you brought to this office Tuesday, November 5, 1963. These reports were made out as the result of our letters of October 17 and 30, 1963, and are being returned for correction. Careful attention to the directions in this and the two previous letters will avoid additional delays. The corrections and additions required are as follows:

Richardson and Bass State No. 1, Unit H of Section 5-25-28

1. Separate reports (C-103) for the casing program and the plugging program must be filed.
2. In addition to the information filed, the new report of casing run must contain:
 - (a) grade of casing and whether new or used;
 - (b) date run;
 - (c) volume of cement used to cement pipe and cement waiting time;
 - (d) size of drilled hole.
3. In addition to the information filed, the new report of plugging must show:
 - (a) date work done;
 - (b) weight of mud used between cement plugs.
4. Form C-105 must be filed.

Page 2, Mr. Everett D. Burgett, November 6, 1963

Myers Union No. 1, Unit I of Section 11-23-27

1. Separate reports (C-103) for the casing program and the plugging program must be filed.
2. In addition to the information filed, the new report of casing run must contain:
 - (a) grade of casing and whether new or used;
 - (b) date run;
 - (c) volume of cement used to cement pipe and cement waiting time.
3. In addition to the information filed, the new report of plugging must show:
 - (a) date work done;
 - (b) weight of mud used between cement plugs.
4. Form C-105 must be filed.

Pure State No. 1, 2, 3 & 7, Section 15-21-27

1. Separate reports (C-110 & C-103) must be filed for each well showing the information relative to one well only.
2. In addition to the information filed, the new report on form C-103 must show the date each well was returned to production.

If you have any questions concerning this matter, do not hesitate to call on us.

Very truly yours,

OIL CONSERVATION COMMISSION

R. L. Stanets

RLS/uh

cc: Mr. A. L. Porter, Jr.

October 30, 1963

Everett D. Burgett
1001 Birch Lane
Carlsbad, New Mexico

Re: Delinquent Reports

Dear Mr. Burgett:

We note that there are several delinquent reports for various of your wells in Eddy County and are listing the wells and the reports due as follows:

Richardson & Bass State, #1 H, 5-25-28, completed July 6, 1963

Form C-103: for each string of casing run showing:
date run, size, weight and grade of
casing and the amount of cement used
and the waiting on cement time.

Form C-103: Plugging Report to show casing pulled,
if any, the size and location of all
cement plugs and the weight of mud
used between plugs.

Form C-105: Filled out completely as indicated there-
on.

Myers Union, #1 I, 11-23-27, completed January 24, 1962

Need all forms and information as for the Richardson
and Bass well above. Please note, this
information was requested by Mr. M. L.
Armstrong in his letter of April 16, 1962.

Further, to date we have not received the forms requested
in our letter of October 17, 1963, a copy of which we are send-
ing herewith. We suggest that you no longer delay the filing
of these forms.

Page 2, Mr. Everett D. Burgett, October 30, 1963

If you have any questions concerning this matter, do not
hesitate to call upon me.

Very truly yours,

R. L. Stamets

RLS/uh

cc: A. L. Porter, Jr.

NUMBER OF COPIES RECEIVED		NEW MEXICO OIL CONSERVATION COMMISSION				FORM C-103 (Rev 3-55)															
DISTRIBUTION		MISCELLANEOUS REPORTS ON WELLS																			
(Submit to appropriate District Office as per Commission Rule 1106)																					
<table border="1" style="width: 100%; border-collapse: collapse;"> <tr><td>SALE</td><td></td></tr> <tr><td>FILE</td><td></td></tr> <tr><td>U.S.S.</td><td></td></tr> <tr><td>LAND OFFICE</td><td></td></tr> <tr><td>TRANSPORTER</td><td></td></tr> <tr><td>PRODUCTION OFFICE</td><td></td></tr> <tr><td>OPERATOR</td><td></td></tr> </table>		SALE		FILE		U.S.S.		LAND OFFICE		TRANSPORTER		PRODUCTION OFFICE		OPERATOR							
SALE																					
FILE																					
U.S.S.																					
LAND OFFICE																					
TRANSPORTER																					
PRODUCTION OFFICE																					
OPERATOR																					
Name of Company Everett D. Burgett		Address Box 940 Carlsbad, N. Mex.																			
Lease Union Myers	Well No. 1	Unit Letter I	Section 11	Township 23	Range 27																
Date Work Performed Jan. 1962	Pool Undesignated				County Eddy																
THIS IS A REPORT OF: (Check appropriate block)																					
<input type="checkbox"/> Beginning Drilling Operations <input type="checkbox"/> Casing Test and Cement Job <input type="checkbox"/> Other (Explain): <input checked="" type="checkbox"/> Plugging <input type="checkbox"/> Remedial Work																					
Detailed account of work done, nature and quantity of materials used, and results obtained.																					
<p>Well was drill 15 1/2" hole to 320 12 3/4" 2 1/2 lb casing was run and mudded a shut off was obtained. Hole was failed dry and set overnight</p> <p>Drilled to TD of approx. 2400 ft. with no water encountered in the Delaware sand</p> <p>Hole was plugged with 25 sacks of cement in bottom of hole 15 sacks at base of salt approx 2200 25 sacks at the top of salt 425' 15 sacks at bottom of casing 320' 5 sacks at top of hole with marker</p> <p>100' of 12 3/4" was shot off At a later date Hole marker appeared to be settling. Marker taken out and 1 1/2 one and one half yards of concrete poured in surface hole</p> <p style="text-align: right;">} casing ry it</p>																					
RECEIVED NOV 5 1962 O. C. C. ARTESIA OFFICE																					
Witnessed by Everett D. Burgett		Position Owner		Company Everett D. Burgett																	
FILL IN BELOW FOR REMEDIAL WORK REPORTS ONLY																					
ORIGINAL WELL DATA																					
D F Elev.	TD	PBTD	Producing Interval		Completion Date																
Tubing Diameter	Tubing Depth	Oil String Diameter		Oil String Depth																	
Perforated Interval(s)																					
Open Hole Interval				Producing Formation(s)																	
RESULTS OF WORKOVER																					
Test	Date of Test	Oil Production BPD	Gas Production MCFPD	Water Production BPD	GOR Cubic feet/Bbl	Gas Well Potential MCFPD															
Before Workover																					
After Workover																					
OIL CONSERVATION COMMISSION				I hereby certify that the information given above is true and complete to the best of my knowledge.																	
Approved by				Name Everett D. Burgett																	
Title				Position Owner																	
Date				Company Same																	

