CASE 4637: MOTION OF THE OCC
PLUGGING CASE FOR LUTTRELL OIL
COMPANY

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### Case Number 46 37

Application
Trascripts

Small Exhibits

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### BEFORE THE

NEW MEXICO CIL CONSERVATION COMMISSION STATE LAND OFFICE BUILDING SANTA FE, NEW MEXICO January 19, 1972

### EXAMINER HEARING

IN THE MATTER OF the hearing called by the Oil Conservation Commission on its own motion to ) permit Luttrell Oil Company and ) all other interested persons to ) appear and show cause why the following-described wells in New Mexico should not be plugged) and abandoned: Luttrell Oil Company State Well No. 1 - Unit ) M, Section 28, Township 2 South,) Range 26 East, De Baca County; ) Luttrell Oil Company Corn Well No. 1 - Unit A, Section 5, Township 8 South, Range 24 East,) Chaves County, New Mexico.

Case 1637

BEFORE: Daniel S. Nutter,
Alternate Examiner.

TRANSCRIPT OF HEARING

SPECIALIZING IN: DEPOSITIONS, MEALINGS, STATEMENTS, EXPERT TESTIMONY, DALLY COPY, CONVENTION 209 SIMMS BLDG.\* P.O. BOX 1093\*PHONE 243\*6691\*ALBUQUERQUE, NEW MEXICO 87103 FIRST NATIONAL BANK BLDG. EAST \*ALBUQUERQUE, NEW MEXICO 87108

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MR. NUTTER: Call Case 4637.

MR. HATCH: Case 4637: In the matter of a Hearing called by the Oil Conservation Commission on its own motion to permit--

MR. NUTTER: Just a minute, here. Off the record. (Whereupon an off the record discussion was held.)

MR. NUTTER: I think it would be preferable to call Mr. Gressett to the stand.

MR. HATCH: Go ahead and state your name.

MR. KIRK: My name is James Kirk, an attorney in Albuquerque, and an interested person in that I am the leasee on the lease involved in Luttrell Oil Company State Well No. 1, Township 2, South, Range 26 East, deBaca County.

I have no interest whatsoever in this other well under consideration.

MR. NUTTER: It may be preferable if we go ahead with his portion of the case first. Then go to yours.

MR. HATCH: George Hatch, appearing on behalf of the Oil Conservation Commission and the staff. I have one witness, Mr. Gressett.

### W. A. GRESSETT

a witness, having been first duly sworm according to law, upon his oath, testified as follows:

### DIRECT EXAMINATION

BY MR. HATCH

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		PAGE A
1	Q	Would you state your name, position, and place of residence
2	A	W. A. Gressett, supervisor of District 2, Artesia, New
3		Mexico.
4	Q	Does District 2 include deBaca County?
5	A	Yes.
5	Q	Does it include the part of Chavez County that is involved
7		here?
3	A	Well, part of Chavez County is included in District 2. It
)		includes that part of Chavez County line west of the north-
) ,		south line dividing Ranges 29 and 30 East.
	Ω	Would you describe briefly your duties as they relate to
		this case as district supervisor?
	A	All reports concerning wells in this district from State
		and fee+land wells must be filed and approved in our office.
		We therefore watch the wells from spudding to
		completion to insure that they are adequately cemented in
		order to protect any fresh water encountered or any oil or
		gas shows.
١	Q	All right. Do you also then make recommendations to the
		Commission when wells should be plugged and abandoned?
	A	Yes, sir, we do.
	Q	Are you familiar with the purpose of Case 4637?
	A	Yes, sir.
	Q	What is the purpose of Case 4637?
		1

Case 4637 was originally docketed for December 15, 1971;

