

OIL CONSERVATION COMMISSION

P. O. BOX 2088

SANTA FE, NEW MEXICO 87501

January 19, 1978

Clerk of the District Court
for San Juan County
San Juan County Court House
Aztec, New Mexico 87401

Re: New Mexico Oil Conservation
Commission vs. Saguaro Oil
Company, Cause No. 78-15

Dear Madam:

I am submitting the enclosed Notice of Dismissal
for filing in the above-captioned cause.

Thank you for your assistance.

Very truly yours,

Lynn Teschendorf

LYNN TESCHENDORF
General Counsel

LT/dr
enc.

cc: Charles Tansey
John Cunningham
Al Kendrick

*Encl. are
submitted.*

STATE OF NEW MEXICO

COUNTY OF SAN JUAN

IN THE DISTRICT COURT

NEW MEXICO OIL CONSERVATION
COMMISSION,

Plaintiff,

vs.

SAGUARO OIL COMPANY,

Defendant.

No. 78-15

NOTICE OF DISMISSAL

Comes now the undersigned attorney, pursuant to Rule 41(a) of the New Mexico Rules of Civil Procedure, and hereby enters this voluntary notice of dismissal on behalf of Plaintiff New Mexico Oil Conservation Commission.

NEW MEXICO OIL CONSERVATION COMMISSION

By Lynn Teschendorf
LYNN TESCHENDORF
General Counsel
P. O. Box 2088
Santa Fe, New Mexico 87501

Court Records

MARRIAGE APPLICATIONS

Robert Paul Eddy and Barbara Gail Brooks, both of the Bloomfield Highway

DIVORCES FILED

Donnie Ray vs. Karen Sue Thompson

Larry R. vs. Barbara Sue Willis

Beverly E. vs. Edwin A. Hagerman, Jr.

Kathryn A. vs. Theron C. Hawkins

DIVORCE DECREES

Glady's G. from Robert N.F. Davey Jr., with petitioner's name of Miller restored to her Michael Ray from Carol Jean Hopper

Mary Rose from Raymond L. Kell

DISTRICT COURT

DISPOSITIONS

In an appeal from Farmington Magistrate Court, Basin Motor Co. vs. Dean and Carol Leas, plaintiff was ordered to recover \$256 from defendant

A damages and breach of contract suit, William Randolph Smith, executor of estate of Catherine Corum Smith, vs. Allstate Insurance Co., asking \$13,205 judgment resulting from alleged failure and refusing to honor an insurance contract, case dismissed

SUITS FILED

New Mexico Oil Conservation Commission vs. Saguaro Oil Co, alleging defendant drilled a well in McKinley County in November 1974 in violation of Rule 101. Suit seeks to recover from defendant not more than \$1,000 for each day from Dec. 9, 1974 until date of judgment, with amount to be paid to state treasury

Tom S. Harmon has filed a workmen's compensation claim against American Tank and Steel Corp. and Employers National Insurance Co.

FARMINGTON MUNICIPAL COURT

Leroy Harrison, 34, Farmington, charged with battery, resisting or obstructing an officer, fined \$50 on each charge

Dokee Frank, 32, Fruitland, charged with driving while intoxicated, driver's license required, fined \$150 on the first charge, suspended on condition he attend DWI school in February, fined \$15 on the second charge

Terry H. Charley, 18, Ship-

rock, charged with driving while intoxicated, fined \$150 on the first charge, suspended on condition he attend DWI school in February, fined \$50 on the second charge

William Earl Coots, 41, Oroville, Calif., charged with driving while intoxicated, fined \$150, suspended on condition he attend DWI school in February

Joe V. Sabaque, 25, Huerfano Trading Post, charged with contempt of court, fined \$15

Larry A. Reynolds, 26, Aztec, charged with contempt of court, sentenced to five days

Earl Cly, 30, Kayenta, Ariz., charged with cruelty to children by parent or guardian, sentenced to 10 days, suspended on condition he doesn't appear before the court on the same charge for one year

Charged with shoplifting, fined \$50, were Mary E. Ingram, 21, 712 W. Maple, and Anna Rarnierz, 19, Albuquerque

Harold Mascarenas, Farmington, charged with a curfew violation, dismissed when it was learned he is a minor

James Winters, 33, Bloomfield, improper U-turn, no date set for hearing

United in marriage were Mark Carol Milosevich and Debra Jean Ashcroft

Douglas Wade, 32, Bloomfield, no tail light, \$5

John Jacquez, 18, no driver's license, \$10

Theresa Hansen, 28, Tempe, Ariz., no U-turn, \$5

Richard Neuenschwander, 28, 1216 W. Aztec Blvd., Aztec., assault and battery, \$60