See letter in Everett D. Burgett Richardson Bass St. #1-5-255-28E.

NUMBER OF COPIES RECEIVED DISTRIBUTION		NEW MEXICO OIL CONSERVATION COMMISSION				FORM C-103 (Rev 3-55)	
MISCELLANEOUS REPORTS ON WELLS		(Submit to appropriate District Office as per Commission Rule 1106)					
<div style="display: flex; justify-content: space-between;"> <div style="width: 45%;"> <div style="border: 1px solid black; padding: 2px; margin-bottom: 2px;">PARTY OF</div> <div style="border: 1px solid black; padding: 2px; margin-bottom: 2px;">FILE</div> <div style="border: 1px solid black; padding: 2px; margin-bottom: 2px;">LAND OFFICE</div> <div style="border: 1px solid black; padding: 2px; margin-bottom: 2px;">TRANSPORTER</div> <div style="border: 1px solid black; padding: 2px; margin-bottom: 2px;">PRODUCTION OFFICE</div> <div style="border: 1px solid black; padding: 2px; margin-bottom: 2px;">OPERATOR</div> </div> <div style="width: 45%;"> <div style="border: 1px solid black; padding: 2px; margin-bottom: 2px;">OIL</div> <div style="border: 1px solid black; padding: 2px; margin-bottom: 2px;">GAS</div> </div> </div>		<div style="display: flex; justify-content: space-between;"> <div style="width: 45%;">Name of Company Everett D. Burgett</div> <div style="width: 55%;">Address Box 910 Carlshad, N. Mex.</div> </div>					
Lease Richardson Bass State		Well No. 1	Unit Letter H	Section 5	Township 25	Range 28	
Date Work Performed July 3		Pool Undesignated			County Eddy		
THIS IS A REPORT OF: (Check appropriate block)							
<div style="display: flex; justify-content: space-between;"> <div><input type="checkbox"/> Beginning Drilling Operations</div> <div><input type="checkbox"/> Casing Test and Cement Job</div> <div><input type="checkbox"/> Other (Explain):</div> </div>							
<div style="display: flex; justify-content: space-between;"> <div><input checked="" type="checkbox"/> Plugging</div> <div><input type="checkbox"/> Remedial Work</div> </div>							
Detailed account of work done, nature and quantity of materials used, and results obtained. 210' of 8 5/8" 28 lb. casing run and cemented no water Hole drilled to 2496 (Logging Depth) Drillers log 2520 Hole plugged with 15 sack of cement at bottom <div style="margin-left: 150px;"> 25 sack at 2200' 15 sack at 1200' 15 sack at 700' 25 sack at 300' 5 sacks at surface with marker </div>							
<div style="border: 1px solid black; padding: 5px; width: fit-content; margin: 0 auto;"> RECEIVED NOV 5 1963 O. C. C. ARTESIA, OFFICE </div>							
Witnessed by Everett D. Burgett		Position owner		Company Everett D. Burgett			
FILL IN BELOW FOR REMEDIAL WORK REPORTS ONLY							
ORIGINAL WELL DATA							
D F Elev.		T D		PBTD		Producing Interval	
Completion Date							
Tubing Diameter		Tubing Depth		Oil String Diameter		Oil String Depth	
Perforated Interval(s)							
Open Hole Interval				Producing Formation(s)			
RESULTS OF WORKOVER							
Test	Date of Test	Oil Production BPD	Gas Production MCFPD	Water Production BPD	GOR Cubic feet/Bbl	Gas Well Potential MCFPD	
Before Workover							
After Workover							
OIL CONSERVATION COMMISSION				I hereby certify that the information given above is true and complete to the best of my knowledge.			
Approved by				Name Everett D. Burgett			
Title				Position owner			
Date				Company same			

CASE 4745: (Reopened)

In the matter of Case No. 4745 being reopened pursuant to the provisions of Order No. R-4365, which order established special rules and regulations for the Peñasco Draw San Andres-Yeso Pool, Eddy County, New Mexico, including a provision for classification of oil wells and gas wells, the spacing thereof, and a limiting gas-oil ratio of 3000 to 1. All interested parties may appear and show cause why said pool rules should remain in effect.