	· ·	1		then continued until today in order that all interested
	in and a second	2		parties might appear and show cause why these two wells
<b>~</b> i	<b>८</b> ० <b>८</b> ३ ३৯	3		shouldn't be plugged and abandoned in accordance with the
7.	5.25 5.25 5.25	4		Oil Conservation Commission's plugging program.
4	kaó par	5	Ω	Would you identify those two wells?
	<u> </u>	6	A	Luttrell Oil Company State Well No. 1 located in Section 28
The second secon	<u>ET</u>	7		Township 2 South, Range 26 East, deBaca County; Luttrell
-		8		Oil Company Corporation Well No. 1, Unit A, located in
: T	dearnley-meiar	9		Section 5, Township 2 South, Range 26 East, Chavez County,
		10		New Mexico.
	=	11	Q	Are you familiar with each of those two wells?
3	710 <b>MS</b>	12	A	Yes, sir, I am.
	CONVENTIONS	13	Ŏ	How?
	AILY COPY, CON NEW MEXICO 87108	14	A	Well, I have official records and I have also been at the
•	TIMONY, DAILY ERQUE, NEW MEXICO 8710	15		location of the wells.
i	T TESTIMO	16	Ω	Now, when you say official, through official records, what
	EXPERT.	17		do you mean by official records?
<b>.</b>	6689 UER	18	A	The reports that have been filed by the operator.
	STA! ONE	19	Ω	Are those required to be filed with the Commission by
	HEARINGS, 1092.PH	20		Commission rules and regulations?
•	DEPOSITIONS, H	21	A	Yes.
1	U <b>4</b>	22	Q	And you have those official records with you?
•	IZING INI	23	A	Yes, sir, I do.
	SPECIALIZING 209 SIMMS BL FIRST NATIG	24	Q	You said you did have, you have visited both wells?
		25	A	Yes, sir.
		-		

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	209 ;

Ü	Please refer to those records of the well for deBaca County
	and give us the history of the well as reflected by the
	records.
A	Okay. Commission Form C-101 Application for Permit to
	Drill was approved on July the 29th, 1968, and at this time
	the operator was W. C. Welch, and attached thereto is
	Commission Form C-102, Well Location, and acreage dedication.
Q	At that time how deep did he propose to drill the well?
Α	The proposed depth was 1,800 feet.
Ŏ	In what Formation?
A	San Andres.
	Then we have Commission Form C-103, which is sundry
	notices and reports on wells reporting the spud thick of
	The second secon

Has that been recently?

Yes, sir, January 7, 1972.

ch is sundry oud thick of July the 24th, 1968, and it states that they run 50 feet of 14-inch casing mudded 150' of 10 3/4 inch casing, mudded, says there were 800' in shale and red bed, prepared to run 8 and 5/8ths inch casing.

That was approved on December 13, 1968.

- When did you receive that, Mr. Gressett?
- December the 11th.

MR. NUTTER: Then the only other official form in the file is the Form C-103 received in our office on February the 2nd, 1971, reporting a change of ownership from W. C. Welch to

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THE WITNESS: Now, I have some notes of conversations with various and sundry people concerning this well, but that is all of the official record.

Luttrell Oil Company. That was approved on February 2nd, 1971.

- Q (By Mr. Hatch) Do you have anything on your notes from conversations that you think the Examiner might be interested in?
- Yes, sir, on February the 3rd, 1969 a Mr. Wayne Adkins, which I understand had an interest in the well, and he was also drilling it -- excuse me -- does Mr. Adkins name appear on
- Excuse me---does Mr. Adkins name appear on any of the forms that were filed?
- Yes, sir. He signed one report at that time, reporting Α that the well had been spudded and set in a casing.
- Continue.
  - He stated at that time the well was at a total depth of 1,140 feet, and that in addition to previous high reported casing, he had set 8 5/8" at a hundred feet and that it had followed and been under dug to a point of a 1,010 feet, and still didn't have a shut-off, and it was his understanding that they might set 7" pipe or cement the 8 and 5/8ths inch, and this was to be reported when that work was done, and so far I don't have a report on it.

MR. NUTTER: That was just a verbal report he gave you? THE WITNESS: Right.

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ECIALIZING INI DEPOSITIONS, HEANINGS, STATIEMENTS, EXPERT TESTIMONY, DAILY COPY, CONVENTIC 9 SIMMS BLDG. • P.O. BOX 1092 • PHONE 2143-6601 • ALBUQUERQUE, NEW METICO 67103

1	Ö	(By Mr.	Hato	h) Mr.	Gress	ett,	would	you	next	describe	your
2		visi	t on	January	the	7th t	to the	well	L?		:

A Yes, sir.

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Q Tell the Examiner what you observed there.

A On January the 7th, 1972, I went to the location, and the cable tool rigging is still rigged up over the hole, and the baler hangs in top of the casing with a bar in it, which is normally too small for this type operation, and there is tools and junk all over the location.

By "junk" I mean an old wrecked pickup, an old bunch of wore out tires and truck tires, and all kinds of drilling tools.

Q Did you observe any windmills or any indication of fresh water in the area?

