

CASE 3001: OCC ON ITS OWN MOTION
TO PERMIT O. A. PETERS to appear
regarding plugging of well.

*Order of Court
for the
Court*

CASE No.
3001

Application,
TRANSCRIPTS,
SMALL Exhibits
ETC.

POST OFFICE DEPARTMENT
OFFICIAL BUSINESS

PENALTY FOR PRIVATE USE TO AVOID
PAYMENT OF POSTAGE, \$300

Mr. O. A. Peters
504 S. Flower Street
Santa Ana, California

INSTRUCTIONS: Fill in items below and com-
plete #1 on other side, when applicable. Moisten
gummed ends and attach to back of article. Print
on front of article RETURN RECEIPT REQUESTED.

REGISTERED NO. NAME OF SENDER
OIL CONSERVATION COMMISSION

CERTIFIED NO. STREET AND NO. OR P. O. BOX
859361 P. O. BOX 2088

INSURED NO. CITY, ZONE AND STATE
SANTA FE, NEW MEXICO

DOCKET 7-64 - CASE 3001

CS-10-71144-4

RECEIPT FOR CERTIFIED MAIL—20¢

SENT TO
Mr. O. A. Peters

STREET AND NO.
504 S. Flower Street

CITY AND STATE
Santa Ana, California

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 re-
stricted deliv-
ery, check here
☐ 50¢ fee

FEES ADDITIONAL TO 20¢ FEE

POSTMARK
OR DATE
3-2-64

PCD Form 3630
DOCKET 7-64 - CASE 3001

No. 859361

RECEIPT FOR CERTIFIED MAIL—20¢

SENT TO
Mr. O. A. Peters

STREET AND NO.
P. O. Box 23

CITY AND STATE
Roswell, New Mexico

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 re-
stricted deliv-
ery, check here
☐ 50¢ fee

FEES ADDITIONAL TO 20¢ FEE

POSTMARK
OR DATE
3-2-64

DOCKET 7-64, Case 3001

No. 859360

#1-INSTRUCTIONS TO DELIVERING EMPLOYEE

☐ Deliver **REGISTERED MAIL** to address **SEAL**

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PM - RETURN RECEIPT

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P. A. Peters

SIGNATURE OF ADDRESSEE'S AGENT, IF ANY

DATE DELIVERED **MAR 5 1964**

ADDRESS WHERE DELIVERED (only if different from address on article)

OFFICE

9 11 0 20

1. Stick postage stamps to your article to pay:
20¢ certified mail fee
Postage or air-mail postage
Either return receipt fee—10¢ or 35¢ (optional)
Restricted delivery fee—50¢ (optional)
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2. If you want this receipt postmarked, stick the gummed stub on the left portion of the address side of the article, leaving the receipt attached, and present the article to a postal employee.
3. If you do not want this receipt postmarked, stick the gummed stub on the left portion of the address side of the article, detach and retain the receipt, and mail the article.
4. If you want a return receipt, write the certified-mail number and your name and address on a return receipt card, Form 3811, and attach it to the back of the article by means of the gummed ends. Endorse front of article **RETURN RECEIPT REQUESTED**.
5. If you want the article delivered only to the addressee, endorse it on the front **DELIVER TO ADDRESSEE ONLY**. Place the same endorsement in line 2 of the return receipt card.
6. Save this receipt and present it if you make inquiry.

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Postage or air-mail postage
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COPY OF DOCKET NO. 7-64 - CERTIFIED MAIL, RETURN
RECEIPT REQUESTED TO:

Mr. O. A. Peters
P. O. Box 23
Roswell, New Mexico
(CERTIFIED MAIL RECEIPT
NO. 859360)

Mr. O. A. Peters
504 S. Flower Street
Santa Ana, California
(CERTIFIED MAIL RECEIPT
NO. 859361)

Docket No. 7-64

DOCKET: EXAMINER HEARING - WEDNESDAY - MARCH 11, 1964

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

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

CASE 2988 (Continued from the February 5, 1964 Examiner Hearing)

In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit George E. Willett and all other interested parties to appear and show cause why the SDD Hare Well No. 7, located 600 feet from the South line and 1360 feet from the East line of Section 14, Township 29 North, Range 11 West, San Juan County, New Mexico, should not be plugged in accordance with a Commission-approved plugging program.

CASE 2998 (Continued from the February 19, 1964 Examiner Hearing)

Application of Tenneco Oil Company for a gas well-water injection well, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks authority to dually complete its Central Totah Unit Well No. 24 located in Unit O of Section 11, Township 28 North, Range 13 West, San Juan County, New Mexico, to produce gas from the Basin-Dakota Gas Pool through 1 1/2 inch tubing and to inject water into the Gallup formation, Totah-Gallup Oil Pool, through 2 1/16 inch tubing with separation of the zones by a packer set at 5766 feet.

CASE 3001: In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit O. A. Peters and all interested parties to appear and show cause why the Peters State Well No. 1, located 860 feet from the South line and 660 feet from the East line of Section 2, Township 1 North, Range 20 East, De Baca County, New Mexico, should not be plugged in accordance with a Commission-approved plugging program.