CASE 5042: In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit Everett D. Burgett and Fireman's Fund American Insurance Companies and all other interested parties to appear and show cause why the Pure State Wells Nos. 1, 2, 3, and 7 located in Units J, J, O, and O, respectively, of Section 15, Township 21 South, Range 27 East, Eddy County, New Mexico, should not be plugged and abandoned in accordance with a Commission-approved plugging program.

CASE 5043: In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit Kent Shannon and American Employers' Insurance Company and all other interested parties to appear and show cause why the Chaparral Tejano Well No. 1 located in Unit D of Section 10, Township 7 South, Range 26 East, Chaves County, New Mexico, should not be plugged and abandoned in accordance with a Commission-approved plugging program.

CASE 5044: In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit Sycor Newton, Peru Milling Company, R. E. Deming and Aetna Life and Casualty Company and all other interested parties to appear and show cause why the State L 6350 Well No. 1 located in Unit M of Section 10, Township 23 South, Range 11 West, Luna County, New Mexico, should not be plugged and abandoned in accordance with a Commission-approved plugging program.

CASE 5045: Application of Southern Union Production Company for an unorthodox gas well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority to re-enter the Wilson Federal Well No. 1 at an unorthodox location 2310 feet from the North line and 990 feet from the East line of Section 13, Township 22 South, Range 24 East, Eddy County, New Mexico, and to deepen said well to the Morrow formation, the N/2 of said Section 13 to be dedicated to the well.

CASE 5036: (Continued from the July 25, 1973, Examiner Hearing)

Application of The Wil-Mc Oil Corporation for salt water disposal, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water in the San Andres formation in the perforated interval from 4208 feet to 4282 feet in its Champlin State Well No. 1 located in Unit M of Section 3, Township 8 South, Range 33 East, Chaves County, New Mexico.

DOCKET: EXAMINER HEARING - THURSDAY - AUGUST 9, 1973

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

The following cases will be heard before Elvis A. Utz, Examiner, or Daniel S. Nutter, Alternate Examiner:

- ALLOWABLE: (1) Consideration of the allowable production of gas for September, 1973, from seventeen prorated pools in Lea, Eddy, Roosevelt and Chaves Counties, New Mexico;
- (2) Consideration of the allowable production of gas from nine prorated pools in San Juan, Rio Arriba, and Sandoval Counties, New Mexico, for September, 1973.

CASE 4933: (Readvertised)

Application of Texaco Inc. for salt water disposal, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the Delaware formation through the perforated interval from 4280 feet to 4288 feet in its R. T. Wilson Federal Well No. 5 located in Unit J of Section 24, Township 26 South, Range 31 East, North Mason-Delaware Pool, Eddy County, New Mexico.

CASE 5040: Application of Wallen Production Company for a pressure maintenance project, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a pressure maintenance project by the injection of water into the Yates Seven-Rivers formation in its Federal Well No. 2 located in Unit C of Section 20, Township 20 South, Range 34 East, North Lynch Yates-Seven Rivers Pool, Lea County, New Mexico.

CASE 5041: Application of W. T. Wynn for a unit agreement, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval of the Kaiser Lake Unit Area comprising 960 acres, more or less, of federal and fee lands in Township 18 South, Ranges 26 and 27 East, Eddy County, New Mexico.

CASE 4789: (Reopened)

In the matter of Case No. 4789 being reopened pursuant to the provisions of Order No. R-4375, which order established special rules and regulations for the Many Gates-Abo Pool, Chaves County, New Mexico, including a provision for 80-acre proration units. All interested parties may appear and show cause why said pool should not be developed on 40-acre spacing.

CASE 4548: (Reopened)

In the matter of Case No. 4548 being reopened pursuant to the provisions of Order No. R-4157, which order established special rules and regulations for the Catclaw Draw-Morrow Gas Pool, Eddy County, New Mexico, including a provision for 640-acre proration units. All interested parties may appear and show cause why said pool should not be developed on 320-acre spacing.



OIL CONSERVATION COMMISSION

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

I. R. TRUJILLO
CHAIRMAN
LAND COMMISSIONER
ALEX J. ARMIJO
MEMBER
STATE GEOLOGIST
A. L. PORTER, JR.
SECRETARY - DIRECTOR

July 30, 1973

Mr. Everett D. Burgett
Box 940
Carlsbad, New Mexico 88220

Fireman's Fund American Insurance Companies
611 San Mateo Blvd., S. E.
Albuquerque, New Mexico 87108

Attention: Mr. John H. Chester

Re: Everett D. Burgett Pure State
Wells Nos. 1, 2, 3, and 7 located
in Units J, J, O, and O, respec-
tively, of Section 15, Township
21 South, Range 27 East, Eddy
County, New Mexico, Fireman's Fund
American Insurance Companies
\$10,000 Blanket Plugging Bond

Gentlemen:

Enclosed is a copy of the docket of the Examiner Hearing to
be held on Thursday, August 9, 1973, at 9:00 a.m. in the Oil
Conservation Commission Conference Room, State Land Office
Building, Santa Fe, New Mexico. Case No. 5042 concerns the
subject matter.

