

OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

January 2, 1963

C
O
P
Y

Mr. A. R. Kendrick
Engineer, District #3
Oil Conservation Commission
1000 Rio Brazos Road
Aztec, New Mexico

Re: Case No. 2665, Great American Oil
Company, Well Plugging -- Case
No. 2666, M. J. Florance, Well
Plugging

Dear Al:

I am enclosing herewith carbon copies of letters I have dispatched to the attorneys for the defendants in the above two cases. These letters should be self-explanatory concerning the stipulations entered in these cases.

We will issue an order concerning the M. J. Florance well on January 16, 1963, and on the Great American wells on February 15, 1963, if they are not satisfactorily plugged or producing by these respective dates.

I would appreciate your placing these cases in a suspense file and forwarding a plugging program to me about one week prior to the plugging date if it looks like it will be necessary for us to issue an order.

Please advise me if you need any additional information concerning these cases.

Very truly yours,

JAMES M. DURRETT, Jr.,
Attorney

JMD/esr
Enclosures

OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

January 2, 1963

William J. Cooley, Esq.
Verity, Burr & Cooley
Attorneys at Law
152 Petroleum Center Building
Farmington, New Mexico

Re: Case No. 2666, M. J. Florance,
Well Plugging

Dear Jack:

This is a reminder that it was stipulated at the hearing in the above case that the M. J. Florance Pooled Unit Well No. 1, located 1980 feet from the South line and 1760 feet from the East line of Section 8, Township 30 North, Range 11 West, San Juan County, New Mexico, would be operating or in the process of being reworked or satisfactorily plugged within a 90-day period. The 90-day period will expire on January 16, 1963.

We would appreciate your keeping the Aztec District Office advised of your client's progress with this well.

Very truly yours,

JAMES M. DURRETT, Jr.,
Attorney

JMD/esr

cc: Oil Conservation Commission
1000 Rio Brazos Road
Aztec, New Mexico

C
O
P
Y

OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

September 28, 1962

C
O
P
Y

Mr. Emery Arnold
District Supervisor
Oil Conservation Commission
1000 Rio Brazos Road
Aztec, New Mexico

Re: Great American Oil Company and
M. J. Florance Well Plugging
Rio Arriba and San Juan Counties,
New Mexico

Dear Emery:

As we discussed over the telephone, we have docketed the Great American Oil Company plugging case and the M. J. Florance plugging case for the October regular hearing in Farmington.

The Great American Oil Company case involves the following wells in Rio Arriba County: John Sargent Estate Well No. 5, Section 4, Township 1 South, Range 2 East; John Sargent Estate Well No. 1, Section 4, Township 1 South, Range 2 East; and the John Sargent Estate Well No. 3, Section 32, Township 1 North, Range 2 East. The M. J. Florance case involves the M. J. Florance Pooled Unit Well No. 1 located in Section 8, Township 30 North, Range 11 West, San Juan County. Of course, I will need either you or Al to testify concerning these wells.

Please discuss this matter and I will get together with you when we arrive in Farmington and go over the cases prior to the hearing.

Very truly yours,

JAMES M. DURRETT, Jr.,
Attorney

JMD/esr

OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

September 11, 1962

Mr. Douglas E. Florance
320 Simms Building
Albuquerque, New Mexico

DOCKET MAILED

Western National Indemnity Company
The Fund Insurance Companies
P. O. Box 8266
Albuquerque, New Mexico

Date 10-4-62

Re: Well Plugging, San Juan
County, New Mexico

Gentlemen:

Pursuant to information furnished us by Mr. Emery C. Arnold, Supervisor, District III, Oil Conservation Commission in Aztec, New Mexico, we hereby make demand upon you to properly plug the M. J. Florance No. 1 Florance Pooled Unit Well, located 1980 feet from the South line and 1760 feet from the East line of Section 8, Township 30 North, Range 11 West, NMPM, San Juan County, New Mexico. Mr. Arnold advises us that this well was originally completed as a producing gas well but has shown no production for the last several years, is now abandoned, and should therefore be plugged in order to prevent waste and protect correlative rights in this area.