CASE 3002: Application of Pan American Petroleum Corporation for the creation of a new gas pool and for special pool rules, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the creation of a new Lower Paddock Gas Pool for its SMU Well No. 16, located in Unit O of Section 15, Township 24 South, Range 37 East, and the establishment of special pool rules therefor, including a provision for 320-acre spacing, Lea County, New Mexico.

CASE 2737 (Reopened): In the matter of Case No. 2737 being reopened pursuant to the provisions of Order No. R-2429-A, which order established temporary 640-acre spacing units for the White City-Pennsylvanian Gas Pool, Eddy County, New Mexico, for a period of one year. All interested parties may appear and show cause why said pool should not be developed on 160-acre spacing units.

CASE 3003: Application of Cabot Corporation for the creation of a new oil pool and for special pool rules, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks the creation of a new Bough "C" Oil Pool for its Signal State Well No. 1, located in Unit A of Section 29, Township 8 South, Range 33 East, Chaves County, New Mexico, and for the establishment of temporary pool rules therefor, including a provision for 80-acre proration units.

PAGE -2-

MARCH 11, 1964 EXAMINER HEARING

- CASE 3004: Application of Ambassador Oil Corporation for a unit agreement Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of the Pearsall Queen Sand Unit comprising 960 acres of State and Federal land in Townships 17 and 18 South, Range 32 East, Lea County, New Mexico.
- CASE 3005: Application of Ambassador Oil Corporation for a waterflood project, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a waterflood project in the Pearsall (Queen) Pool, Lea County New Mexico, by the injection of water into the Queen formation through 5 wells, located in Sections 4 and 5 Township 18 South, Range 32 East.
- CASE 3006: Application of Continental Oil Company for a waterflood project, Lea County, New Mexico. Applicant in the above-styled cause, seeks authority to institute a waterflood project in the Pearsall (Queen) Pool, Lea County, New Mexico, by the injection of water into the Queen formation through one well located in Unit M of Section 33, Township 17 South, Range 32 East.
- CASE 3007: Application of Consolidated Oil & Gas, Inc. for a triple completion, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks approval of the triple completion (conventional) of its Hoyt Well No. 2-5, located in Unit L of Section 5, Township 26 North, Range 4 West, Rio Arriba County, New Mexico, to produce gas from the Basin-Dakota and Blanco Mesaverde Gas Pools and oil from an undesignated Gallup oil pool through parallel strings of 2 1/16 inch, 1 1/2 inch, and one inch tubing, respectively.
- CASE 3008: Application of Phillips Petroleum Company for a triple completion, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of the triple completion (conventional) of its Santa Fe Well No. 87, located in Unit L of Section 31, Township 17 South, Range 35 East, Lea County, New Mexico, to produce oil from the North Vacuum-Abo, Vacuum-Wolfcamp and Vacuum-Glorieta Pools through parallel strings of 2 3/8-inch OD tubing.
- CASE 3009: Application of Cities Service Oil Company for a dual completion, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of the dual completion (conventional) of its Owen No. 1 Well located in Unit P of Section 35, Township 21 South, Range 37 East, Lea County, New Mexico, to produce oil from the Blinbry and Drinkard Oil Pools through parallel strings of 1 1/2-inch and 2 1/16-inch tubing, respectively.
- CASE 3010: Application of R. C. Davoust for the expansion of a waterflood project, Eddy County, New Mexico. Applicant, in the above-styled cause, as successor to Stanton Oil Company, Ltd., seeks to expand the Turkey Track Pool Waterflood Project authorized by Order No. R-1524. Said expansion would be effected by the drilling of 11 water injection wells to the Queen formation at certain unorthodox locations no nearer than 5 feet distance from any 40-acre lot line in Section 34, Township 18 South, Range 29 East, and Section 3, Township 19 South, Range 29 East, Eddy County, New Mexico.

DRAFT

JMD/esr

March 18, 1964

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. 3001

Order No. R- 2683

IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION COMMISSION ON ITS OWN MOTION TO PERMIT O. A. PETERS AND ALL INTERESTED PARTIES TO APPEAR AND SHOW CAUSE WHY THE PETERS STATE WELL NO. 1, LOCATED 860 FEET FROM THE SOUTH LINE AND 660 FEET FROM THE EAST LINE OF SECTION 2, TOWNSHIP 1 NORTH, RANGE 20 EAST, DE BACA COUNTY, NEW MEXICO, SHOULD NOT BE PLUGGED IN ACCORDANCE WITH A COMMISSION-APPROVED PLUGGING PROGRAM.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on March 11, 1964, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter, 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 March day of March, 1964, the Commission, a quorum being present, having considered the ~~application, the~~ testimony, the record, ~~evidence adduced,~~ 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 O. A. Peters is the owner and operator of the Peters State Well No. 1, located 860 feet from the South line and 660 feet from the East line of Section 2, Township 1 North, Range 20 East, NMPM, De Baca County, New Mexico.

(3) That the subject well is dry and has been abandoned, and should be plugged in order to confine permanently all oil, gas, and water in the separate strata originally containing them and to otherwise prevent waste and protect correlative rights.

IT IS THEREFORE ORDERED:

(1) That O. A. Peters is hereby ordered to plug the Peters State Well No. 1, located 860 feet from the South line and 660 feet

from the East line of Section 2, Township 1 North, Range 20 East, NMPM, De Baca County, New Mexico, in accordance with the following minimum plugging requirements:

1. Set a 50-sack cement plug at total depth.
2. Set a 25-sack cement plug at 545 feet.
3. Set a 5-sack cement surface plug.
4. Fill the interval between plugs with mud weighing not less than ten pounds per gallon.
5. Set in the surface plug a regulation steel marker not less than four inches in diameter and extending at least four feet above mean ground level.