Very truly yours,

William F. Carr
WILLIAM F. CARR
General Counsel

WFC/ac

enclosure

cc: Oil Conservation Commission - Artesia

OIL CONSERVATION COMMISSION

P. O. BOX 2088
SANTA FE, NEW MEXICO 87501

December 14, 1973

Mr. John S. Roberts
Fireman's Fund
1385 South Colorado Blvd.
Denver, Colorado 80222

Re: File H 106 S 7613 - Everett D.
Burgett, Pure State Wells Nos. 1,
2, 3, and 7

Dear Mr. Roberts:

Thank you for your letter of December 12, 1973.
I have sent a copy of it to Mr. W. A. Gressett, District
Supervisor of our District II office. Mr. Gressett's
address is:

Drawer DD
Artesia, New Mexico 88210

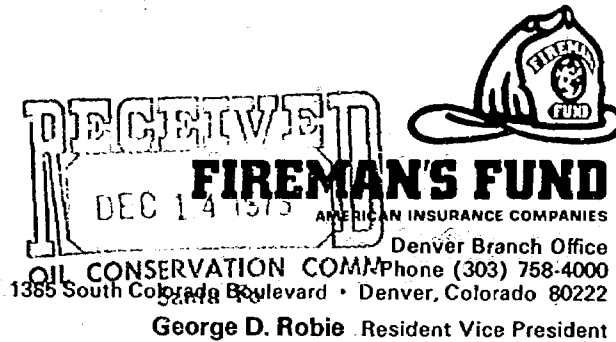
Any further correspondence on the plugging of the
Everett D. Burgett wells should be addressed to him.

Very truly yours,

WILLIAM F. CARR
General Counsel

WFC/dr

C
O
P
Y



December 12, 1973

William F. Carr, Esq.
Oil Conservation Commission
P. O. Box 2088
Santa Fe, New Mexico 87501

OUR FILE H 106 S 7613 - EVERETT D. BURGETT, PURE STATE WELLS NOS. 1,
2, 3, and 7

Dear Mr. Carr:

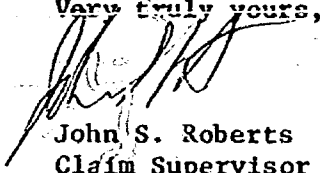
We have your letter of November 21, 1973.

If you refer to our file number in your future correspondence, we
can give you faster service. Please also address all future cor-
respondence to this office as we have taken over handling of all
New Mexico files.

I would like to advise you that at present we are attempting to obtain
bids for plugging these wells. As soon as we have determined the low
bidder, we will make arrangements to take care of the matter.

Would you please give me the street address and telephone number for
W. A. Gressett so that we may confer with him and give him an
opportunity to witness the plugging of these wells.

Very truly yours,


John S. Roberts
Claim Supervisor

JSR:ph

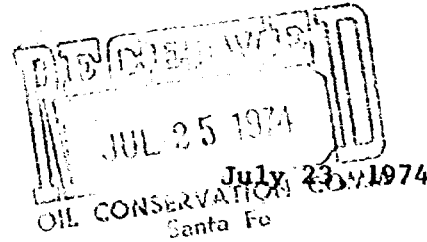
cc: Mr. Tom Martin
WRO - F&S Claims

FIREMAN'S FUND

AMERICAN INSURANCE COMPANIES

DENVER BRANCH OFFICE
1385 SOUTH COLORADO BOULEVARD
DENVER, COLORADO 80222
TELEPHONE (303) 758-4000

GEORGE D. ROBBIE
RESIDENT VICE PRESIDENT



Mr. William F. Carr
Oil Conservation Commission
State of New Mexico
P. O. Box 2082
Santa Fe, New Mexico 87501

FILE H 106 S 7613 - EVERETT D. BURDETT - PURE STATE WELLS NOS. 1,
2, 3 & 7

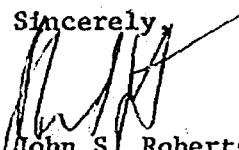
Dear Mr. Carr:

I had a follow-up telephone conversation with the Southwest Claim
Service on July 22, 1974.

They informed me that they had been in touch with your Mr. Gressett
and that he has a full understanding of the problems involved in
this matter. I gather this involves the fact that this is such a
small job, no one wants to waste any time on it. Our adjuster
advises that with the help of Mr. Gressett he has been successful
in getting two contractors to inspect the job and their written
bids are expected momentarily.

We'll keep in touch.

Sincerely,


John S. Roberts
Senior Claim Supervisor

JSR:ph

cc: Insurance Commissioner
State of New Mexico
Santa Fe, New Mexico

cc: Mr. Tom Martin
WRO - F&S Claims



FIREMAN'S FUND
AMERICAN INSURANCE COMPANIES

DENVER BRANCH OFFICE
1385 SOUTH COLORADO BOULEVARD
DENVER, COLORADO 80222
TELEPHONE (303) 758-4000

GEORGE D. ROBE
RESIDENT VICE PRESIDENT

June 27, 1974

Mr. William F. Carr
Oil Conservation Commission
State of New Mexico
P. O. Box 2088
Santa Fe, New Mexico 87501

FILE H 106 S 7613 - EVERETT D. BURGETT PURE STATE WELLS NOS. 1, 2,
3 & 7

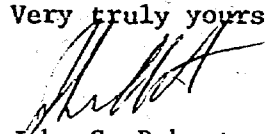
Dear Mr. Carr:

Enclosed is a copy of my letter of April 8 to the Southwestern
Claim Service summarizing our difficulties to that date, a copy
of their answer of May 30, 1974, and a copy of my letter to them
of June 6, 1974.

