Section 1 CASE 7178: PLUGGING CASE - OCD iells) NOLAND AND WELLS, SAN JUAN COUNTY, NEW MEXICO 10 .

Case No.

7178

Application

Transcripts

Small Exhibits

ETC



Case 7178

STATE OF NEW MEXICO ENERGY AND MINERALS DEPARTMEND OIL CONSERVATION DIVISION AZTEC DISTRICT OFFICE

TONEY ANAYA

1000 RIO BRAZOG ROAD AZTEC, NEW MEXICO 87410 (505) 334-8179

March 22, 1983

Mr. Gilbert Quintana Oil Conservation Division P. O. Box 2088 Santa Fe NM 87501

Rc: Chace Oil Company--Downhole Commingled Wells

Dear Gilbert;

After reviewing the recommended allocations for the referenced wells from the letter of February 17, 1983, I think that they are acceptable as shown on page two of that letter.

If you have any questions please call this office.

Yours truly,

Frank T. Chavez District Supervisor

FTC:gc

Enc.

Mr. Gilbert Quintana Mr. Frank T. Chavez

The allocation of production formula for the two zones is presented below for each well:

Well:		Gallup:	Dakota:
V #1-47-JV	• •		
	Oil	25%	75%
, .	Cas	TSTM	TSTM
Chace Apache	15-2		
-	0i1	21%	798
	Gas	448	56%
Chace Apache	15-3		
-	0 i 1	21%	798
•	Gas	44%	56%
Chace Apache	54-10		
- -	Oil	27%	73%
	Gas	448	56%
Chace Apache	54-11		
-	Oil	18%	82%
	Gas	448	56%

This report is submitted in compliance with the conditions set forth in the Oil Conservation Commission Orders, (referenced above), which grant Chace Oil Company, Inc. approval for downhole commingling in the subject wells.

Very truly yours,

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Ron Gordon Geologist

Ross Easterling Landman

RE/ss

STATE OF NEW MEXICO ENERGY AND MINERALS DEPARTMENT OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION DIVISION FOR THE PURPOSE OF CONSIDERING:

CASE NG. 7178 Grder No. R-6630

IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION DIVISION ON ITS DWN MOTION TO PERHIT NOLAND AND WELLS AND ALL DTHER INTERESTED PARTIES TO APPEAR AND SHOW CAUSE WHY THE REINHARDT WELL NO. 1 IN UNIT A OF SECTION 21, TOWNSHIP 29 NORTH, RANGE 11 WEST, SAN JUAN COUNTY, SHOULD NOT BE PLUGGED AND ABANDONED IN ACCORDANCE WITH A DIVISION-APPROVED PLUGGING PROGRAM.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on March 11, 1981, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NON, on this 7th day of April, 1981, the Division Director, 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 Division has jurisdiction of this cause and the subject matter thereof.

(2) That Noland and Wells is the owner and operator of the Reinhardt Well No. 1, located in Unit A of Section 21, Township 29 North, Range 11 West, NMPM, San Juan County, New Mexico.

(3) That in order to prevent waste and protect correlative rights said Reinhardt Well No. 1 should be plugged and abandoned in accordance with a program approved by the Aztec District Office of the New Mexico Gil Conservation Division on or before April 15, 1981, or the well should be returned to active drilling statue or placed on production. -2-Case No. 7178 Order No. R-6630

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IT IS THEREFORE ORDERED:

(1) That Noland and Wells is hereby ordered to plug and abandon the Reinhardt Well No. 1, located in Unit A of Section 21, Township 29 North, Range 11 West, NMPN, San Juan County, New Mexico, or in the alternative, to raturn the well to active drilling status or place the well on production on or buffers April 15, 1961.

(2) That Noland and Wells, prior to plugging and abandoning the above-described well, shall obtain from the Aztec office of the Division, a Division-approved program for said plugging and abandoning, and shall notify said Aztec office of the date and hour said work is to be commenced whereupon the Division may, at its option, witness such work.