(2) That O. A. Peters shall complete plugging operations on or before May 15, 1964, and shall notify the District Supervisor, District 2, Oil Conservation Commission, Artesia, New Mexico, of the exact ^{date} ~~time~~ and ^{time} ~~date~~ plugging operations are to commence.

(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.

DOCKET: EXAMINER HEARING - WEDNESDAY - MARCH 11, 1964

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

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BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION COMMISSION ON ITS OWN MOTION TO PERMIT O. A. PETERS AND ALL INTERESTED PARTIES TO APPEAR AND SHOW CAUSE WHY THE PETERS STATE WELL NO. 1, LOCATED 860 FEET FROM THE SOUTH LINE AND 660 FEET FROM THE EAST LINE OF SECTION 2, TOWNSHIP 1 NORTH, RANGE 20 EAST, DE BACA COUNTY, NEW MEXICO, SHOULD NOT BE PLUGGED IN ACCORDANCE WITH A COMMISSION-APPROVED PLUGGING PROGRAM.

CASE No. 3001
Order No. R-2683

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on March 11, 1964, at Santa Fe, New Mexico, before Examiner Daniel S. Mutter.

NOW, on this 31st day of March, 1964, 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 O. A. Peters is the owner and operator of the Peters State Well No. 1, located 860 feet from the south line and 660 feet from the East line of Section 2, Township 1 North, Range 20 East, NMPM, De Baca County, New Mexico.

(3) That the subject well is dry and has been abandoned, and should be plugged in order to confine permanently all oil, gas, and water in the separate strata originally containing them and to otherwise prevent waste and protect correlative rights.

IT IS THEREFORE ORDERED:

(1) That O. A. Peters is hereby ordered to plug the Peters State Well No. 1, located 860 feet from the south line and 660 feet from the East line of Section 2, Township 1 North, Range 20 East, NMPM, De Baca County, New Mexico, in accordance with the following minimum plugging requirements:

1. Set a 50-sack cement plug at total depth.

-2-

CASE No. 3001
Order No. R-2683

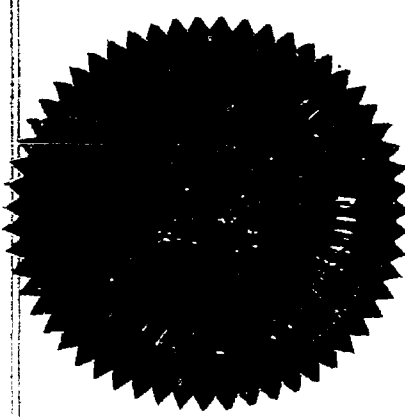
2. Set a 25-sack cement plug at 545 feet.
3. Set a 5-sack cement surface plug.
4. Fill the interval between plugs with mud weighing not less than ten pounds per gallon.
5. Set in the surface plug a regulation steel marker not less than four inches in diameter and extending at least four feet above mean ground level.

(2) That O. A. Peters shall complete plugging operations on or before May 15, 1964, and shall notify the District Supervisor, District 2, Oil Conservation Commission, Artesia, New Mexico, of the exact date and time plugging operations are to commence.

(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


Jack M. Campbell
JACK M. CAMPBELL, Chairman

E. S. Walker
E. S. WALKER, Member

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

esr/

Memo

From

JAMES M. DURRETT JR.
GENERAL COUNSEL

2-11-64

To

Conference w Mose

Peters State well no 1-X
is plugged. Peters State
well no 1 is abandoned
and should be plugged.
Never utilized as a water
well.

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

File 3001

January 31, 1964

Mr. M. L. Armstrong
Supervisor, District 2
Oil Conservation Commission
Drawer DD
Artesia, New Mexico

Re: Dwight L. Smith Walker Well
No. 1, and O. A. Peters State
Well No. 1

Dear Mose:

We have placed the Dwight L. Smith Walker Well No. 1 on the February 19th examiner hearing docket and will need either you or Bill to testify in the case.

I am a little confused concerning the O. A. Peters State Well No. 1. This should be the well that was involved in Case No. 2780, Order No. R-2464. I have a C-102 in the file from Petroleum Consultants indicating they intend to skid the rig with a note from you that the well was plugged. However, we have no C-103 but we do have a C-102 from O. A. Peters indicating that he would like to use the well for a water well; therefore, I am not sure what the status of this well is and probably should wait until I can discuss the matter with you in person before docketing a plugging case.

Very truly yours,

J. M. DURRETT, Jr.
Attorney

JMD/esr

Noted a case

GOVERNOR
JACK M. CAMPBELL
CHAIRMAN

3001

State of New Mexico
Oil Conservation Commission



LAND COMMISSIONER
E. S. JOHNNY WALKER
MEMBER

P. O. DRAWER 80
ARTESIA, NEW MEXICO

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

January 30, 1964

J. M. Durrett, Jr.
Attorney
Oil Conservation Commission
P. O. Box 871
Santa Fe, New Mexico

Dear Jim:

I am writing you in regard to two wells I think should be plugged.

