

BEFORE THE
OIL CONSERVATION COMMISSION
Farmington, New Mexico
October 18, 1962

IN THE MATTER OF:

CASE 2665: the hearing called by the Oil Conservation Commission, on its own motion, to permit Great American Oil Company and all interested parties to appear and show cause why the following wells should not be plugged in accordance with a Commission-approved plugging program:

- (1) John Sargent Estate Well No. 5, located 380 feet from the East line and 880 feet from the South line of Section 4, Township 1 South, Range 2 East, Martin & Borders Survey, Rio Arriba County, New Mexico
- (2) John Sargent Estate Well No. 1, located 940 feet from the South line and 1620 feet from the West line of Section 4, Township 1 South, Range 2 East, Martin & Borders Survey, Rio Arriba County, New Mexico.
- (3) John Sargent Estate Well No. 3, located 2380 feet from the South line and 1980 feet from the West line of Section 32, Township 1 North Range 2 East, Martin & Borders Survey, Rio Arriba County, New Mexico.

BEFORE: Honorable Edwin L. Mechem, Governor
Mr. A. L. "Pete" Porter, Land Commissioner
Mr. E. G. "Johnny" Walker, Secretary-Director

TRANSCRIPT OF HEARING

MR. PORTER: The Hearing will come to order, please.

The Commission will take up next Case 2665.

MR. DURRETT: In the matter of the Hearing called by the Oil Conservation Commission, on its own motion, to permit Great

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American Oil Company and all interested parties to appear and show cause why the three wells in Rio Arriba County should not be plugged in accordance with a Commission approved plugging program.

If the Commission please, my name is James Durrett, and I am representing the Commission and its staff and I have read that the Commission has asked Great American Oil Company to appear and show cause why the three wells, as shown on the docket, should not be plugged in accordance with the Commission-approved plugging program. It is my belief that the attorney is here for the Great American Oil Company; and that he desires to enter a stipulation. If the Commission please, I would like to hear the stipulation.

MR. WHITE: I am Fred White, attorney-at-law, Farmington, New Mexico, representing Great American Oil Company. The stipulation that we are willing to enter would read as follows: "That the John Sargent Estate Well #5, located 380 feet from the east line and 880 feet from the south line of Section 4, T-1-S, R-2-E, Martin & Borders Survey, Rio Arriba County, New Mexico; and John Sargent Estate Well #1 located 940 feet from the south line and 1,620 feet from the west line of Section 4, T-1-S, R-2-E, Martin and Borders Survey, Rio Arriba County, New Mexico; and John Sargent Estate Well #3, located 2,380 feet from the south line and 1,980 feet from the west line of Section 32, T-1-N, R-2-E, Martin and Borders Survey, Rio Arriba County, New Mexico, shall be properly reworked by February 15, 1962 or plugged and abandoned by that date; provided, however, that in the event the well is to be plugged and abandoned it shall

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be done in accordance with the Commission-approved plugging program; that jurisdiction of this cause is retained by the Commission for the entry of such further orders as the Commission may deem necessary"; and that would be the end of the stipulation. I would like to show the Commission that the President, Billy Jo Stafford, was in California at the time he received notice of the hearing. He is out there on the business of trying to sell these very three wells. It looks like the deal will go through and it will be about 30 days until we can start to work then; and that is the reason we would like the extension to February 15, at which time they either have to be plugged and abandoned or reworked at that date; and if the Commission could see fit to issue this order, then we could have it plugged or in a reworkable condition.

MR. DURRETT: For the purpose of clarification, what is the first date?

MR. WHITE: The first date is that if the operation can be completed, the operation concerning the sale will -- will take place about the 10th or the middle of November and this will allow 30 days to recomplete the well.

MR. DURRETT: And the second date?

MR. WHITE: And the cutoff date in any event is February 16, 1962. At that time they will either be producing or plugged and abandoned.

MR. DURRETT: Would you also be willing to stipulate that if they are not producing by February 15, an order could automat-



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ically be issued from the Commission to plug it without a hearing?

MR. WHITE: I think, if the Commission would enter this order with that provision, it would be satisfactory, because this is certainly as long as they expect to take; and I advised my client that if they couldn't get it working, they would have it plugged and abandoned or they would know exactly what they would be doing by the February 15th date.

MR. DURRETT: You would be stipulating that?