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

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

STATE OF NEW MEXICO OIL CONSERVATION DIVISION DE D. RAMEY Director







Dockets Nos. 12-81 and 13-81 are tentatively bet for Harch 25 and April 8, 1981. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: EXAMINER HEARING - WEDNESDAY - MARCH 11, 1981

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

The following cases will be heard before Richard L. Stamets, Examiner, or Daniel S. Nutter, Alternate Examine .:

- ALLOWABLE: (1) Consideration of the allowable production of gas for April, 1981, from fifteen prorated pools in Lee, Eddy, and Chaves Counties, New Mexico.
 - (2) Consideration of the allowable production of gas for April, 1981, from four prorated pools in San Juan, Rio Arriba, and Sandoval Counties, New Mexico.
- CASE 7176: In the matter of the hearing called by the Oil Conservation Division on its own motion to permit Marjory M. Grier, U. S. Casualty Company of New York, and all other interested parties to appear and show cause why the Red Mountain Wells Nos. 6, 7, and 10, all located in Unit B of Section 29, Township 20 North, Range 9 West, McKinley County, should not be plugged and abandoned in accordance with a Division-approved plugging program.
- <u>CASE 7177</u>: In the matter of the hearing called by the Oil Conservation Division on its own motion to permit Henry S. Birdseye and all other interested parties to appear and show cause why the State Well No. 10-2 in Unit G of Section 10, Township 19 North, Range 10 West, McKinley County, should not be plugged and abandoned in accordance with a Division-approved plugging program.

CASE 7178: In the matter of the hearing called by the Oil Conservation Division on its own motion to permit Noland and Wells and all other interested parties to appear and show cause why the Reinhardt Well No. 1 in Unit A of Section 21, Township 29 North, Range 11 West, San Juan County, should not be plugged and abandoned in accordance with a Division-approved plugging program.

- <u>CASE 7179</u>: In the matter of the hearing called by the Oil Conservation Division on its own motion to permit "26" Oil Company and all other interested parties to appear and show cause why the Jackson Well No. 1 in Unit A of Section 21, Township 29 North, Range 11 West, San Juan County, "hould not be plugged and abandoned in accordance with a Division-approved plugging program.
- <u>CASE 7130</u>: In the matter of the hearing called by the Oil Conservation Division on its own motion to permit Vincent and Goodrum and all other interested parties to appear and show cause why the Refinery Hare Well No. 1 in Unit A of Section 21, Township 29 North, Range 11 West, San Juan County, should not be plugged and abandoned in accordance with a Division-approved plugging program.
- CASE 7181: Application of Read & Stevens, Inc. for a unit agreement, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks approval for the Hernandez Draw Unit Area, comprising 2,560 acres, more or less, of Federal, State, and Fee lands in Townships 4 and 5 South, Ranges 26 and 27 East.
- CASE 7182: Application of Wiser Oil Company for an unorthodox well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of its Downes A Vell No. 5 to be drilled in the approximate center of the SW/4 of Section 32, Township 21 South, Range 37 East, Penrose Skelly Pool.
- CASE 7183: Application of Flag-Redfern Oil Company for an unorthodox gas well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to drill its Osudo St. Com Well No. 2 st an unorthodox location 990 feet from the North and East lines of Section 18, Township 20 South, Range 36 East, North Osudo-Morrow Gas Pool.

CASE 7147: (Readvertised)

Application of Yates Petroleum Corporation for an unorthodox gas well location and simultaneous dedication, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of a well to test all Pennsylvanian formations to be drilled 1650 feet from the South line and 660 feet from the East line of Section 35, Township 18 South, Range 25 East, the S/2 of said Section 35 to be dedicated to said well and to applicant's "JX" Well No. 2 located in Unit N.

CASE 7184: Application of Harvey E. Yates Company for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Morrew formation underlying the E/2 of Section 13, Township 17 South, Range 28 East, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well, and a charge for risk involved in drilling said well.



