CASE 7179: FEUGGING CASE - OCD () "26" OIL COMPANY, SAN JUAN COUNTY, NEW /

Case No.

7179

Application

Transcripts

Small Exhibits

ETC

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. 7179 Order No. R-6631

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, 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 Merch 11, 1981; at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this <u>7th</u> 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 promises,

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 "26" Gil Company is the owner and operator of the Jackson Well No. 1, located in Unit A of Section 21, Township 29 North, Renge 11 West, NHPM, San Juan County, New Mexico.

(3) That in order to prevent waste and protect correlative rights said Jackson Weli No. 1 should be plugged and abandoned in accordance with a program approved by the Aztec District Office of the New Mexico Oil Conservation Division.

IT IS THEREFORE ORDERED:

(1) That the "26" Gil Company Jackson Well No. 1, located in Unit A of Section 21, Township 29 North, Range 11 West, NMPM, San Juan County, New Mexico, is hereby ordered to be plugged -2-Case No. 7179 Order No. R-6631

and abandoned in accordance with a Division-approved plugging program.

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

DONE at Santa Fs, New Mexico, on the day and year herein-



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STATE OF NEW HEXICO OFL CONSERVATION DIVISION JOE D. RAMEY Director







Dockets Nos. 12-81 and 13-81 are tentatively set for March 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 MEXICO

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

- ALLOWABLE: (1) Consideration of the allowable production of gas for April, 1981, from fifteen protected pools in Lea, Eddy, and Chaves Counties, New Mexico.
 - (2) Consideration of the allowable production of gas for April, 1981, from four provated 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 N. 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.
- CASE 7177: 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 Gil 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.

CASE 7179: 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, should not be plugged and abandoned in accordance with a Division-approved plugging program.

- CASE 7180: 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 2,500 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 unt thodox well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of its Downes A Well 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 at 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.

<u>CASE 7184</u>: 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 Morrow 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 crilling said well.



ARHOF KING

GOVERNOR

LARRY KEHOE

STATE OF NEW MERCO

ENERGY AND MINERALS DEPARTMENT

OIL CONSERVATION DIVISION AZTEC DISTRICT OFFICE

December 19, 1980

Mr. Ernest Padilla Oil Conservation Division P.O. Box 2088 Senta Fc. N.M. 87501

Re: Forced plugging cases

Dear Ernie:

AZIEC, NEW MEXICO 87410 (505) 324-6178 JUSION OR CU SAMARE

Cuse 7179

1000 RID ERAZOS ROAD

Please docket the following forced plugging cases:

1. A case calling Marjory N. 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 abandoned 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.



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. 717 Order No. R- 6631

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 WHE JACKSON 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 Richard L. Stamets NOW, on this <u>day of March</u>, 19<u>81</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 "26" Dil Company is the owner and
operator of theJackson Well No. 1
located in Unit A of Section 21, Township 29 North
Range 11 West , NMPM, San Juan County, 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 to will be properly plugged and abandoned
when not capable of commercial production.
(5) That in order to prevent waste and protect correlative

DRAFT dr/

Aztec District Office of the New Mexico Oil the Conservation Division on or before or the well should be returned to active drilling status or placed on production. IT IS THEREFORE ORDERED: That V "26" Oil Company (1) xx are hereby ordered to plug and abandon in with Division epowed ping and program Jackson Well No. located in Unit A of Section 21 , Township 29 North Range 11 West , NMPM, San Juan County, New Mexico, or in the alternative, to return the well to active drilling, status or place the well on production on or before 19 That ______ 0il Company (2), prior to plugging and abandoning the abovedescribed well, shall obtain from the Aztec øffice/of the Division, a Division-approved program for said plugging and Aztec office of the abandoning) and shall notify said date and hour said work is to be commenced whereupon the Division may, at its option, witness such work. (2) 137 That jurisdiction of this cause is retained for the entry of such further orders as the Division may deem necessary. DONE at Santa Fo, New Mexico, on the day and year hereinabove

designated.