Yes, sir. There is a ranch house approximately a thousand feet west of this location, and they have water wells located at the ranch house, and the windmill wells are a mile or two away.

There is other windmills, and in talking to the rancher, he said that their water wells were ranging from forty feet to 190' or 200', and Mr. Adkins reported to me on this well that he had water at 140 and 190.

Well, Mr. Adkins' report of the water doesn't appear on any of the official forms?

25 A No, sir, it doesn't.

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STRUMENT DESCRIPTIONS	209 SIMMS BLDG P.

and get hurt.

		PAGE 9
1	Q	Would you consider this a dry well or an abandoned well?
2	A	Yes, sir, inasmuch as apparently no activity since February
3		of 1969. I would say it has been abandoned.
4	Q	You didn't see any sign of production?
5	A	No sign of production.
6	Ö	You have testified that there appears to be water in the
7	i.	area and that Mr. Adkins in an original conversation with
8		you testified as to water.
9		Do you have any indication as to the well, can you tel
10		about any gas or oil, sand?
11	A	No, I sure don't have.
12	Q	Assuming that water was in the well, if the well is left in
13		its present condition, is there any danger that water will
14		escape from the strata in which it was found into other
15		strata?
16	A	Yes, sir.
17	Ò	How would that be?
18	A	Well, that open hole interval from the deepest reported
19		water of 190 down to the total depth of 1,140, I don't know
20	r .	what that interval might hold, and there is a possibility
21		that that water can escape into that open hole interval.
22	Q.	Allaright. Is there any other danger to be encountered if
23		the well is left in its present condition?
24	A	Well, stock could get tangled up in some of those tools

		10
1	Q	The area is not fenced?
2	A	No, sir, there is no fence at all.
3	Ö	It could be a safety problem then?
4	A	Yes.
5	Q	Do you have an opinion as to whether or not the well should
6		be plugged?
7	A	Yes, sir, I feel that it should be.
8	Q	Do you have a recommended plugging program to present to
9		the Examiner?
10	A	Yes, sir, I would recommend that the 8 and 5/8ths be pulled
11		and that a thirty sack cement plug be placed at a total
2		depth, and a fifty sack plug at 250, and I don't know
3		whether this 10 and 3/4s can be pulled or not.
14		It is very doubtful that it could be pulled at this
15		state or the 14", so I would recommend then about a 25 sack
		1313

is sack plug there in the surface to seal off the top of all of that.

- But you would recommend that they try to pull--what did you Q say--10 and 3/4s--and it was--what was the other one?
- A I would recommend the 8 and 5/8ths be pulled. Then it wouldn't make a great deal of difference whether they pulled the 10 and 3/4s or not.
- You would put a 50 sack at 250, which would be below both of those casings?
- Right. 25

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in the interval of those casings would be protected by that
50 sack plug of 250?

A Yes, sir.

Q Kept from going down the hole?

A Yes.

Q So, in other words, then if they could or couldn't get the
14 in and the 10 and 3/4s out you would put a 20 sack plug
at the surface?

A Well, it is going to be a pretty good sized hole, probably

A Well, it is going to be a pretty good sized hole, probably ought to have at least a 25 sack at the surface.

MR. HATCH: That is all.

We ran into some difficulty on one case, once, where somebody wanted to see what was in the case file about plugging one of these things, and the Examiner had taken administrative notice of the well file, etc.

Now, there has been testimony from these official records, so I would like to either introduce them, leave them in the well file, and you have a set here, but Xerox copies of them to go into the case record itself.

MR. NUTTER: I think you have got a Xerox copy of these forms that Mr. Gressett has mentioned.

If he will take a look at them and testify thereto and correct copies of the form in his file--that will suffice.

Let Mr. Kirk and Mr. Gressett look these over. These are

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Xerox copies of what he was testifying to.

The only ones I am interested in putting in would be the signed copies here, not his oral notes that he testified to.

If you will compare these to see that is what we have over there, then I will mark them.

MR. HATCH: I would like to introduce Exhibits 1 through 5, Exhibit 1 being Form C-102; and Exhibit 2 being a Form C-101; and Exhibit--I've got two exhibits, yes, Exhibit 3, No. 3 being a Form C-103, received or approved December 13, 1968, and Exhibit 4, C-103, approved February the 2nd, 1971; and Exhibit No. 5 is a proposed plugging program for the well.

I would like to suggest this might be the time to allow Mr. Kirk to make his appearance, or anything he has to say concerning this case before we go on to the other one, since he is not interested in the other one well.