BRUCE KING

GOVE ANOR LARRY KEHOE

SECRETAR

STATE OF NEW MEXICO ENERGY AND MINERALS DEPARTMENT

OIL CONSERVATION DIVISION AZTEC DISTRICT OFFICE

December 19, 1980

Mr. Ernest Padilla **Oil Conservation Division** P.O. Box 2088 Santa Fe, N.H. 87501

Re: Forced plugging cases

Dear Ernie:

1000 PIO BRAZOS ROAD AZTEC, NEW MEXICO 87410 (505) 304-6178 \mathbb{D} DEN 20184**1** Seat Stylesion OF COME. SAVIAFE Case 7178

Please docket the following forced plugging cases:

1. A case calling Marjory M. Grier, U.S. Casualty Company of New York and all other interested parties to appear and show cause why the Red Mountain #6,#7 and #10, all in Unit B, Section 29, Township 20North, Range 9 West, McKinley County, should not be plugged and abandoned in accordance with a Division approved plugging program.

2. A case calling Henry S. Birdseye and all other interested parties to appear and show cause why the State #10-2 located in Unit G, Section 10, Township 19 North, Range 10 West, McKinley County, should not be plugged and aban loned in accordance with a division approved plugging program.

3. A case calling Noland and Wells and all other interested parties to appear and show cause why the Reinhardt #1 located In Unit A, Section 21, Township 29 North, Range 11 West, San Juan County, should not be plugged and abandoned in accordance with a division approved plugging program.

4. A case calling "26" Oil Company and all other interested parties to appear and show cause why the Jackson #1 located in Unit A, Section 21, Township 29 North, Range 11 West, San Juan County, should not be plugged and abandoned in accordance with a division approved plugging program.



DRAFT dr/ STATE OF NEW MEXICO ENERGY AND MINERALS DEPARTMENT OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION DIVISION FOR THE PURPOSE OF CONSIDERING:

CASE NO. 7178

Order No. R-<u>6630</u>

IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION DIVISION ON ITS OWN MOTION TO PERMIT NOLAND AND WELLS AND ALL OTHER INTERESTED PARTIES TO APPEAR AND SHOW CAUSE WHY THE REINHARDT WELL NO. 1 IN UNIT A OF SECTION 21, TOWNSHIP 29 NORTH, RANGE 11 WEST, SAN JUAN COUNTY, SHOULD NOT BE PLUGGED AND ABANDONED IN ACCORDANCE WITH A DIVISION-APPROVED PLUGGING PROGRAM.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on <u>March 11</u>, 19<u>81</u>, at Santa Fe, New Mexico, before Examiner <u>Richard L. Stamete</u> NOW, on this <u>day of March</u>, 19<u>31</u>, the Division Director, 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 Division has jurisdiction of this cause and the subject matter thereof.

(2) That Noland and Wells is the owner and			
operator of the			
located in Unit A of Section 21, Township 29 North			
Range, NMPM,San JuanCounty, New Mexico.			
(3) That is the			
surety on the Oil Conservation Division plugging bond on which			
is principal.			
(4) That the purpose of said bond is to assure the state			
that the subject well as will be properly plagged and abandoned			
when not capable of commercial production.			
(3) (5) That in order to prevent waste and protect correlative			
rights said			
be plugged and abandoned in accordance with a program approved by			

the <u>Aztec</u> District Office of the New Mexico Oil Conservation Division on or before <u>Dive 155</u>, 19<u>81</u>, or the well should be returned to active drilling status or placed on production.

IT IS THEREFORE ORDERED:

(1) That <u>Noland and Wells</u>

(2) That Noland and Wells

, prior to plugging and abandoning the above described well, shall obtain from the <u>Aztec</u> office of the Division, a Division-approved program for said plugging and abandoning, and shall notify said <u>Aztec</u> office of the date and hour said work is to be commenced whereupon the Division may, at its option, witness such work.

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

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