Unless this well is satisfactorily plugged on or before October 1, 1962, the Commission will be forced to take appropriate legal action to assure plugging the same.

Mr. Arnold must be contacted for an appropriate plugging program and must be given an opportunity to witness the plugging of the well.

Very truly yours,

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

JMD/esr

cc: Mr. Emery C. Arnold, Supervisor
District III, Oil Conservation Commission
1000 Rio Brazos Road
Aztec, New Mexico

OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

September 11, 1962

Mr. Emery C. Arnold
District Supervisor
Oil Conservation Commission
1000 Rio Brazos Road
Aztec, New Mexico

Re: M. J. Florance No. 1 Florance
Pooled Unit, Section 8, Township
30 North, Range 11 West, Aztec-
Pictured Cliffs Pool

Dear Mr. Arnold:

We have today dispatched a demand letter to Mr. Douglas E. Florance and his bonding company concerning the above well. We tentatively plan to docket a case for the October 10th examiner hearing to permit them to appear and show cause why the well should not be plugged.

We will keep you further advised.

Very truly yours,

JAMES M. DURRETT, Jr.,
Attorney

JMD/esr

C
O
P
Y

GOVERNOR
EDWIN L. MECHEM
CHAIRMAN

State of New Mexico
Oil Conservation Commission

LAND COMMISSIONER
E. S. JOHNNY WALKER
MEMBER



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

1000 RIO BRAZOS ROAD
AZTEC, NEW MEXICO

September 7, 1962

Oil Conservation Commission
Box 871
Santa Fe, New Mexico

Attn: Mr. James Durrett

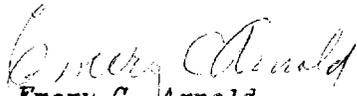
Re: M. J. Florance #1 Florance Pooled Unit
Section 8-30N-11W, Aztec Pictured
Cliffs Pool

Dear Mr. Durrett:

You have in your files a copy of a letter which was mailed from this office to Mr. Douglas E. Florance demanding that the above well either be worked over and placed on production or permanently plugged and abandoned. This letter was dated August 23, 1962. By this letter Mr. Florance was given seven days to notify us of his intentions. We have had no response to the letter.

This well was originally completed as a producing gas well in the Pictured Cliffs Formation but has shown no production for the last several years. Mr. Florance has told us that he thinks failure to produce is due to mechanical difficulties and that the well could be successfully worked over. However I do not believe the Commission should delay any further in requiring that action be taken. As the well is located in a reservoir which is not depleted and also upon a drill block which is not depleted I believe that it would be advisable to set the matter for hearing so that the operator may have an opportunity to show cause why the well should not be plugged and abandoned. I will await your advice in the matter.

Yours very truly


Emery C. Arnold
Supervisor, District #3

ECA:ks

cc: The Fund Insurance Company
P.O. Box 8266
Albuquerque, New Mexico

2-17-62

OIL CONSERVATION COMMISSION
1000 RIO BRAZOS ROAD
AZTEC, NEW MEXICO

August 23, 1962

Douglas E. Florance
P.O. Box 645
Albuquerque, New Mexico

Re: M.J. Florance #1 Florance
Pooled Unit, 8-3QN-11W

Dear Mr. Florance:

At the time of our last communication regarding the above well you informed me that another operator was purchasing the well and intended to work it over.

As we have heard nothing further from a new operator regarding the matter we presume that ownership has not been transferred. As you know, this well has now been in a temporarily abandoned state without proper plugging for much longer than the rules allow. We therefore must insist that we have some word from you within seven days that you intend to see that action is taken to either plug and abandon this well or return it to production.

In the event such word is not forthcoming immediate action will be taken to require the bonding company to permanently plug and abandon the well.

