

CASE NO. 45

BEFORE THE OIL CONSERVATION COMMISSION OF THE  
STATE OF NEW MEXICO.

IN THE MATTER OF: THE APPLICATION OF THE MARYLAND CASUALTY COMPANY FOR AN ORDER DETERMINING WOODWORTH HAWKINS WELL NO. 1, NENW, 33-8N-21E, GUADALUPE COUNTY, AS ABANDONED AND AUTHORIZING THE APPLICANT, SURETY UPON THE PLUGGING BOND COVERING SAID WELL, TO PLUG SAID WELL IN CONFORMITY WITH THE RULES OF THIS COMMISSION.

Pursuant to notice by the Commission, duly made and published, setting August 3, 1943, at ten o'clock, A. M., for hearing in the above entitled matter, said hearing was convened on said day, at said hour, in the Coronado Room, La Fonda, Santa Fe, New Mexico, the Commission sitting as follows:

HON. JOHN J. DEMPSEY, Governor of New Mexico, Chairman  
HON. JOHN M. KELLY, State Geologist, Secretary  
HON. H. R. RODGERS, Commissioner of Public Lands, Member  
HON. CARL B. LIVINGSTON, Chief Clerk and Legal Adviser.

APPEARANCES:

<u>Name</u>	<u>Company</u>	<u>Address</u>
A. S. Willig	The Texas Company	Ft. Worth, Texas
Harvey E. Yates	Harvey E. Yates	Artesia, N. M.
Roy Yarborough		Hobbs, N. M.
Walter P. Luck	N. M. Asphalt & Ref. Co.	Artesia, N. M.
C. H. Brooke	Agua Negra Ranch	Santa Rosa, N.M.
A. M. McCorkle	Stanolind Oil & Gas Co.	Ft. Worth, Texas
P. H. Lillie	Agua Negra Ranch	Santa Rosa, N. M.
Leo Fry	Stanolind Oil & Gas Co.	Hobbs, N. M.
L. F. Peterson	Stanolind Oil & Gas Co.	Ft. Worth, Texas
Lake J. Frazier	Maryland Casualty Co.	Roswell, N. M.
Geo. P. Livermore	Geo. P. Livermore, Inc.	Lubbock, Texas
U. S. Welch	Flynn, Welch & Yates	Artesia, N. M.
F. W. Brigance	Rowan Drilling Co.	Ft. Worth, Texas
R. U. Fitting	Shell Oil Co.	Midland, Texas
H. J. Kemler	Shell Oil Co.	Midland, Texas
R. B. F. Hummer	Phillips Petroleum Co.	Bartlesville, Okla.
C. A. Daniels	Phillips Petroleum Co.	Amarillo, Texas
E. H. Foster	Phillips Petroleum Co.	Amarillo, Texas
Lloyd L. Gray	Gulf Oil Corp.	Tulsa, Okla.
Neville G. Penrose		Ft. Worth, Texas
Rice Tilley		Ft. Worth, Texas
Harvey Hardison		Houston, Texas
Edgar Kraus	Atlantic Oil & Ref. Co.	Dallas, Texas
R. F. Windjohr	Nash, Windjohr & Brown	Ft. Worth, Texas
James M. Murray	Me-Tex Co's	Hobbs, N. M.
J. C. Echlin	American Employers Ins. Co.	El Paso, Texas
Glenn Staley	Lea County Operators	Hobbs, N. M.
K. M. Fagin	Magnolia Petroleum Co.	Dallas, Texas
S. P. Hannafin	Magnolia Petroleum Co.	Roswell, N. M.
C. G. Campbell	Tex. Pac. Coal & Oil Co.	Midland, Texas
Leo R. Manning	State Land Office	Santa Fe, N. M.
W. K. Davis	El Paso Nat. Gas Co.	Jal, N. M.
Foster Morrell	U. S. Geological Survey	Roswell, N. M.
Harry Leonard	Leonard Oil Co.	Roswell, N. M.
Hugh L. Sawyers	N.M. Oil & Gas Asso.	Roswell, N.M.
John P. Morgan	Sun Oil Co.	Dallas, Texas

J. O. Seth	Seth & Montgomery	Santa Fe, N. M.
W. L. Morrison	Honolulu Oil Corp.	Lubbock, Texas
R. S. Dewey	Humble Oil Co.	Midland, Texas

The meeting was called to order by the Chairman, and upon request of the Secretary, the Chief Clerk read the call of the meeting, as follows:

"NOTICE FOR PUBLICATION  
STATE OF NEW MEXICO  
OIL CONSERVATION COMMISSION

The Oil Conservation Commission, by law invested with jurisdiction as the oil and gas regulatory body of the State of New Mexico, hereby gives notice of the following hearing to be held at Santa Fe, New Mexico:

Case No. 45

In the matter of the application of the Maryland Casualty Company for an order determining Woodworth Hawkins Well No. 1, NENW, 33-8N-21E, Guadalupe County, as abandoned and authorizing the applicant, surety upon the plugging bond covering said well, to plug said well in conformity with the rules of this Commission. This case is set for 10 A. M., August 3, 1943.

