



OIL CONSERVATION COMMISSION

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

June 7, 1974

I. R. TRUJILLO
CHAIRMAN
LAND COMMISSIONER
ALEX J. ARMIJO
MEMBER
STATE GEOLOGIST
A. L. PORTER, JR.
SECRETARY - DIRECTOR

Mr. H. R. Sidwell
National Petroleum, Inc.
P. O. Box 12543
Oklahoma City, Oklahoma 73112

Subject - National Petroleum, Inc.
Reeve-Chappel Well No. 1, Unit M,
Section 18, Township 12 North,
Range 30 East, San Miguel County,
New Mexico.

Dear Mr. Sidwell:

Your letter dated June 3, 1974, to Mr. Porter of this office was referred to me. I have reviewed the entire file concerning the subject well and on June 6th, I inspected the well site in the company of a ranch employee. The location appears to be in satisfactory condition with one exception. The marker is loose with no indication that it was ever cemented into the surface casing. No identification of the well or its location could be found on this marker. Some six to eight months ago, a ranch hand discovered the marker lying on the ground with the surface casing open. To prevent injury to an animal (horse or cow) by stepping into this open casing, he simply inserted the marker pipe into the casing upside down. The flange on the intended marker held it suspended at the top, of course. Since then - because the top of the casing is actually lower than ground level, soil had drifted around the very short stub of marker pipe protruding, until it almost completely obliterated the well's location. After excavating and removing the marker for examination it was replaced in the inverted position, but not before determining that a considerable amount of fluid is contained within the casing. Presumably this is surface runoff, but Water Quality Control Board investigators might not agree.

In studying the letters and reports which you have submitted, it is not apparent who you might have engaged to erect the surface marker. Permit me to suggest you review your records to determine if perhaps it was Halliburton, as indicated by Form C-103 dated 10-21-73. It has been brought to our attention that you have not provided the New Mexico Bureau of Mines with a set of sample cuttings from the subject well,

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which was a condition of approval of Form C-101 on May 5, 1953. Furthermore, the sample cuttings of the Puretex well which were loaned to you October 3, 1972, have not yet been returned to the Bureau. Could you investigate and perhaps correct this situation?

If you could furnish this office with evidence that the above discussed deficiencies have been remedied, it would facilitate our release of your bond.

Yours truly,



CARL ULVOG

Senior Petroleum Geologist

CU/og