MR. WHITE: Yes.

MR. DURRETT: I would like to recommend to the Commission that this stipulation be accepted.

MR. PORTER: Does anyone else have anything to say in this case, any comments on the stipulation or Commission Counsel's motion?

The Commission will accept the stipulations.

MR. WHITE: Now, would you mail me a copy of the order as soon as you have it prepared?

MR. PORTER: You mean the one accepting, the issue of an order accepting the stipulation?

MR. WHITE: Yes.

MR. PORTER: Yes.



GOVERNOR
JACK M. CAMPBELL
CHAIRMAN

State of New Mexico
Oil Conservation Commission



LAND COMMISSIONER
E. S. JOHNNY WALKER
MEMBER

P. O. BOX 871
SANTA FE

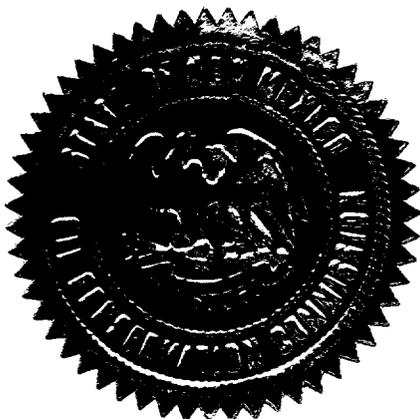
STATE GEOLOGIST
A. L. PORTER, JR.
SECRETARY - DIRECTOR

CERTIFICATE

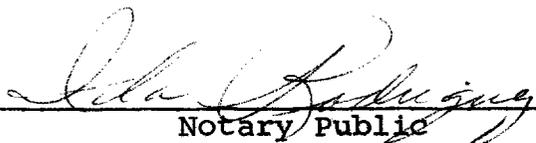
I, A. L. PORTER, Jr., Secretary-Director of the New Mexico Oil Conservation Commission, do hereby certify that this is a true and correct copy of Commission Order No. R-2453 entered by the Commission on March 20, 1963.


A. L. PORTER, Jr.,
Secretary-Director

March 21, 1963



IN WITNESS WHEREOF, I have affixed my hand and notarial seal this 21st day of March, 1963.


Notary Public

My Commission Expires:

September 22, 1965

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 GREAT AMERICAN OIL COMPANY AND ALL INTERESTED PARTIES TO APPEAR AND SHOW CAUSE WHY THE FOLLOWING WELLS SHOULD NOT BE PLUGGED IN ACCORDANCE WITH A COMMISSION-APPROVED PLUGGING PROGRAM:

- (1) JOHN SARGENT ESTATE WELL NO. 5, LOCATED 380 FEET FROM THE EAST LINE AND 880 FEET FROM THE SOUTH LINE OF SECTION 4, TOWNSHIP 1 SOUTH, RANGE 2 EAST, MARTIN & BORDERS SURVEY, RIO ARRIBA COUNTY, NEW MEXICO.
- (2) JOHN SARGENT ESTATE WELL NO. 1, LOCATED 940 FEET FROM THE SOUTH LINE AND 1620 FEET FROM THE WEST LINE OF SECTION 4, TOWNSHIP 1 SOUTH, RANGE 2 EAST, MARTIN & BORDERS SURVEY, RIO ARRIBA COUNTY, NEW MEXICO.
- (3) JOHN SARGENT ESTATE WELL NO. 3, LOCATED 2380 FEET FROM THE SOUTH LINE AND 1980 FEET FROM THE WEST LINE OF SECTION 32, TOWNSHIP 1 NORTH, RANGE 2 EAST, MARTIN & BORDERS SURVEY, RIO ARRIBA COUNTY, NEW MEXICO.

CASE No. 2665
Order No. R-2453

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on October 18, 1962, at Farmington, New Mexico, before the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission."

NOW, on this 20th day of March, 1963, the Commission, a quorum being present, having considered the evidence and being otherwise 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 Great American Oil Company is the owner and operator of the following wells:

John Sargent Estate Well No. 5, located 380 feet from the East line and 880 feet from the South line of Section 4, Township 1 South, Range 2 East, Martin & Borders Survey, Rio Arriba County, New Mexico.

John Sargent Estate Well No. 1, located 940 feet from the South line and 1620 feet from the West line of Section 4, Township 1 South, Range 2 East, Martin & Borders Survey, Rio Arriba County, New Mexico.