Yours very truly

ECA:ks

Emery C. Arnold
Supervisor, District #3

cc: Mr. James Durrett
OCC, Santa Fe, N.M. ✓

No. 859194

RECEIPT FOR CERTIFIED MAIL—20¢

SENT TO M. J. Florance	POSTMARK OR DATE 10-3-62
STREET AND NO. 320 Simms Building	
CITY AND STATE Albuquerque, New Mexico	
If you want a return receipt, check which <input type="checkbox"/> 10¢ shows to whom and when 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	
POD Form 3800 Apr 1960	SEE OTHER SIDE

No. 859192

RECEIPT FOR CERTIFIED MAIL—20¢

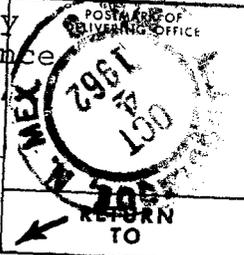
SENT TO Mr. Douglas E. Florance	POSTMARK OR DATE 10-3-62
STREET AND NO. 320 Simms Building	
CITY AND STATE Albuquerque, New Mexico	
If you want a return receipt, check which <input type="checkbox"/> 10¢ shows to whom and when delivered <input type="checkbox"/> 35¢ shows to whom, when, and address where delivered If you want restricted delivery, check here <input type="checkbox"/> 50¢ fee	
FEEs ADDITIONAL TO 20¢ FEE	
POD Form 3800 Apr 1960	SEE OTHER SIDE

No. 859193

RECEIPT FOR CERTIFIED MAIL—20¢

SENT TO Western National Indemnity Company	POSTMARK OR DATE 10-3-62
STREET AND NO. First National Insurance Companies P. O. Box 8266	
CITY AND STATE Albuquerque, New Mexico	
If you want a return receipt, check which <input type="checkbox"/> 10¢ shows to whom and when 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	
POD Form 3800 Apr 1960	SEE OTHER SIDE

Western National Indemnity
Company - The Fund Insurance
Companies, P. O. Box 8266
Albuquerque, New Mexico
Attention: Claim Dept.



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.

POD Form 3811 Jan. 1958

REGISTERED NO.	NAME OF SENDER OIL CONSERVATION COMMISSION
CERTIFIED NO. 859193	STREET AND NO. OR P. O. BOX P. O. Box 871 JMD
INSURED NO.	CITY, ZONE AND STATE Santa Fe, New Mexico

CSS-16-71548-4

CSS-16-71548-4
GPO

DATE DELIVERED: 10-17-62

ADDRESS WHERE DELIVERED (only if requested in item #1)

SIGNATURE OF ADDRESSEE (must always be filled in):
[Signature]

SIGNATURE OF ADDRESSEE'S AGENT, IF ANY:
[Signature]

Received the numbered article described on other side.

RETURN RECEIPT

(Additional charges required for these services)

Deliver ONLY to address delivered

Show address where delivered

#1-INSTRUCTIONS TO DELIVERING EMPLOYEE

State of New Mexico
Oil Conservation Commission

P. O. BOX 871
SANTA FE

Mr. Douglas E. Florance
320 Simms Building
Albuquerque, New Mexico

Certified Return
Receipt Requested

XCC

UNCLAIMED

State of New Mexico
Oil Conservation Commission

P. O. BOX 871
SANTA FE

Mr. M. J. Florance
320 Simms Building
Albuquerque, New Mexico



Certified Return
Receipt Requested

OCT 21 1957

UNCLAIMED

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION
SANTA FE - NEW MEXICO

CASE NO. 2666

In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit M. J. Florance and all interested parties to appear and show cause why the M. J. Florance Pooled Unit Well No. 1, located 1980 feet from the South line and 1760 feet from the East line of Section 8, Township 30 North, Range 11 West, San Juan County, New Mexico, should not be plugged in accordance with a Commission approved plugging program.