Any person having any interest in the subject of said hearing is entitled to be heard.

The foregoing Notice of Publication was made pursuant to the direction of the Commission at its executive meeting June 22, 1943.

Given under the seal of said Commission at Santa Fe, New Mexico, on July 8, 1943.

OIL CONSERVATION COMMISSION

BY (SGD) JOHN M. KELLY  
SECRETARY"

(SEAL)

C. H. BROOKE

being first duly sworn, testified as follows:

BY MR. FRAZIER: Go ahead and tell the Commission what you know about this well.

BY MR. BROOKE: This well, the contract was entered into with Mr. Hawkins---

BY MR. FRAZIER: Woodworth Hawkins?

BY MR. BROOKE: I am not sure about the initials. He entered into a lease with Agua Negra Ranch and Live Stock Company, which

I own. I gave him a lease, or put the lease in escrow, for about 15,000 acres in six subdivisions, and he proceeded to drill on one of the leases, and reached a depth of between 1000 and 1100 feet, in 1941. He left, apparently abandoned the proposition, in the fall of 1941. The last I heard from him was on the 12th of November of that year. I made several attempts to get in touch with him, and failed to do so. That is about all I know about the well.

BY MR. FRAZIER: What was the date of that lease arrangement with him?

BY MR. BROOKE: The lease arrangement was made June, I think, the date of the lease--I have a copy--was June 29, 1938, I think.

BY MR. FRAZIER: Was that to be a 5 year lease?

BY MR. BROOKE: Five year lease, by the terms of the lease. It expired on the 29th day of June, 1943.

BY MR. FRAZIER: Did he ever actually pick up those leases that were in escrow?

BY MR. BROOKE: No, the leases were first made and provided that when they reached the depth of 500 feet the leases should be delivered, but he had so much trouble, and had to have so many extensions, that we made a supplemental agreement, whereby the depth, before he was entitled to receive the leases, was to be 2000 feet. The leases were deposited with the First National Bank in Albuquerque, New Mexico. And sometime after, this year, nothing having been done since 1941, and being already unable to contact him, I took the matter up with the First National Bank of Albuquerque, and took down the leases. There were six leases all told, placed in escrow, and he has never appeared since, and the leases expired by their terms, the five year period expired on the 29th day of June. That is the situation with regard to the leases.

I might make this statement in regard to those leases. There is no hope whatever, of course, his having failed to comply with his leases, he has no leases now, they have all

been taken down, and I recognize the probable right of the State to have the well plugged. At the same time, there was developed an unusual quantity of water. After drilling down from about 20 feet from the surface, he contacted a strata of coarse gravel and sand that was completely saturated with water. He was unable to lower the water at all in the hole, and although his bailer held something around 85 or 90 gallons, he wasn't able to hold it at all, working as hard as he could. And after he got through that strata, 75 feet, he struck a small thin strata of about 15 inches of limestone, which completely separated it from the strata below. After drilling through that strata, about the same size as the first one, about 75 feet, and which was also saturated with water, and going through that water and all, coming down probably from what is known as the Pintado, anyhow that is what we all think.

It was my purpose, if the well was a failure, to try and make some arrangements to properly use the water for irrigation purposes. There is water enough there, I am satisfied, to irrigate from 75 acres up, and while I recognize the right of the State to have the well plugged up, some arrangement might be made whereby we could get the benefit of the well for irrigation purposes. I have some 40,000 acres, and this particular well is surrounded by some fine land that would be the kind of land to irrigate. That is about all I have to say on the subject.

BY MR. FRAZIER: Have you been pumping water from the well?

BY MR. BROOKE: I haven't, no.

BY MR. FRAZIER: Has anyone used it at all for water?

BY MR. BROOKE: No one has used it. Until the 29th day of June, 1943, I hadn't disturbed the relations at all with respect to the well. While I didn't expect Mr. Hawkins around, his leases didn't expire, according to their terms, until June 29, 1943, and it has been my intention, when I thought I could do safely beyond all question, to test the wells completely, and perhaps

drill some other wells near by, to determine just in what direction the flow came, with the idea of developing quite an irrigation project, and I would like to go ahead with it. At the same time I recognize the right of the State to plug the well.

BY GOVERNOR DEMPSEY: Have you ever discussed with the State Engineer whether you have a right to do that? I would like to see you do that.

BY MR. BROOKE: I would like to see you do that.

BY MR. RODGERS: Where is his well located?

BY MR. BROOKE: My ranch embraces practically all of the Antonio Sandoval Grant. It lies close to Santa Rosa, a short distance southwest of Santa Rosa, borders on the Pecos River, in fact, the Pecos River runs through a corner of the ranch. I had made up my mind I wouldn't do anything at all, until Mr. Hawkins' leases had completely expired, and I am satisfied, and it is my intention, as soon as I can get at it, to try and develop an irrigation project, because there is a lot of very fine land that surrounds this well.

BY MR. FRAZIER: Are you willing to assume the responsibility for the well and leave it plugged?