We are doing everything possible to get these wells capped. I
don't really understand what the problem is myself.

I am immediately getting in contact with Southwestern Claim
Service and again asking that they expedite this matter.

Very truly yours,


John S. Roberts
Senior Claim Supervisor

JSR:ph

Encls.





June 6, 1974

Dale Fry
Southwestern Claim Service
P. O. Box 192
Carlsbad, New Mexico 88220

OUR FILE #: H 106 S 7613 - PRINCIPAL: BURGETT

Dear Dale,

Someway or another we got to get the damn wells capped and I just can't figure out why people that are in the business wouldn't want to give us a bid on it.

Did you get any reasons for the reluctance; is there something special about this job that spells trouble? I sure would like to know.

Have you been in contact with Mr. W. A. Grassett, District Supervisor of the Oil Conservation Commission, Drawer DD, Artesia, New Mexico 88210?

He certainly ought to be able to put you in touch with some people that would be eager to do the job. In addition, he's the guy we have got to satisfy in this thing, and I would like to have him know that we're trying to do something about it. Discuss it with him and maybe he can give you some names and get back to me. One way or another, we've got to get some bids on cleaning these oil well sites.

Very truly yours,

John S. Roberts
Claim Supervisor

JSR:ah

cc: Tom Martin - WRO F&S Claims

Home Office P. O. Box 192

Carlsbad, N. M. 88220

Phone (505) 887-3889

Reply to: Post Office Box 192
Carlsbad, New Mexico 88220

May 30, 1974

Date

Company Claim No.

H 106 S 7613 - Your File No.

Policy No. & Period

Preliminary

Intermediate

Closing

S-7-1

Agent

Our File No.

Agent's Location

To: Fireman's Fund American Insurance Companies
Denver Branch Office
1385 So. Colorado Blvd.
Denver, Colorado 80222
Attn: John S. Roberts

JUN 03 1974

Insured: Everett D. Burgett

Date of Loss

Claimant

Type of Loss

Dear Mr. Roberts:

For several months we have been in contact with various drilling and cement companies concerning the plugging of the requested wells. As of this date, we have not been able to obtain any estimates from the companies. We have no idea why the companies are shying away, but they have indicated that they do not want to bid on the pluggings. We have contacted Cap Fulton - 746-4682; Denton Cementing - 746-4211; Daniels Well Service - 746-2641, Loyds Well Service and Newmont Oil Company, telephone 746-9846.

Do you wish us to continue seeking bids?

Yours very truly,

SOUTHWESTERN CLAIM SERVICE OF CARLSBAD

Dale Fry

Dale Fry

DF:a

Form A

Branch Office

P. O. Box 1012

Artesia, N. M. 88210

Phone (505) 746-2158



April 8, 1974

Southwestern Claim Service
P. O. Box 192
Carlsbad, New Mexico 88220

OUR FILE #: H 106 S 7613 - PRINCIPAL: EVERRETT D. BURGETT

Gentlemen:

On December 10th, we requested that you get some estimates for us for plugging oil wells.

On January 7th, I wrote you and requested a status report, indicating that speed was of the essence in this matter.

We have yet to hear from you in this regard. Would you please immediately get a letter in the mail to me on this matter, including the estimates.

In case you've lost the file, they were for State wells #1, 2, 3, & 7 located in units J, J, O & O respectively of Section 15, Township 21, south range 27 east, Eddy County, New Mexico. This just cannot be allowed to be delayed any longer.

Very truly yours,

John S. Robarts
Claim Supervisor

JSR:eh

cc: Tom Martin - WRO F&S Claims



November 19, 1974

Everett D. Burgett
1001 Birch Lane
Carlsbad, New Mexico

OUR FILE #: H 106 S 7613 - BOND #: 604 81 66

Dear Mr. Burgett:

We carried your bond guaranteeing that you would plug Myers Union well #1 and Richardson Bay State well #1.

Despite numerous demands on our part, and the Oil Conservation Commission, State of New Mexico demands, you have never done so.

We have gotten several bids for the plugging of that well, the lowest estimate received to date is \$29,328.00.

The bond penalty under your bond is \$10,000.00.

Unless you make steps to take care of this matter immediately, within ten days upon receipt of this letter, we will pay the State of New Mexico our \$10,000 bond penalty, and take all necessary steps to collect that \$10,000.00 from you.

I would suggest that your immediate compliance with the plugging orders is warranted. In any event, I must hear from you immediately upon receipt of this letter.

Very truly yours,

John S. Roberts
Senior Claim Supervisor

JSR:eh

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

cc: William F. Carr
Oil Conservation Commission
State of New Mexico
P. O. Box 2088
Santa Fe, New Mexico 87501

cc: Mr. Plato - H.O. - F&S Claims

FILE #: H 106 S 7613

-2-

BPS TO Mr. William F. Carr
Santa Fe, New Mexico

Mr. Carr, the attached is self-explanatory. You should be hearing from us shortly.