Swite Haynie, 37, Aztec, assault with gun, dismissed

Stanley Steele, 25, 115 Gooding Lane, Farmington, speeding, \$10

Alma Winfrey, 38, 400 Fairground Road, Aztec, speeding, \$5

Tom Edward, 59, Shiprock, speeding, \$10

Roy L. Nials to Mr. and Mrs. E. Boyd Whitney

Betty R. Conley to George Sadlow

Meditation Corp. to Anthony Brian Foutz

Royce W. Jackson to Nita Adams and others

Mr. and Mrs. Robert L. Morris to the Beaver Corp. of Farmington

Mr. and Mrs. Jim D. Serrano to Mr. and Mrs. Ronald E. Cates

Mr. and Mrs. Joseph S. Hartman to Mr. and Mrs. LeRay Tropper

Mary Gift and husband to Marilyn J. Grayson

Mr. and Mrs. Guy Buffington to Tim Jimerson

Jerry L. Wade and others to Mr. and Mrs. Dale A. Carter

Robert B. Foutz and others to Mr. and Mrs. Ronald L. Knudsen

Mr. and Mrs. Harold Mauldin to Mr. and Mrs. Charles Edward Risley III

Mr. and Mrs. Richard H. Herbert Sr. to Rev. and Mrs. Oscar Elliott

Anthony Brian Foutz and others to Mr. and Mrs. James Leroy Flack

Mr. and Mrs. Frank Clark to Ivie Enterprises Inc.

Mr. and Mrs. William H. Nygren Jr. to Mr. and Mrs. Clarence D. Jensen

Mr. and Mrs. Clarence D. Jensen to Mr. and Mrs. Harold E. Christensen

Robert B. Foutz and others to Mr. and Mrs. Ronald L. Knudsen

Charles R. Foutz and others to Robert B. Foutz and others

Mr. and Mrs. Emery C. Arnold to Mr. and Mrs. Thomas M. Rabourn

Mr. and Mrs. Thomas A. Daniells to Mr. and Ms. Gordon L. Seitzinger

Mr. and Mrs. Gordon L. Seitzinger to Mr. and Mrs. Bennett D. Smith

Lucille Davie Taylor to Llayd Will Taylor

Mr. and Mrs. Harry L. Albin to Robert Albin

QUIT CLAIM DEEDS

Arlene Blake, formerly Arlene Nials, to Roy L. Nials Wilbur L. Leeper to Betty R. Conley

Mr. and Mrs. C. Fred Dickerson to Robert C. Sanders

Theodore A. Bradshaw to Beverly A. Bradshaw

RELEASE OF LIEN AND SATISFACTION OF JUDGMENT

Mary T. Barrett and others vs. Jim David Serrano

RELEASE OF CLAIMS OF LIENS

B & G Electric Co., Inc. vs. Steve Keetch and others

S.J. Gilmore Supply Co. vs. McWhirter Builders, Inc. two deeds

The A.C. Houston Lumber Co. vs. McWhirter Builders, Inc.

Wayne Barnes, doing business as Barnes Drywall vs. McWhirter Builders, Inc.

Westslope Construction Co. vs. McWhirter Builders, Inc.

B & G Electric Co. vs. McWhirter Builders Inc.

Danger Of Fires Noted

SANTA FE (AP) — New Mexico grass and forest lands are unusually prone to fires this winter—a fact that worries U.S. Forest Service and Bureau of Land Management officials.

Harlen Smith, chief of the protection branch of the BLM, said the unusually dry conditions in the state are causing the fire hazard.

"We've had some large grass fires in the last few months, mostly man-caused," Smith said.

He said the BLM is anticipating an early start to the annual fire season this spring and is, therefore, thinking of increasing its fire management program.

The agency usually considers the fire season to begin around March 1, but "there are areas in the southeastern part of the state that could burn right now," Smith said.

The BLM manages 13 million acres of public domain in New Mexico, of which 80 percent is grassland.

The U.S. Forest Service in New Mexico is also worried about the fire situation.

OIL CONSERVATION COMMISSION

STATE OF NEW MEXICO
P. O. BOX 2088 - SANTA FE
87501



STATE GEOLOGIST
EMERY C. ARNOLD

DIRECTOR
JOE D. RAMEY

LAND COMMISSIONER
PHIL R. LUCERO
January 10, 1978

Clerk of the District Court
for San Juan County
San Juan County Court House
Aztec, New Mexico 87410

Re: New Mexico Oil Conservation
Commission v. Saguaro Oil
Company, Cause No. 78-15

Dear Madam:

I am submitting the enclosed Sheriff's Return of
Service for filing in the above-captioned cause.