John Sargent Estate Well No. 3, located 2380 feet from the South line and 1980 feet from the West line of Section 32, Township 1 North, Range 2 East, Martin & Borders Survey, Rio Arriba County, New Mexico.

(3) That the attorney for Great American Oil Company stipulated at the hearing that the Commission should enter an order requiring the wells to be plugged in accordance with a Commission-approved plugging program if the three subject wells were not producing or plugged in accordance with a Commission-approved plugging program on or before February 15, 1963.

(4) That the three subject wells were not producing or plugged in accordance with a Commission-approved plugging program on February 15, 1963.

(5) That the subject wells are causing or will cause waste and should be plugged in a manner which will confine permanently all oil, gas, and water in the separate strata originally containing them.

IT IS THEREFORE ORDERED:

(1) That Great American Oil Company is hereby ordered to plug the John Sargent Estate Well No. 5, located 380 feet from the East line and 880 feet from the South line of Section 4, Township 1 South, Range 2 East, Martin & Borders Survey, Rio Arriba County, New Mexico, in accordance with the following minimum plugging requirements:

- (1) Set a 16-sack cement plug from approximately 1150 feet to 1213 feet.
- (2) Set a 120-sack cement plug from approximately 550 feet to 1000 feet.
- (3) Set a 70-sack cement plug from approximately 70 feet to 320 feet.
- (4) Set a 5-sack cement surface plug.
- (5) Fill all intervals between cement plugs with mud weighing not less than ten pounds per gallon.

- (6) 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 Great American Oil Company is hereby ordered to plug the John Sargent Estate Well No. 1, located 940 feet from the South line and 1620 feet from the West line of Section 4, Township 1 South, Range 2 East, Martin & Borders Survey, Rio Arriba County, New Mexico, in accordance with the following minimum plugging requirements:

- (1) Set a 60-sack cement plug from approximately 800 feet to 1022 feet.
- (2) Set a 70-sack cement plug from approximately 400 feet to 650 feet.
- (3) Set a 20-sack cement plug from approximately 70 feet to 120 feet.
- (4) Set a 5-sack cement surface plug.
- (5) Fill all intervals between cement plugs with mud weighing not less than ten pounds per gallon.
- (6) 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.

(3) That Great American Oil Company is hereby ordered to plug the John Sargent Estate Well No. 3, located 2380 feet from the South line and 1980 feet from the West line of Section 32, Township 1 North, Range 2 East, Martin & Borders Survey, Rio Arriba County, New Mexico, in accordance with the following minimum plugging requirements:

- (1) Set a 60-sack cement plug from approximately 1000 feet to 1215 feet.
- (2) Set a 100-sack cement plug from approximately 500 feet to 900 feet.
- (3) Set an 80-sack cement plug from approximately 100 feet to 400 feet.
- (4) Set a 5-sack cement surface plug.

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- (5) Fill all intervals between cement plugs with mud weighing not less than ten pounds per gallon.
- (6) 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.

(4) That, as an alternative, Great American Oil Company is hereby authorized to plug all three of the subject wells in accordance with the following plugging requirements:

- (1) Fill the hole with cement from total depth to the surface.
- (2) Set at the surface a regulation steel marker not less than four inches in diameter and extending at least four feet above mean ground level.

(5) That the plugging of all of the subject wells shall be completed on or before May 1, 1963, and that Great American Oil Company shall notify the District Supervisor, District III, Oil Conservation Commission, Aztec, New Mexico, of the exact time and date plugging operations on each well are to commence.

(6) 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

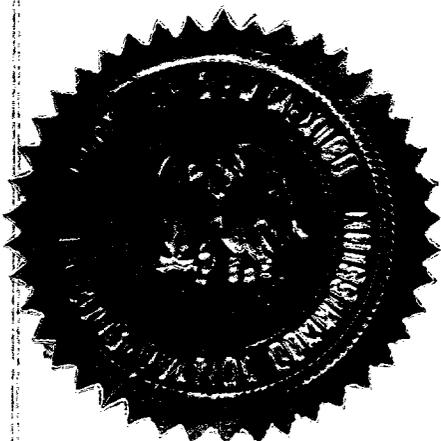
JACK M. CAMPBELL, Chairman

E. S. Walker

E. S. WALKER, Member

A. L. Porter, Jr.

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



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