MR. NUTTER: Just a minute. I have got some questions I want to ask Mr. Gressett first.

### CROSS-EXAMINATION

BY MR. NUTTER

- When you went out and inspected the well, I believe you stated it was on January, '70?
- Yes.
  - Was there evidence that this 8 and 5/8ths inch casing had been run in the hole as Mr. Adkins told you in this verbal report?

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4	Q	What about the space between the 10 and 3/4s and the 14"
5		casing that is open or that flanged, or is there a casing
6		hanger, or anything in there?
7	A	I think it is setting on elevators, and, of course, if the
8		cable, that cable tool rig flared around it, I didn't get
9		down in to look too close.
10	Q	What about the annulus between the walls of the hole and
11		the outside of the 14" casing that opened around there?
12	A	You can't see.
13	δ	You couldn't see?
14	A	You couldn't see. No, if there has been any rain in the
15		area and washed in around it, I am sure it is filled up,
16	 	but I didn't get down in there.
17	Ò	Normally when one set has set there as long as this
18		one has with no cement behind it, it costs more to try to
19		pull the 14" and maybe the 10 and 3/4s than it would be
20	·	worth.
21	Q	Now, Mr. Adkins had told you that they had run how much 8
22		and 5/8ths inch pipe?
23	A	He said they first run it to 800 feet, but it followed and
24		was under dug down to a 1,010.
25	Q	Then had they tried to cement or just to land it so they
	5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24	5 6 7 A 8 9 Ω Ω 11 12 A Ω 13 A 14 15 16 17 Ω 18 19 20 21 Ω 22 23 A 24 Ω

Yes, however, I have no way of knowing.

There is some at the top?

There is some at the top.

SPECIALIZING IN: DEPOSITIONS, MEARINGS, STATEMENTS, EXPERT TESTIMONY, DAILY COPY, CONVENTION

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Mr. Gressick.

could get a shut off? Right. Α They were never able to achieve a shut off? That is what he said. Α Now, if there is any open space around the 14" pipe or if 5 the annulus between the 10 and the 3/4s and 15" should be open, that should be sealed and closed in some manner if the well is ordered plugged, shouldn't it? 8 Yes, sir. Actually that is the reason I was recommending 9 25 sack cement plug in order to seal it off good at the 10 surface. 11 Now, what was the latest that you, the deepest that you 12 know the well to have ever been drilled? 13 1,140'. Α MR. PORTER: It was originally projected to about 18? THE WITNESS: 18, yes. Q (By Mr. Nutter) What about the interval between the plugs and the well; how would you treat that interval? 18 I would recommend that the filled with mud. 19 And, of course, a regulation type marker at the surface, I 20 presume? 21 Yes. Α 22 If you will, yield the witness stand to Mr. Kirk, please, 23

If you would identify yourself for the record, please.

MR. KIRK: My name is James Kirk, an attorney from Albuquerque, and one of the leasees on the subject lease. JAMES KIRK

an attorney, called as a witness, having been first duly sworn according to law, upon his oath, testified a law:

### CROSS-EXAMINATION

BY MR. HATCH

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- Are you planning on testifying any or just making a statement?
- No, I would sort of like to testify.
- Well, perhaps we had better swear you then.
- Fine.

(Whereupon the witness was duly sworn.)

THE WITNESS: As one of the leasees, it is the intention of the leasees, or it has been the intention, to recommence drilling on this well and to try to take it down to 1,800 level.

We haven't abandoned it at all.

We have kept a workable rig out on the lease all of this time, and during that time we have either paid rental on the rig or we have assumed the responsibility of paying the rental on the rig.

We have had some problems contractually with the drillers involved.

Luttrell Oil Company had agreed to go ahead and recommence the drilling, but then didn't or wasn't able to, and during that

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period of time on several occasions we have had geologists and drillers go out to the well.

I won't say how many times, but I would say probably not less than ten times, and they have always indicated to me at least that there wasn't any actual danger to the water in the area, and really no other problem, that it was causing, as it was setting.

And in any event, we have spent a fair amount of money on it and are prepared to spend a fair amount more to complete our intended drill program, and I want to, I would like to suggest to the Commission that the Commission consider it at least allowing us a period of sixty or ninety days to recommence our drilling, and then if we haven't made substantial efforts to physically, at least, start the recommencement of the drilling, then at that time carry out a plugging order, but I feel that we are most interested in going ahead with it, and I think we are capable of it.