JSR:eh

OIL CONSERVATION COMMISSION

P. O. BOX 2088

SANTA FE NEW MEXICO 87501

January 3, 1975

Mr. A. H. Rains
P. O. Box 927
Carlsbad, New Mexico 88220

Re: Pure State Wells Nos. 1, 2, 3, and 7,
Section 15, Township 21 South, Range 27 East,
Eddy County, New Mexico

Dear Mr. Rains:

I have reviewed your letter of November 21, 1974, with the Commission and explained that you believe these wells can produce hydrocarbons in commercial quantities.

The Commission will require that the following things be done by you prior to putting the wells on production:

- (1) A blanket plugging bond must be obtained.
- (2) You will need to file an application for a hearing to suspend Order No. R-4616 which was entered in Case 5042. This order requires that the wells in question be plugged and abandoned.
- (3) You need to explain to Mr. Bill Gressett in the Commission's Artesia office how you intend to operate these wells and satisfy him that all produced waters will be disposed of properly. If you need to convert a well for injection purposes an additional hearing will be required.

Any questions you have concerning this matter may be directed either to me or Mr. Gressett.

Very truly yours,

WILLIAM F. CARR
General Counsel

WFC/dr

cc: Mr. Bill Gressett
Oil Conservation Commission
Artesia, New Mexico 88210

C
O
P
Y

Box 927
Carlsbad, N.M. 88220
November 21, 1974

Mr. Wm. F. Carr
Santa Fe, N.M. 87501

Dear Sir:

In regard to our conversation on the phone yesterday,
November 20, concerning a tract of land in Eddy
County, New Mexico:

Tract 1: $N\frac{1}{2}$ NW $\frac{1}{4}$ SE $\frac{1}{4}$ - Tract 2: $S\frac{1}{2}$ NW $\frac{1}{4}$ SE $\frac{1}{4}$ - Tract 3: $N\frac{1}{2}$ SW $\frac{1}{4}$ SE $\frac{1}{4}$
Tract 4: $S\frac{1}{2}$ SW $\frac{1}{4}$ SE $\frac{1}{4}$ -

All in Section 15, T-21-S, R-27-E.

I have a form out on these tracts from
Exxon Company U.S.A.
P.O. Box 1600

Midland, Tx. 79701

I plan to start producing these wells in the
near future.

Thank you.

Sincerely
A.H. Kair



September 17, 1974

Mr. Dale Fry
Southwestern Claim Service
P. O. Box 192
Carlsbad, New Mexico 88220

FILE H 106 S 7613 - PRINCIPAL: BURGETT
OBLIGEE: STATE OF NEW MEXICO

Dear Mr. Fry:

We still haven't taken care of the clean up on these oil rig sites.

Between you and Mr. Gressett, we should be able to find someone who is willing to do the work for us.

Would you follow very closely on a week-to-week diary and make sure that this is taken care of.

You're making our Company look pretty sick in this matter and we would like to protect our reputation.

Very truly yours,

John S. Roberts
Senior Claim Supervisor

JSR:ph

cc: Mr. William F. Carr
Oil Conservation Commission
State of New Mexico
Santa Fe, New Mexico 87501

cc: Mr. Tom Martin
WRO, F&S Claims

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 EVERETT D. BURGETT AND FIREMAN'S FUND AMERICAN INSURANCE COMPANIES AND ALL OTHER INTERESTED PARTIES TO APPEAR AND SHOW CAUSE WHY THE PURE STATE WELLS NOS. 1, 2, 3, AND 7 LOCATED IN UNITS J, J, O, AND O, RESPECTIVELY, OF SECTION 15, TOWNSHIP 21 SOUTH, RANGE 27 EAST, EDDY COUNTY, NEW MEXICO, SHOULD NOT BE PLUGGED AND ABANDONED IN ACCORDANCE WITH A COMMISSION-APPROVED PLUGGING PROGRAM.

CASE NO. 5042
Order No. R-4616

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on August 9, 1973, at Santa Fe, New Mexico, before Examiner Elvis A. Utz.

NOW, on this 23rd day of August, 1973, the Commission, a quorum being present, having considered the testimony, the record, and the recommendations of the Examiner, and being fully advised in the premises,

FINDS:

(1) That due public notice having been given as required by law, the Commission has jurisdiction of this cause and the subject matter thereof.

(2) That Everett D. Burgett is the owner and operator of the Pure State Wells Nos. 1, 2, 3, and 7, located in Units J, J, O, and O, respectively, of Section 15, Township 21 South, Range 27 East, NMPM, Eddy County, New Mexico.

(3) That on May 8, 1963, a hearing was held before the Oil Conservation Commission to allow any interested party to appear and show cause why said wells should not be plugged and abandoned.

(4) That Mr. Everett D. Burgett appeared at this hearing and assured the Commission that said wells would be either placed on production or plugged within 90 days.

(5) That said wells have neither been placed on production nor plugged and have not produced oil for more than ten years.

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Case No. 5042
Order No. R-4616

(6) That in order to prevent waste and protect correlative rights said Pure State Wells Nos. 1, 2, 3, and 7 should be plugged and abandoned in accordance with a program approved by the Artesia District Office of the New Mexico Oil Conservation Commission on or before October 1, 1973.

IT IS THEREFORE ORDERED:

(1) That Everett D. Burgett and Fireman's Fund American Insurance Companies are hereby ordered to plug and abandon the Pure State Wells Nos. 1, 2, 3, and 7, located in Units J, J, O, and O, respectively, of Section 15, Township 21 South, Range 27 East, NMPM, Eddy County, New Mexico, on or before October 1, 1973.