Thank you for your assistance.

Very truly yours,


LYNN TESCHENDORF
General Counsel

LT/fd
enc.

*This is your copy —
The orig was filed with the
Ct. by the Sheriff's office*

SHERIFF'S SERVICE RETURN

OUR NUMBER _____ DOCKET NO. 78-15

N Mex Oil Conservation PLAINTIFF
 VS.
Saguaro Oil Co.

DEFENDANT
 RECEIVED FROM Lynn Teschendorf

WHEN RECEIVED			DATE OF SERVICE			WHEN RETURNED		
MONTH	DAY	YEAR	MONTH	DAY	YEAR	MONTH	DAY	YEAR
1	6	78	1	6	78	1	9	78

KIND OF PROCESS _____ IN WHAT COURT Dist.

BY WHOM SERVED Don Gifford WHERE SERVED 671 W. Arrington

UPON WHOM PAPERS WERE SERVED Charles M. Janssen *In Person*

CHARACTER OF PROCESS	MILES TRAVELED	AMOUNT	\$	COSTS CTS
<u>Service</u>			6	00
<u>Return of Service</u>			2	00
<u>Mileage</u>			3	75

TOTAL COSTS 11.75

FILED
JAN 11 1978
FILED

COUNTY OF SAN JUAN
James B. Bostell
CLERK

STATE OF NEW MEXICO

IN THE DISTRICT COURT

NEW MEXICO OIL CONSERVATION COMMISSION:

No. 78-15

Plaintiffs

Vs.

SAGUARO OIL COMPANY:

TO: CHARLES M. TANSEY:

Defendants

Sheriff's Return of Service

I, DOUG BROWN a duly qualified and acting SHERIFF in and for the County and State aforesaid, hereby certify that I received a Summons & Complaint in the above entitled matter on the 6th day of January, 1978, and that I served the same on the 6th day of January, 1978, by delivering to: Charles M. Tansey at 621 West Arrington, New Mexico.

in person, within the County and State aforesaid, a true copy of the said Summons to which was attached a true and correct copy of the complaint on file in the within entitled action.

Dated this 9th day of January, 1978.

Fees:
service: \$6.00
Mileage: 3.75
Return of Service: 2.00
Total: \$11.75

DOUG BROWN SHERIFF

By *Don Griffin* Deputy

Attorney:
Lynn Teschendorf
N.M.O.C.C.
P.O. Box 2088
Santa Fe, N.M. 87501

DON GRIFFIN, DEPUTY

OIL CONSERVATION COMMISSION

P. O. BOX 2088

SANTA FE, NEW MEXICO 87501

January 10, 1978

C
O
P
Y

Clerk of the District Court
for San Juan County
San Juan County Court House
Aztec, New Mexico 87410

Re: New Mexico Oil Conservation
Commission v. Saguaro Oil
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General Counsel

LT/fd
enc.

SHERIFF'S SERVICE RETURN

OUR NUMBER _____ DOCKET NO. 78-15

N Mex. oil Conservation
 VS.
Saguaro oil co.

PLAINTIFF

DEFENDANT

RECEIVED FROM Lynn Teschendorf

WHEN RECEIVED			DATE OF SERVICE			WHEN RETURNED		
MONTH	DAY	YEAR	MONTH	DAY	YEAR	MONTH	DAY	YEAR
1	6	78	1	6	78	1	9	78

KIND OF PROCESS _____ IN WHAT COURT Dist.

BY WHOM SERVED Robert Emball WHERE SERVED 671 W. Arlington
Don Gifford

UPON WHOM PAPERS WERE SERVED Charles M. Janssen *In Person*

CHARACTER OF PROCESS	MILES TRAVELED	AMOUNT	COSTS \$	CTS
<u>Service</u>			6	00
<u>Return of Service</u>			2	00
<u>Mileage</u>			3	75

TOTAL COSTS 11.75

STATE OF NEW MEXICO

COUNTY OF SAN JUAN

IN THE DISTRICT COURT

NEW MEXICO OIL CONSERVATION COMMISSION:

No. 78-15

Plaintiffs

Vs.