Dwight L. Smith Well in Otero County,
Section 21-15S-11E, Unit--I, J. W. Walker Lease

→ O. A. Peters State #1, SE SE, Section 2-1N-20E
DeBaca County

I can not seem to get anything done about these.

The Avalanche Journal Publishing Company called me at home last evening and said they would get the papers in at once.

Very truly yours,

OIL CONSERVATION COMMISSION

M. L. Armstrong
M. L. Armstrong
Supervisor, District No. II

MLA/jw

POST OFFICE DEPARTMENT
OFFICIAL BUSINESS

REGISTERED MAIL
FIRST CLASS PERMIT NO. 1000
NEW MEXICO

Co., - Artesia Claims Dept.
Attn: Mr. Doyle Cole, Superintendent
P. O. Box 437
Artesia, New Mexico

INSTRUCTIONS: Fill in items below and complete #1 on other side, when applicable. Moisture gummed ends and attach to back of article. Print on front of article RETURN RECEIPT REQUESTED.

REGISTERED NO. _____
CERTIFIED NO. **859362**
INSURED NO. _____

NAME OF SENDER
OIL CONSERVATION COMMISSION
STREET AND NO. OR P. O. BOX
P. O. BOX 2088
CITY, ZONE AND STATE
SANTA FE, NEW MEXICO

RETURN TO

LCF 3-2-64, Docket 7-64, Case 3001

No. 859362

RECEIPT FOR CERTIFIED MAIL—206

SENT TO American Employers' Insurance Company, Artesia Claims Dept.
Attn: Mr. Doyle Cole, Superintendent
P. O. Box 437
Artesia, New Mexico

3-2-64

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 restricted delivery, check here
☐ 50¢ fee

FEES ADDITIONAL TO 20¢ FEE

FD-350 Form 3520
Apr 1959

DOCK 7-64 - CASE 3001

#1-INSTRUCTIONS TO DELIVERING EMPLOYEE

☐ Deliver **ONLY** to addressee ☐ Show address where delivered
(Additional charges required for these services)

RETURN RECEIPT

Received the numbered article described on other side.

SIGNATURE OR NAME OF ADDRESSEE (must always be filled in)
Duplex

SIGNATURE OF ADDRESSEE'S AGENT, IF ANY

DATE DELIVERED *3-5-68* ADDRESS WHERE DELIVERED (only if requested in item #1)

CSO-16-71540-4 GPO

1. Stick postage stamps to your article to pay:
25¢ certified mail fee
1¢ restricted delivery fee
1¢ return receipt fee (total 26¢ or 35¢ (optional))
Restricted delivery fee—50¢ (optional)
Special delivery fee (optional)
2. If you want this certified mail, stick the gummed stub on the left portion of the address side of the article, and present the article to a postal employee.
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6. See the instructions on the back of the return receipt card.

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

March 2, 1964

CERTIFIED - RETURN
RECEIPT REQUESTED

C
O
P
Y

American Employers' Insurance Company
Artesia Claims Department
P. O. BOX 437
Artesia, New Mexico

Attention: Mr. Doyle Cole, Superintendent

Re: O. A. Peters, \$5,000
One-Well Plugging Bond

Gentlemen:

I am enclosing herewith a docket of a hearing concerning your principal, O. A. Peters, under your \$5,000 One-Well Plugging Bond on file with the Commission.

Very truly yours,

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

JMD/ear
Enclosure

*Case file
Case 3001*

March 2, 1964
504 S. Flower
Santa Ana, Calif.
MAIN OFFICE DCC

1964 MAR 4 AM 8:26

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

Dear Sir:

In answer to your letter of February 28, 1964 regarding case 3001, the well in question I am sorry it has been so long but there has been some debate of drilling another well it looks as if it has fell through with, .

I am now ready to plug the well or leave it as a water well, the rancher Mr. Overton would like to have this for a water well, but want be reliable for any cost, it has a lot of water at 763 feet, we have casing set and cemented with 75 sacks of cement at 545 feet 103/4 casing, the top of the casing is covered by welding a cover on it .

The ground around it has been leveled up and the pits has been filled and leveled.

Concerning leaving it as a water well I agree to leave all casing in hole and fix the top how ever you want it, If this is satisfactory let me know what you require of me to do.

If you want it plugged I will do so immediately.

Your very truly

C. R. Peters

CC. To Oil Conservation Commission
Artesia, New Mexico

To J. S. Ward & Son, Inc.
Artesia, New Mexico

POST OFFICE DEPARTMENT
OFFICIAL BUSINESS

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

POSTMARK OF
DELIVERING OFFICE

American Employers' Insurance
Company - Attn: Mr. Doyle Cole,
Superintendent
P. O. Box 437
Artesia, New Mexico

PRAY FOR PEACE

INSTRUCTIONS: Put in items below and place #1 on other side, when applicable. Moisten gummed ends and attach to back of article. Print on front of article RETURN RECEIPT REQUESTED.