I don't really believe that another sixty days or something like that would really cause any problems or constitute any danger.

What I would like to respectfully urge is that an order be entered to the effect if we have not started good faith recommencement of drilling within sixty days that after sixty days that it be ordered plugged forthwith.

Q (By Mr. Nutter) Mr. Kirk, were you involved with the ownership

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of the well when it was commenced under the name of W. C. Welch?

- The nature of my personal interest was a little Yes. different than it is now.
- Q So, you have had an interest in the well from the time it was first started?
- Yes, that is correct.
- As I review the scout report that we have had on the well I notice for a period of time from September 23 of 1968 until into November of 1968 the status on the well didn't change.

Then there was 70' drilled in November of '68, it set that way until August of 1969, according to this scout report, without any additional drilling being done, and then from August of '69 until the scout report dropped the well in November of '69, it gave the total depth as 1,100, with no further change in the status.

It appears it is taking an uncommonly long period of time in which to complete the well if there is this danger that Mr. Gressett has talked about.

Now, the rancher states he has got water wells in this area at 140 to 190' deep.

We know the deepest casing that is mudded in is 150', so therefore you have got that water that is 190' opening into the water well bore, if that is producing water.

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# EXPERT TESTIMONY, DALLY COPY, CONVENTION

That water may be lost forever if wewe all realize
water is an important commodity in New MexicoI don't know
if we would entertain a request to further delay the plug-
ging of the well or not.

Well, I can't respond very well because I don't really know about the technical part of that.

You mentioned that your geologist has said there was no problem.

Have they considered the depth of the water here that the rancher reports?

I feel certain they have. I have discussed this with Mr. Adkins a number of times. He was the driller. He is an experienced driller. He stated each time that the question has come up that there is no problem here. I don't know what its worth would be, but I am almost certain that he would testify that is his opinion, or give a letter to that effect.

How long, if the Commission gave you this reasonable period of time in which to start the well, how long would it take before the well was completed then?

Well, of course, we'd try to do it as quickly as we could, particularly in view of the problems.

The rig is there and it is ready to go, so I would say that it wouldn't take us very long to get started, and we would use our best efforts to get it diligently done.

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L	Q	Are	there	finances	available	at	the	present	time	to
1		COM	olete t	the well?						

- A Yes, sir, there is.
- 4 O (By Mr. Hatch) This would be drilled under a different name 5 and a different bond?
  - Yes, we would have to get a new bond and it would be a different driller.
  - Q (By Mr. Porter) In other words, Luttrell would be relieved of the responsibility under that kind of a setup?

MR. HATCH: If there is another operator and another bond assumed, the responsibility for the well would be his. That is why I was asking whether this drilling would be under Mr. Luttrell's name or a new bond and new operator, because certainly without hearing from Mr. Luttrell we would not permit other drilling under Mr. Luttrell's name or bond, because that could possibly release him of responsibility from his bond. If somebody else went in and started drilling.

THE WITNESS: I understand. I started to say this that I haven't talked to Mr. Luttrell for some time, but I feel very certain that he would be perfectly agreeable to letting it be done under his bond or he would be agreeable to having another 22 bond substituted, and I don't know what the ramifications might 23 be from that, but what I am getting at is I feel sure he would continue in any reasonable way.

MR. HATCH: We have had no cooperation from Mr.

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Luttrell in this matter.

He has not appeared here or anything, and so I would think the Commission might be reluctant to approve anything done under Mr. Luttrell's name without his appearing before the Commission.

MR. NUTTER: If we approved the operator under another bond the chances are if we made a call on them to plug the well they would say no. Mr. Luttrell's bond should prevail here, at least down to 1,140'.

That is how far the well was drilled under Mr. Luttrell's bond.

THE WITNESS: That isn't actually right. drilled under the bond of W. C. Welch, and then after drilling was terminated the Luttrell bond was substituted.

What we are saying, we would substitute another bond. think if the Commission would see its way clear to give us just a few days we would get the thing started and try to do a good job of it.

- Q (By Mr. Nutter) How long--I will ask you again--how long do you think it would take you to complete the well once you get started?
- Barring unforeseen circumstances, under normal drilling operations, I know very little about that, except that I would say probably thirty days.
- Q (By Mr. Nutter) We have had wells drilled deeper than this in less than thirty days.