SAGUARO OIL COMPANY:

TO. CHARLES M. TANSEY:

Defendants

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Fees:
 service: \$6.00
 Mileage: 3.75
 Return of Service: 2.00
 Total: \$11.75

DOUG BROWN SHERIFF
 By [Signature] Deputy

Attorney:
 Lynn Teschendorf
 N.M.O.C.C.
 P.O. Box 2088
 Santa Fe, N.M. 87501

DON GRIFFIN, DEPUTY

OIL CONSERVATION COMMISSION

STATE OF NEW MEXICO
P. O. BOX 2088 - SANTA FE
87501



DIRECTOR
JOE D. RAMEY

LAND COMMISSIONER
PHIL R. LUCERO

STATE GEOLOGIST
EMERY C. ARNOLD

Clerk of the District Court
for San Juan County
San Juan County Court House
Aztec, New Mexico 87410

Re: New Mexico Oil Conservation
Commission vs. Saguaro Oil
Company

Dear Madam:

I am submitting the enclosed Complaint for filing in the above-captioned cause. Since I am filing this action on behalf of the State of New Mexico, no filing fee is required. I would appreciate your forwarding a copy of the Complaint and the completed Summonses to the San Juan County Sheriff for service.

Thank you for your assistance.

Very truly yours,

A handwritten signature in cursive script that reads "Lynn Teschendorf".
LYNN TESCHENDORF
General Counsel

LT/dr

enc.

*Divisioned to Division 3
Honorable James L. Brown
Cause No. 78-15*

OIL CONSERVATION COMMISSION

P. O. BOX 2088

SANTA FE, NEW MEXICO 87501

Clerk of the District Court
for San Juan County
San Juan County Court House
Aztec, New Mexico 87410

Re: New Mexico Oil Conservation
Commission vs. Saguaro Oil
Company

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Thank you for your assistance.

Very truly yours,

LYNN TESCHENDORF
General Counsel

LT/dr

enc.

OIL CONSERVATION COMMISSION

P. O. BOX 2088

SANTA FE, NEW MEXICO 87501

December 29, 1977

The Honorable Toney Anaya
Attorney General for the
State of New Mexico
Bataan Memorial Building
Santa Fe, New Mexico 87501

Re: New Mexico Oil Conservation
Commission vs. Saguaro Oil
Company

Dear Mr. Anaya:

Enclosed please find a copy of the Complaint I have filed in the above-captioned matter approved by the Oil Conservation Commission. This is a routine enforcement action of the Commission's rules, regulations and orders.

Should you wish further information, do not hesitate to contact me.

Very truly yours,

LYNN TESCHENDORF
General Counsel

LT/dr

enc.

STATE OF NEW MEXICO

COUNTY OF SAN JUAN

IN THE DISTRICT COURT

NEW MEXICO OIL CONSERVATION
COMMISSION,

Plaintiff,

vs.

SAGUARO OIL COMPANY,

Defendant.

No. 78-15

COMPLAINT

Plaintiff states that:

I.

Plaintiff New Mexico Oil Conservation Commission is a duly organized agency of the State of New Mexico (hereinafter, "the Commission"); Defendant Saguaro Oil Co. is a corporation authorized to transact business in the State of New Mexico with its principal office, place of business and residence in Farmington, New Mexico.

II.

Defendant is the owner and operator of the Moran State Well No. 1 located in the NE/4 NE/4 of Section 36, Township 18 North, Range 9 West, McKinley County, New Mexico.

III.

Defendant made application to the Commission for a permit to drill this well in November, 1974, and approval was granted subject to final approval of the bond.

IV.

Rule 101 of the Commission Rules and Regulations requires that "any person, firm, corporation, or association who has drilled or acquired, is drilling, or proposes to drill or acquire any oil, gas, or service well...shall furnish to the Commission,

and obtain approval thereof, a surety bond." A copy of Rule 101 is attached hereto as Exhibit A and by this reference is incorporated.

V.

The Defendant drilled said well without submitting a bond as required by Rule 101, the spudding date being December 9, 1974.

VI.

Defendant submitted a bond for approval on or about October 1, 1977, but the bond was returned for reissuance on a current form. The Commission requested that this new bond be on file and approved prior to October 28, 1977. A copy of this request is attached hereto as Exhibit B and by this reference is incorporated.

VII.

Defendant has not resubmitted its bond, and is therefore in violation of Rule 101.

VIII.

Sections 65-3-24 and 65-3-27, N.M.S.A. 1953 Comp., provide that an action may be instituted by the Commission to recover a penalty of not to exceed \$1,000 a day for each and every violation of its rules, regulations or orders.

WHEREFORE, Plaintiff asks the Court:

1. For judgment against Defendant in an amount not to exceed \$1,000 for each day from December 9, 1974, until the date of judgment, said amount to be paid into the State Treasury as provided for in Article XII, Section 4, of the Constitution of the State of New Mexico.

2. For such further relief as the Court deems just

and proper.