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| REGISTERED NO. | NAME OF SENDER |
| CERTIFIED NO. | STREET AND NO. OR P. O. BOX |
| INSURED NO. | CITY, ZONE AND STATE |

859378

OIL CONSERVATION COMMISSION

P. O. BOX 2092

SANTA FE, NEW MEXICO

Letter 3-31 - Order R-2683

PSD Form 3811 Jan. 1953

CF-16-71244-4

No. 859378

RECEIPT FOR CERTIFIED MAIL—20¢

| | | |
|--|--|---|
| SENT TO American Employers' Insurance Company - Attn: Mr. Doyle Cole, Superintendent | | OR DATE |
| STREET AND NO. P. O. Box 437 | | 3-31-64 |
| CITY AND STATE Artesia, New Mexico | | |
| If you want a return receipt, check which: <input type="checkbox"/> 10¢ shows to whom, when, and where delivered <input type="checkbox"/> 35¢ shows to whom, when, and address where delivered | | If you want restricted delivery, check here <input type="checkbox"/> 50¢ fee |
| FEES ADDITIONAL TO 20¢ FEE | | |
| Letter 3-31 Order R-2683 | | |

PSD Form 3811 Apr. 1953

| | |
|---|--|
| #1-INSTRUCTIONS TO DELIVERING EMPLOYEE | |
| <input type="checkbox"/> Deliver ONLY to addressee | <input type="checkbox"/> Show address where delivered |
| (Additional charges required for these services) | |
| RETURN RECEIPT | |
| Received the numbered article described on other side. | |
| SIGNATURE OR NAME OF ADDRESSEE (must always be filled in) | |
| AM. NATL. INS. CO. | |
| SIGNATURE OF ADDRESSEE'S AGENT, IF ANY | |
| J. E. Wall | |
| DATE DELIVERED | ADDRESS WHERE DELIVERED (only if requested in item #1) |
| APR 1 1964 | |
| C80-10-71942-4 GPO | |

1. Stick postage stamps to your article to pay:
 2nd certified-mail fee
 Postage or insured postage
 Return receipt fee—19¢ or 35¢ (optional)
 Restricted delivery fee—50¢ (optional)
 Special-delivery fee (optional)
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3. If you do not want this receipt postmarked, stick the gummed stub on the left portion of the address side of the article, detach and retain the receipt, and mail the article.
4. If you want a return receipt, write the certified-mail number and your name and address on a return receipt card, Form 3810, and attach it to the back of the article by means of the gummed ends. Mark the front of article RETURN RECEIPT REQUESTED.
5. If you want the article delivered only to the addressee, endorse it on the front DELIVER TO ADDRESSEE ONLY. Place the same endorsement in line 2 of the return receipt card.
6. Save this receipt and present it if you receive inquiry.

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

March 31, 1964

CERTIFIED - RETURN
RECEIPT REQUESTED

C
O
P
Y

American Employers' Insurance Company
Artesia Claims Department
P. O. Box 437
Artesia, New Mexico

Attention: Mr. Doyle Cole, Superintendent

Re: Case No. 3001
Order No. R-2683

Gentlemen:

I am enclosing herewith a certified copy of the above order concerning Mr. O. A. Peters, Principal, under the American Employers' Insurance Company \$5,000 One-Well Plugging Bond on file with the Commission.

Very truly yours,

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

JMD/est
Enclosure

cc: Mr. M. L. Armstrong
Supervisor, District 2
Oil Conservation Commission
Drawer DD
Artesia, New Mexico

#1-INSTRUCTIONS TO DELIVERING EMPLOYEE

☐ Deliver **REGISTERED MAIL** address **FM** ☐ Show address where delivered

Additional charges required for these services

RETURN RECEIPT

Received the numbered article described on other side.

SIGNATURE OR NAME OF ADDRESSEE (must always be filled in)
O. A. Peters

SIGNATURE OF ADDRESSEE'S AGENT, IF ANY

DATE DELIVERED **APR 11 1964** ADDRESS WHERE DELIVERED (only if requested in item #1)

CFR-16-71848-4 GPO

RECEIPT FOR CERTIFIED MAIL—20¢

SENT TO **Mr. O. A. Peters**

STREET AND NO. **504 South Flower**

CITY AND STATE **Santa Ana, California**

POSTMARK OR DATE **3-31-64**

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 restricted delivery, check here

☐ 50¢ fee

FEES ADDITIONAL TO 20¢ FEE

POD **3-31-64** **Order R-2683**

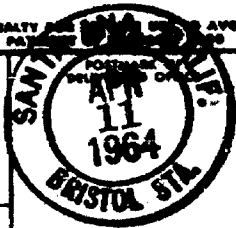
Apr 1960

No. 859377

POST OFFICE DEPARTMENT
OFFICIAL BUSINESS

PENALTY FOR
FACED

Mr. O. A. Peters
504 South Flower
Santa Ana, California



INSTRUCTIONS: Fill in items below and complete #1 on other side, when applicable. Moisten gummed ends and attach to back of article. Print on front of article RETURN RECEIPT REQUESTED.