(2) That Everett D. Burgett and Fireman's Fund American Insurance Companies, prior to plugging and abandoning the above-described well, shall obtain from the Artesia office of the Commission, a Commission-approved program for said plugging and abandoning, and shall notify said Artesia 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

ALEX J. ARMIJO, Member

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

S E A L

dr/

POST OFFICE DEPARTMENT
OFFICIAL BUSINESS

POD Form 3811 Apr. 1963
63-10-71248-11

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. Moisten gummed ends and attach this card to back of article.

OIL CONSERVATION COMMISSION
P. O. Box 2088
Santa Fe, New Mexico 87501

Case 5042



RECEIPT FOR CERTIFIED MAIL—30¢

SENT TO
Fireman's Fund American Ins. Companies

POSTMARK
OR DATE

STREET AND NO.

P. O., STATE, AND ZIP CODE

EXTRA SERVICES FOR ADDITIONAL FEES

Return Receipt
Shows to whom and date delivered ☐ 10¢ fee
Shows to whom, date, and where delivered ☐ 35¢ fee
Deliver to Addressee Only ☐ 50¢ fee

POD Form 3800
Mar. 1966

NO INSURANCE COVERAGE PROVIDED—
NOT FOR INTERNATIONAL MAIL (See other side)

No. 011394

RECEIPT FOR CERTIFIED MAIL—20¢ Case 5042

SENT TO
Fireman's Fund Amer. Insur Comps

POSTMARK
OR DATE

STREET AND NO.
611 San Mateo Blvd. S.E.

CITY, STATE, AND ZIP CODE
Albuquerque, N.M. 87108

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. 635946

POST OFFICE DEPARTMENT
OFFICIAL BUSINESS

POD Form 3811 Apr. 1963
63-10-71248-11

POSTMARK OF DELIVERING OFFICE

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RETURN
TO

OIL CONSERVATION COMMISSION
P. O. Box 2088
Santa Fe, New Mexico 87501

Case 5042



RECEIPT FOR CERTIFIED MAIL—30¢

SENT TO
Mr. Everett D. Burgett

POSTMARK
OR DATE

STREET AND NO.

P. O., STATE, AND ZIP CODE

EXTRA SERVICES FOR ADDITIONAL FEES
Return Receipt
Shows to whom and date delivered ☐ 10¢ fee
Shows to whom, date, and where delivered ☐ 35¢ fee
Deliver to Addressee Only ☐ 50¢ fee

POD Form 3800
Mar. 1966

NO INSURANCE COVERAGE PROVIDED—
NOT FOR INTERNATIONAL MAIL (See other side)

No. 011393

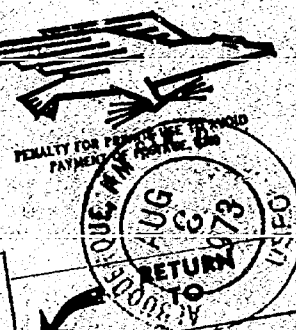
POST OFFICE DEPARTMENT
OFFICIAL BUSINESS

POD Form 3811 Apr. 1963
63-10-71248-11

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. Moisten gummed ends and attach this card to back of article.

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



OIL CONSERVATION COMMISSION

P. O. BOX 2088
SANTA FE, NEW MEXICO 87501

June 24, 1974

Mr. John S. Roberts
Fireman's Fund
1385 South Colorado Blvd.
Denver, Colorado 80222

Re: File H 106 S 7613
Everett D. Burgett, Pure State
Wells Nos. 1, 2, 3, and 7

Dear Mr. Roberts:

Enclosed you will find a copy of my November 21, 1973, letter to Fireman's Fund concerning the plugging of the above-captioned wells.

On December 12, 1973, you advised me that you were attempting to obtain bids for the plugging of those wells and thereby perform under your plugging bond. A copy of your December 12 letter is also attached.

Mr. Gressett, Supervisor of our Artesia District Office, has advised me that you have failed to contact him. I therefore reaffirm the Commission's plugging demand and by copy of this letter am advising Mr. Ralph Apodaca, Superintendent of Insurance for the State of New Mexico, of the apparent problem developing between the Oil Conservation Commission and the Surety in regard to this bond.

Very truly yours,

WILLIAM F. CARR
General Counsel

WFC/dr

cc: Mr. Ralph Apodaca
Mr. Bill Gressett

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OIL CONSERVATION COMMISSION

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

I. R. TRUJILLO
CHAIRMAN

LAND COMMISSIONER
PHIL R. LUCERO
MEMBER

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

MEMORANDUM

TO: NICK FRANKLIN
LEGAL COUNSEL AND CHIEF LEGISLATIVE AIDE,
THE OFFICE OF THE GOVERNOR

FROM: WILLIAM F. CARR
GENERAL COUNSEL
OIL CONSERVATION COMMISSION

SUBJECT: DALE BURGETT's PURE STATE WELLS NOS. 1, 2, 3, and 7

Governor Apodaca may be contacted by Mr. Dale Burgett in the next few days concerning the Commission's plugging orders and subsequent action on the Pure State Wells Nos. 1, 2, 3 and 7. In 1963 he contacted Governor Campbell about similar action on the same wells. This resulted in an awkward situation which I hope we can avoid repeating.