SPECIALIZING IN: DEPOSITIONS, HEARINGS, STATEMENTS, EXPERT TESTIMONY, BAILY COPY, CONVENTIONS

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Yes, I am sure you have.

MR. PORTER: Is this being drilled with cable tools?

THE WITNESS: Yes.

MR. PORTER: Do you have a depth of 1,140 at the present time?

THE WITNESS: Approximately.

MR. PORTER: Your projected depth is 1,800?

THE WITNESS: Right.

MR. PORTER: One more question. Did your driller ever indicate to you whether or not they had encountered water in this well?

THE WITNESS: Yes, he talked about water, but I don't -- I am not very well versed on that sort of aspect, and I don't know whether it was sub-surface water or salt water, or what, really.

In our consideration to go ahead, it didn't seem to pose a problem anyway.

MR. PORTER: I see.

MR. NUTTER: Are there any further questions of Mr. Kirk?

He may be excused.

We will proceed with your other case now, Mr. Hatch.

Mr. Gressett, if you will return to the stand.

MR. NUTTER: George, do you have anything further?

MR. HATCH: Nothing further.

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MR. NUTTER: We will take the entire case under advisement, including both wells. We will notify you by mail as soon as we have reached a decision on it.

### DIRECT EXAMINATION (CONTINUED)

BY MR. HATCH

- Would you refer to your official records for the well in Chavez County and give the Examiner the history of the well as reflected in the record?
- The Luttrell Oil Company--concerns Well No. 1 located in Unit A, Section 5, Township 8 South, Range 24 East, and we have no official records, Commission Form C-101 Application for Permit to Drill, was approved on March the 19th, 1971, and attached thereto is Commission Form C-102, Well Location and Acreage Dedication Plat, and Form C-103, Sundry Notices and Reports, stating that the well was spudded on March 19, 1971; drilled to 100' in a 10 and 3/4" hole, set 8 and 5/8 ths inch; 28 pounds using casing at 100' set.

They drilled to a total depth of 450', and set 7" casing, and then they drilled on down to a total depth of 490.

They said they were temporarily abandoning, awaiting land owner's decision whether to convert to a water well of whether the operator plugged the well.

This report was received on June the 7th.

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Leon House did.

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However, I didn't approve it for some time, trying to find out a little information about the well.

On August 11 I approved it after determining that the land owner had no desire for this well, and I approved it with a stipulation it must be plugged and abandoned or converted to a water well immediately.

MR. PORTER: Did you talk to the land owner yourself? THE WITNESS: No, sir, I didn't.

MR. PORTER: Our Field Representative?

THE WITNESS: The Field Representative.

MR. PORTER: He contacted him and he did not express any desire for the well?

THE WITNESS: He said that he had no use for it at that location.

Q (By Mr. Hatch) You have testified previously that you have visited this well January the 7th.

Would you tell the Examiner what you observed on January the 7th?

Yes, sir. We went by this one on the 7th of January, and the 7" casing standing about three foot above the ground level, and an 8 and 5/8ths about two feet below ground level, and there is -- it is caved in around the top of the hole about four to six feet across and about four foot deep. This is in a country that is bad about caving.

NEW MEXICO 87103 209 : F:RS

1 0 observed there? 2 There is a very small pit. That is it. Α 3 Have you contacted anyone else concerning the presence of Q 4 water in that area? 5 Yes, sir, inasmuch as this well is located in the Roswell-A 6 Artesia Basin, I contacted Mr. Jim Wright, the State 7 Engineer's Office in Roswell, and got his recommendation 8 for plugging of a well in this area. 9 Did he tell you, did you learn anything from him as to the 10 location of water in this area? 11 Yes, sir, there are numerous irrigation wells in the 12 immediate vicinity of this well. 13 How deep is the water? 14 Well, it ranges down as deep as five or six hundred feet. Α 15 How shallow? Q 16 Probably fifty or sixty feet. Α 17 Fifty or sixty feet. Would this well encounter any oil or Ŏ 18 gas sands? 19 That would be real--they could have. I don't know that they 20 did. 21 What zones could it have encountered at this depth? 22 They could have gone through the -- they scheduled as a queen 23 test, and they could possibly have stopped the San Adres 24 in this area, 490. 25

Do you have anything further to testify as to what you

You cannot tell from any of the records that were submitted?