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TO

| | |
|----------------|-----------------------------|
| REGISTERED NO. | NAME OF SENDER |
| | OIL CONSERVATION COMMISSION |
| CERTIFIED NO. | STREET AND NO. OR P. O. BOX |
| 859377 | P. O. Box 2088 |
| INSURED NO. | CITY, ZONE AND STATE |
| | SANTA FE, NEW MEXICO |

Letter 2-31 - Order R-2683

CS-10-7184-4

1. Stick postage stamps to your article to pay:
20¢ certified mail fee.
First-class or airmail postage.
Either return receipt fee—10¢ or 55¢ (optional).
Restricted delivery fee—50¢ (optional).
Special delivery fee (optional).
2. If you want this receipt postmarked, stick the gummed stub on the left portion of the address side of the article, holding the receipt attached, and present the article to a postal employee.
3. If you do not want this receipt postmarked, stick the gummed stub on the left portion of the address side of the article, detach and retain the receipt, and mail the article.
4. If you want a return receipt, write the certified-mail number and your name and address on a return receipt card, Form 3811, and attach it to the back of the article by means of the gummed ends. Endorse front of article RETURN RECEIPT REQUESTED.
5. If you want the article delivered only to the addressee, endorse it on the front DELIVER TO ADDRESSEE ONLY. Place this same endorsement in line 2 of the return receipt card. Do not present it if you make inquiry.

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

March 31, 1964

CERTIFIED - RETURN
RECEIPT REQUESTED

Mr. O. A. Peters
504 South Flower
Santa Ana, California

Re: Case No. 3001
Order No. R-2683

Dear Mr. Peters:

I am enclosing herewith a certified copy of the above order which requires you to plug your Peters State Well No. 1 on or before May 15, 1964, in accordance with the minimum plugging requirements set out therein.

Please note that plugging operations must be completed on or before May 15, 1964, and that you must notify the District Supervisor, District 2, Oil Conservation Commission, Artesia, New Mexico, of the exact date and time plugging operations are to commence.

Very truly yours,

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

JMD/esr
Enclosure

cc: Mr. M. L. Armstrong
Supervisor, District 2
Oil Conservation Commission
Drawer DD
Artesia, New Mexico

C
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MAIL OFFICE OCC

1964 APR 8 PM 1:29

Mr. O. A. Peters
504 South Flower Street
Santa Ana, California

April 7, 1964

RE: Bond No. SY-311027 O. A. Peters, \$5,000.00 One Well
Plugging Bond

Dear Mr. Peters:

I am attaching a copy of letter and Order of the Oil Conserva-
tion Commission of the State of New Mexico of March 31, 1964.

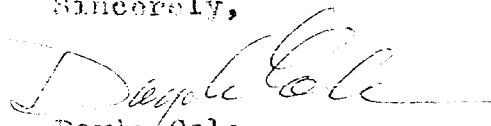
As you can see by the Order of the Commission you have until
May 15, 1964, to do the necessary outline work in plugging
the Peters State Well No. 1, located 860 feet from the South
line and 660 feet from the East line of Section 2, Township
1 North, Range 20 East, De Baca County, New Mexico.

If you have not plugged this well by May 15, 1964, it will be
necessary for us, as your Bonding Company, to do the necessary
plugging, and in turn we will look to you for our costs.

If it is necessary for us to plug this well it will naturally
jeopardize your bonding in this state, and it is our suggestion
that you make the necessary arrangements to have this well
plugged as soon as possible.

Please advise us of your intentions as soon as possible so that
we may take the necessary action providing you do not intend
to comply with the Order of the Oil Conservation Commission.

Sincerely,


Doyle Cole
Superintendent
Artesia Plain Dept.

cc: J. M. Burnett, Jr. ✓
Oil Conservation Commission

M. L. Armstrong
District 2, Oil Conservation Comm.

Enclosures

The Employers' Group
OF INSURANCE COMPANIES

ARTESIA CLAIM DEPARTMENT
WARD BUILDING, ARTESIA, NEW MEXICO

THE EMPLOYERS' LIABILITY Insurance Corporation, Ltd.
AMERICAN EMPLOYERS' Insurance Company
THE EMPLOYERS' FIRE Insurance Company
THE NORTHERN Insurance Company of America
THE EMPLOYERS' LIFE Insurance Company of America

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

May 14, 1964

ATTN: Mr. J. M. Durrett, Jr.
Special Assistant
Attorney General

RE: YOUR CASE NO. 3001
YOUR ORDER NO. R-2683
BOND NO. SY-311027 - O. A. PETERS \$5,000.00
ONE-WELL PLUGGING BOND

Gentlemen:

Please find the enclosed letter received from Mr. O. A. Peters alone with a copy of a agreement that he has signed with Steinberger Drilling Company, of Roswell, New Mexico where they agree to plug well in your order number listed above, which probetly has already been done by the Steinberger Drilling Company.

At this time I would like to hear from you as to whether or not our Assured has done the necessary required plugging of this well so that we may retire our file.

Thanking you for your cooperation.

Sincerely,

Doyle Cole
Doyle Cole
Superintendent
Artesia Claim Dept.

DC/st
Encls.
cc: Mr. M. L. Armstrong

MAIN OFFICE OCC

24 MAY 15 AM 8:17



The EMPLOYERS' GROUP MAN is The Man with the Plan

Plugging to 25'

STEINBERGER DRILLING COMPANY

By *A. Steinberger*

Steinberger Drilling Company will abide by all Federal, State and local regulations and will be furnished upon request.

Original to be delivered to office on date of

April 28, 1964
504 S. Flower
Santa Ana, Calif.

The Employers Group
Of Insurance Company
P. O. Box 437
Artesia, New Mexico

Dear Sir

In regards to plugging my I have had a deal with
Steinberger Drilling Company to plug it, and I
will pay all the bills on it, sorry I was so long
plugging the well, we was plaining to youse it to
drill a nother well.