TONY ANAYA
ATTORNEY GENERAL

By Lynn Teschendorf

LYNN TESCHENDORF
Assistant Attorney General
New Mexico Oil Conservation Commission
P. O. Box 2088
Santa Fe, New Mexico 87501

C - DRILLING

RULE 101. PLUGGING BOND

(a) Any person, firm, corporation, or association who has drilled or acquired, is drilling, or proposes to drill or acquire any oil, gas, or service well on privately owned or state owned lands within this state shall furnish to the Commission, and obtain approval thereof, a surety bond running to the State of New Mexico, in a form prescribed by the Commission, and conditioned that the well be plugged and abandoned in compliance with the rules and regulations of the Commission. Such bond may be a one-well plugging bond or a blanket plugging bond. All bonds shall be executed by a responsible surety company authorized to do business in the State of New Mexico.

(b) Blanket plugging bonds shall be in the amount of fifty thousand dollars (\$50,000) conditioned as above provided, covering all oil, gas, or service wells drilled, acquired or operated in this state by the principal on the bond.

One-well plugging bonds shall be in the amounts stated below in accordance with the depth and location of the well:

Chaves, Eddy, Lea, McKinley, Rio Arriba, Roosevelt, Sandoval, and San Juan Counties, New Mexico:

<u>Projected Depth of Proposed Well or Actual Depth of Existing Well</u>	<u>Amount of Bond</u>
Less than 5,000 feet	\$ 5,000
5,000 feet to 10,000 feet	\$ 7,500
More than 10,000 feet	\$10,000

All Other Counties in the State:

<u>Projected Depth of Proposed Well or Actual Depth of Existing Well</u>	<u>Amount of Bond</u>
Less than 5,000 feet	\$ 7,500
5,000 feet to 10,000 feet	\$10,000
More than 10,000 feet	\$12,500

Revised plans for an actively drilling well may be approved by the appropriate District Office of the Commission for drilling as much as 500 feet deeper than the normal maximum depth allowed on the well's bond. Any well to be drilled more than 500 feet deeper than the normal depth bracket must be covered by a new bond in the amount prescribed for the deeper depth bracket.

The bond requirement for any intentionally deviated well shall be determined by the well's measured depth, and not its true vertical depth.

(c) Any bond required by this rule is a plugging bond, not a drilling bond, and shall endure until any well drilled or acquired under such bond has been plugged and abandoned and such plugging and abandonment has been approved by the Commission, or has been covered by another bond approved by the Commission.

(d) Transfer of a property does not of itself release a bond. In the event of transfer of ownership of a well, the appropriate form, C-103 or C-104, properly executed, shall be filed with the District Office of the Commission in accordance with Rule 1103 or Rule 1104 by the new owner of the well. The District Office may approve the transfer providing that a new one-well bond covering the well, or a request that the well be covered by the new owner's blanket bond, has been approved by the Santa Fe office of the Commission.

Upon approval of the bond and the Form C-103 or C-104, the transferor is released of plugging responsibility for the well, and upon request, the original bond will be released. No blanket bond will be released, however, until all wells covered by the bond have been plugged and abandoned or transferred in accordance with the provisions of this rule.

(e) All bonds shall be filed with the Santa Fe office of the Commission, and approval of such bonds, as well as releases thereof, obtained from said office.

(f) All bonds required by these rules shall be conditioned for well plugging and location cleanup only, and not to secure payment for damages to livestock, range, water, crops, tangible improvements, nor any other purpose.

RULE 102. NOTICE OF INTENTION TO DRILL

(a) Prior to the commencement of operations, notice shall be delivered to the Commission of intention to drill any well for oil or gas or for injection purposes and approval obtained on Form C-101.

OIL CONSERVATION COMMISSION

P. O. BOX 2088

SANTA FE, NEW MEXICO 87501

October 6, 1977

C
O
P
Y
Mr. Charles L. Harrington
Four Corners Agency
500 W. Main
Farmington, New Mexico 87401

Re: Saguaro Oil Company Bond,
Moran State Well No. 1,
A-36-T18N, R9W,
Case No. 6048

Dear Mr. Harrington:

I am returning the above-referenced bond for the following reasons. New bond forms became effective June 16, 1977, and I have enclosed one for your convenience. Additionally, the corporate seal has not been affixed, and I would prefer to have the footage location of the well on the face of the bond.

If the new bond is not on file and approved by the Commission by October 23, 1977, the Commission will be forced to commence legal proceedings.

Very truly yours,

LYNN TESCHENDORF

LT/dr

cc: Al Kendrick, District Supervisor
Saguaro Oil Company

Ex. B