3	•		
s.	2	A	No, sir, there are no other oil wells drilled in the area.
; ;	3		We have very little information.
3	4	Ď	Is there any danger, if this well is left in its present
0	5		condition, that any crude oil, natural gas, or water will
; ; •	6		escape from the strata in which they are found into other
	7		strata?
	8	A	Yes.
•	9	Q	Would you explain to the Examiner what causes the danger?
	10	A	Well, this is in an area of shale of water and, artesian
	11		water, and they should be isolated in order to keep them
110MS	12	ties Ties	from migrating one to the other.
CONVEN	13	Ŏ	As the well is presently completed they are not isolated?
TESTIMONY, DAILY COPY, CONVENTIONS QUERQUE, NEW MEXICO 87103 EW MEXICO 87108	14	A	That is correct.
NY, DAIL UE, NE	15	Q	Is there any other danger to be encountered if the well is
TESTIMONY, D QUERQUE, EW MEXICO	16		left in its present condition?
EXPERT I • ALBU	17	A	Well, yes, right now with this hole around it, a farmer
Z43-6691 BUQUER	18		turning cattle in this area loose, one could fall in this
STA ONE ALL	19		hole around the well.
HEARINGS, 1092 • PHO DG. EAST	20	Q	Did you testify as to what area this well was in; is it in
OSITIONS, H	21		a field, a pasture?
G P. O.	22	A	It is on the edge of a cultivated field.
S/ECIALIZING IN. DEPOSITIONS, MEARINGS, 239 SIMMS BLDG. P.O. BOX 1092 • PHOF FIRST NATIONAL BANK BLDG. EAST	23	Q	In the edge of a cultivated field?
SPECIALIZIN 2:09 SIMMS FIRST NAT	24	<b>A</b>	Yes.
· 14 14	25	Q.	Do you have any opinion as to whether the well should be
	-		

### dearnley-meier reporting

CONVENTION SPECIALIZING IN, DEPOSITIONS, HEARINGS, STATEMENTS, EXPERT TESTIMONY, DAILY COPY, CONVENTIG 209 Simms bldg.+ P.O. Box 1092-Phone 243-6691-Albuquerque, new mexico U7103 First rational bank bldg. East-Albuquerque, new mexico 67108

plugged?

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Yes, sir, I feel that it should be plugged.

Do you have a plugging program to present to the Examiner?

Yes, sir, I would recommend that a thirty sack plug be Λ placed at a total depth, and 35 sack plug at 190!, and a 20 sack plug at the surface, and in the interval between plugs this filled with mud, and the 7" casing be pulled prior to setting those plugs.

Would you identify each of these by number and what they are, and Mr. Nutter, we will do the same thing as we did on the others.

I have some Xerox copies here from the well file, and we can actually put them in the case file then.

Yes, sir. Exhibit 1 is Form C-102, well location, and acreage dedication plat.

No. 2 is Form C-101, Application for Permit to Drill; No. 3 is the subsequent report of plugging and setting the casing; and No. 4 is my letter to Mr. Luttrell concerning that the well be plugged and abandoned, or we could call a hearing.

Those are xerox copies of the form that you have been testifying from?

Yes, sir.

What is Exhibit 5?

Exhibit 5 just shows the recommended plugging procedure.

### dearnley-meier reporting service,

CONVENTION

J	Ω	That	you	just	testified	to?
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Yes.

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MR. HATCH: I would like to introduce these five exhibits.

MR. NUTTER: OCC Exhibits 1 through 5 will be admitted in evidence.

MR. HATCH: That is all of the questions I have.

Q (By Mr. Nutter) Just to review the chronology here.

When Luttrell filed the 103 on August 11th, 1971, reporting having drilled the well and run certain casings and so forth, he stated the well was temporarily abandoned waiting on the land owner's decision whether to convert to a water well or if the operator plugs--abandoned--having not heard any further from either operator, anyone else, have you contacted the landowner?

Yes, sir.

The landowner says he does not want the well?

He doesn't want the well for a water well. He didn't want it.

Subsequent to that you did contact Luttrell and told them they should plug the well?

I contacted his agent. I have never talked to Mr. Luttrell. A

Did you notify his agent? Q

I notified his agent in Artesia, yes, sir. A

That is the one that filed these forms? Q

Yes, sir.

, HEARINGS, STATEMENTS, EXPERT TESTIMONY, DAILY COPY, CONVENTIONS NEW MEXICO 87103 87108 10

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is adjourned.

