

BEFORE THE
OIL CONSERVATION COMMISSION
Santa Fe, New Mexico
July 17, 1963

REGULAR HEARING

IN THE MATTER OF:)

The hearing called by the Oil Conser-)
vation Commission on its own motion to)
consider the revision of Rule 202 of)
the Commission Rules and Regulations)
to specify that a report on well plug-)
ging operations shall be filed on Com-)
mission Form C-103 in accordance with)
Rule 1106-(b).)

Case 2859

BEFORE: Honorable Jack M. Campbell
Mr. A. L. "Pete" Porter
Mr. E. S. "Johnny" Walker

TRANSCRIPT OF HEARING

MR. PORTER: We will take up Case 2859.

MR. DURRETT: In the matter of the hearing called by
the Oil Conservation Commission on its own motion to consider the
revision of Rule 202 of the Commission Rules and Regulations to
specify that a report on well plugging operations shall be filed
on Commission Form C-103 in accordance with Rule 1106-(b).

If the Commission please, J. M. Durrett, Junior, appearing
on behalf of the Commission and its staff. I'll have one witness
in this case, Mr. D. S. Nutter.

MR. PORTER: Have Mr. Nutter sworn, please.

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(Witness sworn.)

DAN NUTTER

called as a witness, having been first duly sworn, testified as follows:

DIRECT EXAMINATION

BY MR. DURRETT:

Q Will you please state your full name and position for the record?

A Dan Nutter, Chief Engineer for the Oil Conservation Commission.

Q Mr. Nutter, are you prepared to recommend to the Commission today that it issue an order concerning the revision of Rule 202 of the Commission Rules and Regulations?

A Yes, sir.

Q Would you please proceed with your recommendation?

A Yes, sir. Rule 201 of the Commission Rules and Regulations requires that an operator, prior to plugging a well, must file his notice of intention on C-102. Rule 202 of the Commission rulings describes the manner in which a well must be plugged. However, it doesn't say that you have to file any report on plugging that well.

Rule 1106 in the section pertaining to forms of the rule book, in paragraph (b) describes the data which is to be furnished



on the Form C-103 when it is filed on the plugging of the well.

The only change that I would offer today would be to take some of the wording out of paragraph (b), the description of what must be furnished on the Form C-103, move that wording over into Rule 202 just to make Rule 202 clearer, then a C-103 must be filed when you plug the well and detail some of the information that is required. No substantiative changes are suggested at all.

Q In that portion of the rule that you have just testified to would be deleted from 1106-(b)?

A No, I would suggest that it remain in 1106 also. This is for the benefit of the neophyte operator that might not be acquainted with the provisions of Rule 1106. He also read that Rule 202 says a well must be plugged, but he doesn't realize there is a form too. This has on occasion risen that the operator did not file the report on plugging the well simply because they didn't know the report was required.

Q Do I understand that the requirement of filing the Form 103 would be in Rule 202 and also in Rule 1106-(b)?

A That is correct.

Q Is it your opinion, Mr. Nutter, that the adoption of this proposed change would enable the Oil Conservation Commission to more efficiently and effectively administer the laws of the

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State of New Mexico as they pertain to the conservation of oil and gas and eliminate waste?

A That is my opinion.

MR. DURRETT: Thank you. That concludes my examination of Mr. Nutter.

MR. PORTER: Does anyone have a question of Mr. Nutter? I saw some grimaces out there a while ago when he referred to some of the operators as neophytes.

A No neophytes here.

MR. PORTER: Mr. Nutter says there are none here. Anyone want to take exception to that? The witness may be excused.

(Witness excused.)

MR. PORTER: Does anyone have anything further to offer in this case? The Commission will take the case under advisement.

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