TO: Douglas E. Florance and M. J. Florance
320 Simms Building
Albuquerque, New Mexico

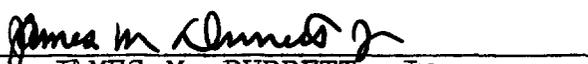
Western National Indemnity Company
The Fund Insurance Companies
P. O. Box 8266
Albuquerque, New Mexico

N O T I C E

PLEASE TAKE NOTICE THAT THE ABOVE ENTITLED AND NUMBERED CAUSE WILL COME BEFORE THE OIL CONSERVATION COMMISSION AT 9 O'CLOCK A.M., OCTOBER 18, 1962, FARMINGTON CITY HALL, 800 MUNICIPAL DRIVE, FARMINGTON, NEW MEXICO.


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

I hereby certify that I have mailed a copy of this Notice to the above-named parties on this 3rd day of October, 1962.


JAMES M. DURRETT, Jr.,
General Counsel

GOVERNOR
EDWIN L. MECHEM
CHAIRMAN

State of New Mexico
Oil Conservation Commission

LAND COMMISSIONER
E. S. JOHNNY WALKER
MEMBER



1000 RIO BRAZOS ROAD
AZTEC, NEW MEXICO

January 3, 1962

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

file

Oil Conservation Commission
Box 871
Santa Fe, New Mexico

Attn: Mr. James Durrett, Jr., Attorney

Re: Case #2666, M.J. Florance #1
Pooled Unit, SE 8-30N-11W

Dear Jim:

On November 29, 1962 Form C-103 was filed for the above well indicating that the liquids in the well bore had been successfully unloaded, and stating that the casing pressure had built up to 500 pounds and that the well was ready to produce into a pipeline. On November 30, 1962 a Form C-110 was filed by D. W. Stiles assuming ownership of the well. D.W. Stiles has on file with the Commission a \$10,000 blanket plugging bond and the C-110 was approved on that date.

The well has since been connected to El Paso Natural Gas Company's pipeline system and is now producing gas. The well is still producing back water from the formation but is now effectively lifting the produced water. We will keep the well under surveillance to make certain that further remedial work is not going to be required, and if the well's performance indicates that further remedial work is necessary we will so notify the operator and keep you advised.

Yours very truly

Emery C. Arnold
Emery C. Arnold
Supervisor, District #3

ECA:ks

cc: William J. Cooley
Farmington, N.M.

Bradley H. Keyes
Aztec, N.M.

OIL CONSERVATION COMMISSION
1000 RIO BRAZOS ROAD
AZTEC, NEW MEXICO

Well file

July 21, 1961

Mr. Douglas E. Florance
323 Simms Building
Albuquerque, New Mexico

Re: M.J. Florance #1 Florance
Pooled Unit, 8-30N-11W

Dear Mr. Florance:

Reference is made to our letter of April 27, 1961 and subsequent telephone conversations regarding the above well.

You indicated that it was your intention to take some action regarding this well in the very near future, as soon as legal difficulties concerning the unit were resolved. Will you please indicate what progress has been made as we must insist that some remedial action be taken in the very near future or that the well be permanently plugged and abandoned.

Yours very truly

Emery C. Arnold
Supervisor, District #3

ECA:ks

cc: Oil Conservation Commission ✓
Santa Fe, New Mexico

Fireman's Fund Group
401 California Street
San Francisco 20, California

OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

June 12, 1961

Miss Jann Smith
The Fund Insurance Companies
P. O. Box 8266
Albuquerque, New Mexico

Re: \$10,000 Blanket Plugging
Bond, M. J. Florence

Dear Miss Smith:

Reference is made to your letter dated June 7, 1961, wherein you inquire as to the status of the above-captioned bond.

Our records indicate that the principal is not operating any producing wells, however, if Mr. Florence desires to have the bond cancelled it will be necessary for him to execute and return to us one copy of the enclosed Affidavit of Compliance with Blanket Plugging Bond Release Requirements.