In May, 1963, the Commission ordered these wells plugged and abandoned but pursuant to Burgett's request, allowed him 90 days to evaluate ten wells and attempt to put them on production. He took no action during the 90-day period. When the Oil Conservation Commission pursued its plugging order, Burgett went to Governor Campbell and told him that he was attempting to make these wells commercial producers but that the Oil Conservation Commission was forcing him to plug them. Campbell agreed to assist Burgett. Pursuant to his request, the Oil Conservation Commission suspended its order as it affected these wells.

Nothing was done to these wells until August of 1973 when the Commission advertised a hearing to plug them, and notified Burgett by certified mail. He made no appearance at the hearing and a plugging order was entered on August 23, 1973.

The Commission later learned that Burgett had assigned his lease to Exxon.

In November 1974, Mr. A. H. Rains contacted the Commission about these wells. He stated that he had a farm-out from Exxon and that he hoped to put them on production. Rains was

TO: NICK FRANKLIN

Page 2

advised that he had to get a bond, get the plugging order rescinded and make arrangements to dispose of all produced waters. The wells produce about 98% salt water.

On January 19, 1975, Mr. Burgett contacted the Oil Conservation Commission's office in Artesia and reported that Mr. Rains had gone onto these leases and was pulling pipe from these wells. Burgett claims these wells belong to him and that Rains is a trespasser. Burgett wants the Commission to take action enjoining Rains and wants an action filed in district court against Rains for violations of various Oil Conservation Commission rules.

The Commission has advised Burgett that the records in the State Land Office show that Burgett assigned his interest in these wells to Exxon in 1961. There is no indication that he reserved any shallow rights. A valid question as to the ownership of these wells, therefore, appears to exist.

The Oil Conservation Commission has no jurisdiction over ownership questions and a determination of this question will control the other questions involved in this dispute. For this reason, the Oil Conservation Commission has declined to seek the injunction against Rains or file other court actions.

Mr. Burgett has been advised that any dispute he has with Mr. Rains as to the ownership of the lease or any equipment thereon is a matter which must be resolved between the two of them.

The Commission believes the wells have virtually no capability to produce oil or gas in commercial quantities. Furthermore, the state engineer's office has expressed concern that leaving the wells in their present condition is a potential threat to fresh water in the area.

When the ownership of these wells is established, the Commission believes they must be put on production and the previous plugging order rescinded after notice and hearing or they must be plugged and abandoned in a manner approved by the Commission.

January 23, 1975

dr/

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dr/ 7-

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
COMMISSION OF NEW MEXICO FOR
THE PURPOSE OF CONSIDERING.

CASE NO. 5042

Order No. R-~~5075~~
R-4616

IN THE MATTER OF THE HEARING CALLED BY THE
OIL CONSERVATION COMMISSION ON ITS OWN MOTION
TO PERMIT EVERETT D. BURGETT AND FIREMAN'S FUND
AMERICAN INSURANCE COMPANIES AND ALL OTHER INTERESTED
PARTIES TO APPEAR AND SHOW CAUSE WHY THE PURE STATE WELLS NOS. 1,
2, 3, and 7 LOCATED IN UNITS J, J, O, AND O, RESPECTIVELY, OF
SECTION 15, TOWNSHIP 21 SOUTH, RANGE 27 EAST, EDDY 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 August 9, 1973,
at Santa Fe, New Mexico, before Examiner Elvis A. Utz.

NOW, on this August day of August, 1973, the Commission,
a quorum being present, having considered the testimony, the record,
and the recommendations of the Examiner, and being fully advised
in the premises,

FINDS:

(1) That due public notice having been given as required by
law, the Commission has jurisdiction of this cause and the subject
matter thereof.

(2) That Everett D. Burgett is the owner and operator of the
Pure State Wells Nos. 1, 2, 3, and 7, located in Units J, J, O, and O,
respectively, of Section 15, Township 21 South, Range 27 East, NMPM,
Eddy County, New Mexico.

(3) That on May 8, 1963, a hearing was held
before the Oil Conservation Commission to allow
any interested party to appear and show
cause why said wells should not
be plugged and abandoned.

(4) That Mr. Everett D. Burgett appeared at this hearing and assured the Commission that said wells would be either placed on production or plugged within 90 days.

(5) That said wells have neither been placed on production nor plugged and have not produced oil for more than ten years.

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(~~7~~) That in order to prevent waste and protect correlative rights said Pure State Wells Nos. 1, 2, 3, and 7 should be plugged and abandoned in accordance with a program approved by the Artesia District Office of the New Mexico Oil Conservation Commission on or before October 1, 1973.

IT IS THEREFORE ORDERED:

(1) That Everett D. Burgett and Fireman's Fund American Insurance Companies are hereby order to plug and abandon the Pure State Wells Nos. 1, 2, 3, and 7, located in Units J, J, O, and O, respectively, of Section 15, Township 21 South, Range 27 East, NMPM, Eddy County, New Mexico, on or before October 1, 1973.

(2) That Everett D. Burgett and Fireman's Fund American Insurance Companies, prior to plugging and abandoning the above-described well, shall obtain from the Artesia office of the Commission, a Commission-approved program for said plugging and abandoning, and shall notify said Artesia 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 herein-
above designated.