Very truly yours

C. A. Peters



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

May 25, 1964

C
O
P
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The Employers' Group of Insurance Companies
Artesia Claim Department
Ward Building
Artesia, New Mexico

Attention: Mr. Doyle Cole

Re: Case No. 3001 - Order No. R-2683
Bond No. SY-311027 - Peters State
Well No. 1

Gentlemen:

We have now received an approved plugging report from our Artesia Office concerning the above well. This will close the case.

We appreciate the cooperation that you and your principal have shown in this case.

Very truly yours,

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

JMD/esr

cc: Oil Conservation Commission
Drawer DD
Artesia, New Mexico

Mr. O. A. Peters
504 South Flower Street
Santa Ana, California

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

May 18, 1964

C
O
P
Y
The Employers' Group of Insurance Companies
Artesia Claim Department
Ward Building
Artesia, New Mexico

Attention: Mr. Doyle Cole

Re: Case No. 3001 - Order No. R-2683
Bond No. SY-311027 - Peters State
Well No. 1

Gentlemen:

We have your letter of May 14, 1964, requesting information on plugging of the above well. Although we have not received a plugging report from our Artesia office, if the well has been plugged the report should be forwarded in the near future.

We will advise you when we have received the required plugging report.

Very truly yours,

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

JMD/esr

cc: Mr. M. L. Armstrong
Supervisor, District 2
Oil Conservation Commission
Drawer DD
Artesia, New Mexico

DEARNLEY-MEIER REPORTING SERVICE, Inc.

FARMINGTON, N. M.
PHONE 325-1182

SANTA FE, N. M.
PHONE 983-3971

ALBUQUERQUE, N. M.
PHONE 243-6591

BEFORE THE
NEW MEXICO OIL CONSERVATION COMMISSION
Santa Fe, New Mexico
March 11, 1964

EXAMINER HEARING

IN THE MATTER OF:

The hearing called by the Oil Conservation Commission on its own motion to permit O. A. Peters and all interested parties to appear and show cause why the Peters State Well No. 1, located 860 feet from the South line and 660 feet from the East line of Section 2, Township 1 North, Range 20 East, De Baca County, New Mexico, should not be plugged in accordance with a Commission-approved plugging program.

Case No. 3001

BEFORE: DANIEL S. NUTTER, EXAMINER.

TRANSCRIPT OF HEARING



MR. NUTTER: We will call Case 3001.

MR. DURRETT: In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit O. A. Peters and all interested parties to appear and show cause why the Peters State Well No. 1, located 860 feet from the South line and 660 feet from the East line of Section 2, Township 1 North, Range 20 East, De Baca County, New Mexico, should not be plugged in accordance with a Commission-approved plugging program.

If the Examiner please, Jim Durrett appearing on behalf of the Commission and its Staff, and I will have one witness, Mr. Armstrong.

(Witness sworn.)

M. L. ARMSTRONG

called as a witness, having been first duly sworn, testified as follows:

DIRECT EXAMINATION

BY MR. DURRETT:

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

A M. L. Armstrong, New Mexico Oil Conservation Commission, supervisor of District 2.

Q Are you a supervisor of District No. 3 in Artesia?

A No, District 2.

DEARNLEY, MEIER, WILKINS and CROWNOVER

General Court Reporting Service

Suite 1120 Simms Building

Albuquerque, New Mexico

Phone 243-6691



DEARNLEY, MEIER, WILKINS and CROWNOVER

General Court Reporting Service

Suite 1120 Simms Building Albuquerque, New Mexico Phone 243-6691

Q District 2?

A Yes.

Q As a part of your official duties as a supervisor of District No. 2 in Artesia, do you supervise the plugging of wells in your district and make recommendations to the Commission concerning the same?

A I do.

Q Are you familiar with the O. A. Peters State Well No. 1 which is the subject matter of this case?

A Yes, sir.

Q Do you have the official file of the Commission with you, the official file?

A I do.

Q Would you please refer to that file and give us the location of the well?

A The well is located in the Southeast of the Southeast of Section 2, Township 1 North and Range 20 East, De Baca County.

Q Is it 860 from the South line and 660 from the East line?

A That is right.

Q And referring to your official file that you have there, Mr. Armstrong, the official well file, will you please state to the Examiner the name of the operator as it appears in your file?

A O. A. Peters.



DEARNLEY, MEIER, WILKINS and CROWNOVER

General Court Reporting Service

Suite 1120 Simms Building Albuquerque, New Mexico Phone 243-6691

PAGE 4

Q What specific form are you referring to to get that information?

A C-109.

Q Would you please refer again to the file and give us a short history of the well as reflected in our well file?

A This well was started, they got into a bunch of fishing jobs, I don't know just what all they did do, but then they abandoned it and skidded over and started another well, completed it and plugged it.

Q When was it started, can you tell from your forms there, Mr. Armstrong?

A This well was, I don't have much on it, I couldn't get it, I couldn't say the date it was started.

Q Do you have the completion?

A There's no completion, it's just C-102's to tell me what he intends to do is all that I ever received from him. I received one C-103 stating that he ran 545 foot of 10-3/4" casing with 75 sacks of cement.

Q We have never received a form stating that the well had been completed, is that correct?