BY MR. BROOKE: You mean the possibility of injury to any person?

BY MR. FRAZIER: Yes?

BY MR. BROOKE: I would leave that to my engineer. It seems to me we could protect it just the same as any irrigation well, his pipe is in there now. I think he has either 12 $\frac{1}{2}$  or 15 inch pipe there. I don't know how deep it is.

BY MR. KELLY: Would you probably plug the well in accordance with our oil and gas inspector's ruling, if we allowed you to turn it into a water well, that is, the lower formation?

BY MR. BROOKE: If it was turned into an irrigation well, there would be no plugging.

BY MR. KELLY: The lower formation would have to be plugged back up to the water, from the bottom.

BY MR. BROOKE: I wouldn't have objection to plugging that far. I

think the total depth that would be affected would be not to exceed 200 feet.

BY MR. KELLY: You would be willing to plug back up to 200 feet, then, if we allowed you to turn it into a water well?

BY MR. FRAZIER: In order to keep the well as a water well, would you be willing to plug it back to 200 feet?

BY MR. BROOKE: That is a matter I haven't considered. I would have to know the cost. What would it cost to do that?

BY MR. KELLY: I don't know. Mr. Frazier, you represent the Bonding Company, too?

BY MR. FRAZIER: Yes.

BY MR. KELLY: If Mr. Brooke doesn't want the well turned into a water well, then the Bonding Company would have to plug it.

BY MR. FRAZIER: We want to have the bond released by plugging the well.

BY MR. BROOKE: You don't care anything about plugging, so long as the bond is released.

BY GOVERNOR DEMPSEY: Then you would assume the responsibility of plugging the well?

BY MR. BROOKE: If we plugged it down to 200 feet where the big water is, it would become a water well, wouldn't it?

BY GOVERNOR DEMPSEY: Yes.

BY MR. BROOKE: And there would be no more liability than in any other water well. I think if I made the hole 200 feet deep I would be willing to take the responsibility for anything that happened.

BY GOVERNOR DEMPSEY: The question is, you see, you release the bond, and someone has to plug the well. If you want to plug it back up to that water strata, there is no objection, but someone is going to have to do it.

BY MR. BROOKE: Suppose you go ahead and have it plugged, at whose expense would that be?

BY GOVERNOR DEMPSEY: The Bonding Company. Then you would have no water well.

BY MR. BROOKE: What would it cost? It wouldn't be very much, only 200 feet.

BY GOVERNOR DEMPSEY: You have to plug 900 feet.

(Witness excused)

MRS. BELL HURST

being first duly sworn, testified as follows:

BY MR. FRAZIER: What is your name and address?

BY MRS. HURST: Mrs. Bell Hurst, Roswell, New Mexico.

BY MR. FRAZIER: Are you the indemnitor on this bond?

BY MRS. HURST: Yes sir.

BY MR. FRAZIER: Have you had any discussion with Mr. Hawkins as to abandoning this well?

BY MRS. HURST: Well about the latter part of 1941. I haven't seen him since that time.

BY MR. FRAZIER: What did he say about it at that time?

BY MRS. HURST: He said he thought he was going to abandon it and plug it.

BY MR. FRAZIER: Are you anxious to bring this matter to a conclusion?

BY MRS. HURST: Yes sir.

(Witness excused)

ROY YARBOROUGH

being first duly sworn, testified as follows:

BY MR. LIVINGSTON: Mr. Yarborough, have you visited the well in question lately?

BY MR. YARBOROUGH: I have.

BY MR. LIVINGSTON: Please tell this Commission the state in which you found the well, with reference to whether or not it is apparently abandoned, and as to whether it should be plugged?

BY MR. YARBOROUGH: Well I visited the well, and from the best I could tell, there hasn't been anything done around there for a year or more, any work of operation, and the well would naturally have to be plugged and abandoned before the bond could be cancelled.

BY MR. KELLY: Is there any equipment on the ground?

BY MR. YARBOROUGH: Yes, there is an old National engine, with a string of 12 $\frac{1}{2}$  inch tools setting on the bailer over the hole.

BY MR. KELLY: Is there any evidence around there of any oil ever having been produced?

BY MR. YARBOROUGH: No, there's no evidence there.

BY MR. LIVINGSTON: About what time did you inspect this well,  
how long ago, recently, or when?

BY MR. YARBOROUGH: The 9th of July, I believe is about the time.

(Witness excused)

BY MR. FRAZIER: We might work out some agreement between Mr. Brooke  
and the Bonding Company about this.

BY GOVERNOR DEMPSEY: The Commission is anxious to have that water  
saved, if we can do it.

BY GOVERNOR DEMPSEY: The Commission will take the matter under  
advisement.

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CERTIFICATE

I hereby certify that the above and foregoing seven and a  
fraction pages of typewritten matter constitute a full, true,  
correct and complete transcript of all the proceedings had  
and testimony taken in Case No. 45, on the 3rd day of August,  
1943, as the same were by me taken down in shorthand and  
transcribed.

Witness my hand this 15th day of August, 1943.

*Alice Stewart*

Alice Stewart.