Upon receipt of the properly executed affidavit, we can proceed with cancellation of the bond.

Very truly yours,

I. R. TRUJILLO
Administrative Assistant

IRT/og

C
O
P
Y



The
FUND
Insurance Companies

Albuquerque Office

FIREMAN'S FUND INSURANCE COMPANY • HOME FIRE & MARINE INSURANCE COMPANY • NATIONAL SURETY CORPORATION

117 MONTCLAIRE DR., S.E. • ALBUQUERQUE, NEW MEXICO • Alpine 5-8636
MAIL ADDRESS: P. O. BOX 8266

June 7, 1961

State of New Mexico
Oil Conservation Commission
Santa Fe, New Mexico

Subject: Bond: L-18758 - M. J. Florance
Blanket Oil and Gas Drilling Bond

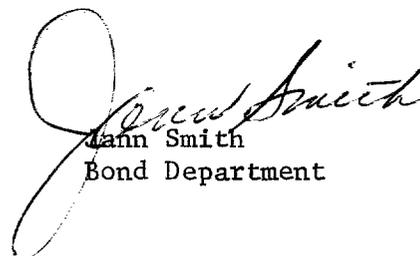
Gentlemen:

Under date of August 15, 1946, Fireman's Fund Insurance Company executed the above bond.

Will you please check your records and advise the present status of this Drilling Bond, and if our liability under this bond can be terminated.

Thank you for your cooperation in this matter.

Very truly yours,


Jann Smith
Bond Department

JS:rm

cc: Jerry Spore - PDO

OIL CONSERVATION COMMISSION
1000 RIO BRAZOS ROAD
AZTEC, NEW MEXICO

April 27, 1961

Douglas E. Florance
323 Simms Building
Albuquerque, New Mexico

Re: M.J. Florance #1 Florance Pooled Unit
Section 8-30N-11W

Dear Mr. Florance:

Production records on file indicate that the above well has not produced any gas since prior to January, 1960. As this well is located in an area which is surrounded by producing Pictured Cliffs wells it appears probable that the well may have quit producing because of well damage. If this is the case it is possible that the gas is not being confined to the Pictured Cliffs formation or that water from shallower zones may be flooding the gas sand.

We are therefore directing that either the well be worked over and put back on production within 60 days or that it be permanently plugged and abandoned according to New Mexico Oil Commission rules and regulations. Notice of Intention to workover or plug and abandon should be filed in this office prior to May 26, 1961.

If you have any questions regarding the above please contact us.

Yours very truly

ECA:ks

cc: Oil Conservation Commission ✓
Santa Fe, New Mexico

Emery C. Arnold
Supervisor, District #3

OK
6/27/61

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 M. J. FLORANCE AND ALL INTERESTED PARTIES TO APPEAR AND SHOW CAUSE WHY THE M. J. FLORANCE POOLED UNIT WELL NO. 1, LOCATED 1980 FEET FROM THE SOUTH LINE AND 1760 FEET FROM THE EAST LINE OF SECTION 8, TOWNSHIP 30 NORTH, RANGE 11 WEST, SAN JUAN COUNTY, NEW MEXICO, SHOULD NOT BE PLUGGED IN ACCORDANCE WITH A COMMISSION APPROVED PLUGGING PROGRAM.

CASE No. 2666
Order No. R-2452

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 testimony presented and the exhibits received at said hearing, 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 the attorney for the owners of the subject well stipulated at the hearing that the well would be producing or satisfactorily plugged within 90 days from the date of the hearing.

(3) That the subject well was producing within the stipulated 90-day period.

(4) That this case should be dismissed.

IT IS THEREFORE ORDERED:

(1) That Case No. 2666 is hereby dismissed.

-2-

CASE No. 2666
Order No. R-2452

(2) 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/