A That's right.

Q When was the last correspondence that you received from this operator?



DEARNLEY, MEIER, WILKINS and CROWNOVER

General Court Reporting Service

Suite 1120 Simms Building Albuquerque, New Mexico Phone 243-6691

PAGE 5

A It was on April the 22nd, 1963.

Q Was that a form?

A That was Form C-102 telling me if in case that this well, this No. 1-X was a producing well, he would like to keep this well for a water well or either turn it to the ranch. That's the last report I have had from him.

Q Would it be your opinion, based upon your testimony that you have given here today, that the well has been abandoned?

A Yes, sir, it must have been.

Q And can you tell from the file as to whether or not the well is dry?

A The well is dry. This last letter it was a, this last form, no, it doesn't say it's dry, but he's abandoned it.

Q We have no indication that any production was encountered?

A No, I think not.

Q Would it be your opinion that this well should be plugged in a manner that will confine oil, gas and water in the original strata containing them?

A Yes, I think it should be.

Q Do you have some indication that there's fresh water in the area?

A Yes. According to this C-102 he wanted to use it for a



water well, if the other well was productive he wanted to use it for a water well for his other well if it was productive, but it wasn't productive.

Q Then it would also be your opinion that the well should be plugged in order to protect the fresh water in the area?

A Yes.

Q Do you have a minimum plugging program, Mr. Armstrong, that you can give to the Examiner?

A I have one that I think will do, but we'll be on the job and it may need, he hasn't reported anything on this well. I don't know just exactly what condition it is in and when they go to plug it. Well, I think a 50-sack plug at TD, which is 845 and a 25-sack plug in and out of the 10-3/4, and with heavy mud between each plug and then his regular marker at the top.

MR. NUTTER: How many sacks of cement at the top, five?

A Five sacks is all right.

Q (By Mr. Durrett) You want to specify mud weighing not less than ten pounds?

A Right.

Q Would it be your opinion, Mr. Armstrong, that this plugging program, this minimum plugging program that you have outlined to the Examiner would prevent waste and protect correlative rights in this area if adopted?



A Yes, I'm sure it will.

MR. DURRETT: If the Examiner please, I would request the Examiner to take administrative notice of the official well file of the Commission in this case and all of the forms and all correspondence contained therein. That will conclude my examination of Mr. Armstrong.

MR. NUTTER: We will take administrative notice of the official well file of the Commission in this case and all of the forms and all correspondence contained therein.

CROSS EXAMINATION

BY MR. NUTTER:

Q As I understand it, this is a tentative plugging program that you offer with the idea that when actual work commences it might have to be modified?

A Might have to be modified. I am not too sure, not having any records, wildcat area.

Q How did you establish that the T.D. is 845 feet?

A I believe it was through a scout report. Of course, it could be deeper than that.

MR. NUTTER: Are there any other questions of Mr. Armstrong?

MR. PORTER: I have one.

BY MR. PORTER:



Q I believe you said that there was another well drilled and plugged?

A Yes.

Q Has the plugging of that well been approved?

A Yes.

Q Was that well designated as the No. 1 and this well 1-X?

A The first well was, yes, No. 1, this well that we are talking about now is No. 1.

Q No. 1.

A And the other well is 1-X that they skidded. They skidded the rig over and drilled right close to it.

Q Is 1-X the one that needs to be plugged?

A The No. 1 is the one that needs to be plugged.

MR. PORTER: That's all I have.

BY MR. NUTTER:

Q Mr. Armstrong, have you or any of your inspectors ever discussed this well with the rancher, Mr. Overton?

A Yes.

Q What is the rancher's reaction to plugging this well?
At one time I believe he wanted it as a water well.

A He said he would like to have it as a water well, but he didn't want to take the responsibility of maybe getting contamination.



DEARNLEY, MEIER, WILKINS and CROWNOVER

General Court Reporting Service

Suite 1120 Simms Building Albuquerque, New Mexico Phone 243-6691

PAGE 9

Q So he won't take the responsibility for the well?

A That's right.

Q You are recommending that it be plugged instead?

A Yes.

MR. NUTTER: Any other questions? He may be excused.

(Witness excused.)

MR. NUTTER: Do you have anything further, Mr. Durrett?

MR. DURRETT: No, sir, we do not have anything further.

MR. NUTTER: Does anyone have anything they wish to offer in Case 2001? We will take the case under advisement.



DEARNLEY, MEIER, WILKINS and CROWNOVER

General Court Reporting Service

Phone 243-6691

Albuquerque, New Mexico

Suite 1120 Simms Building

STATE OF NEW MEXICO)
COUNTY OF BERNALILLO) SS

I, ADA DEARNLEY, Court Reporter, do hereby certify that the foregoing and attached transcript of proceedings before the New Mexico Oil Conservation Commission at Santa Fe, New Mexico, is a true and correct record to the best of my knowledge, skill and ability.

IN WITNESS WHEREOF I have affixed my hand and notarial seal this 23rd day of March, 1964.

Ada Dearnley
Notary Public-Court Reporter

My commission expires:
June 19, 1967.

I do hereby certify that the foregoing is a complete record of the proceedings in the Examiner's hearing of No. 3001 heard by me on 3/11, 1964.

Adrian, Examiner
New Mexico Oil Conservation Commission