That is Mr. Muncie, the bookkeeper? Q A Right. You have had no response from them that indicated they were Q 3 going to plug the well; that is the reason we are here today? Right. 5 MR. NUTTER: Any further questions of Mr. Gressett? 6 THE WITNESS: I might say this: That 8 and 5/8ths, they may not can pull that since it is caved in around at the top, which I don't feel would make--The seven inch? No, the 7", they should be able to pull that, but the 8 and 5/8ths, I doubt if they can pull it. MR. PORTER: How much of the 7" did you say was in the hole? THE WITNESS: They reported 450'. MR. HATCH: No further questions. MR. NUTTER: Mr. Gressett may be excused. Do you have anything further, Mr. Hatch? MR. HATCH: No. MR. NUTTER: Does anyone have anything they wish to offer in Case No. 4637?

We will take the case under advisement, and the Hearing

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209 SIMMS BLDG. • P.O. BOX 1092 • FHONE 249-6651 • ALBUQUERQUE, NEW MEXICO 37103 First national bank bldg. East • Albuquerque, New Mexico 87108

STATE OF NEW MEXICO ) ) SS. COUNTY OF BERNALILLO)

I, RICHARD STURGES, a Certified Shorthand Reporter in and for the County of Bernalillo, State of New Mexico, do hereby certify that the foregoing and attached Transcript of Hearing before the New Mexico Oil Conservation Commission was reported by me; and that the same is a true and correct record of the said proceedings to the best of my knowledge, skill and ability.

I de hareby eartiff that the foresting in a constitute remed of the proceedings to the Openines bearing of Case to. 4637

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SPECIALIZING IN: DEPOSITIONS, HEARINGS, STATEMENTS, EXPERT TESTINONY, DAILY COPY, CONVENTIONS

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209 SIMMS BLDC. P.O. BOX 1092 PHONE 245-6691 • ALBUQUERQUE, NEW MEXICO 87103 First national bank bldg. East ealbuquerque, new mexico 87108

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		PAGE 30	
1	INDEX		
2	WITNESS	PAGE	
3	W. A. GRESSETT		
4	Direct Examination by Mr. natch	3 · · · · · · · · · · · · · · · · · · ·	
5	Cross-Examination by Mr. Nutter	12	
6	" " (Cont'd) by Mr. h	Nutter 22	
7	JAMES KIRK		
8	Cross-Examination by Mr. Hatch	15	•
9			
10			
11			
12			
13			-
- 14			
15			
16			
17			
18	EXHIBITS		
	APPLICANT'S	MARKED	ADMITTED
19	Exhibits 1 through 5	12	27
20			

### Memo

W.A.GRESSETT SUPER. & OIL & GAS INSP.

Jimmy D. Luthell Box 9008 Fort Worth Jepan 76107 Phone 1817 - 283.0454

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EXAMINER HEARING IN THE MATTER OF: Hearing called by the Oil Conservation Commission on its own motion to permit Luttrell Oil Company and all other interested persons to appear and show cause why the following-described wells in New Mexico should not be plugged and abandoned in accordance with a Commissionapproved plugging program: Luttrell Oil Company State Well No. 1 - Unit M, Section 28, Township 2 South, Range 26 East, De Baca County; Luttrell Oil Company Corn Well No. 1 - Unit A, Section 5, Township 8 South, Range 24 East, Chaves County. BEFORE: Elvis A. Utz, Examiner

Case No. 4637

TRANSCRIPT OF HEARING

BEFORE THE NEW MEXICO OIL CONSERVATION COMMISSION Santa Fe, New Mexico

December 15, 1971

1. ALBUQUERQUE, 209 SIMIAS BLDG. • P.O. BOX 1092 • PHONII 249-6691 FIRST NATIONAL BANK BLDG. EAST • ALBUQUER

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MR. UTZ: Case 4637.

MR. HATCH: Case 4637, in the matter of the hearing called by the Oil Conservation Commission on its own motion to permit Luttrell Oil Company and all other interested persons to appear and show cause why certain wells should not be plugged and abandoned with the Commission-approved plugging program, and the Commission has received a request from an interested person that the case be continued to January 19, 1972. I recommend that it do be continued to that date.

Case 4637 will be continued to January 19, MR. UTZ: 1972.

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SPECIALIZING IN: DEPOSITIONS, HEARINGS, STATEMENTS, EXPERT TESTIMONY, DALLY COPY, CONVENTION

STATE OF NEW MEXICO SS COUNTY OF BERNALILLO

I, RICHARD STURGES, Court Reporter in and for the County of Bernalillo, State of New Mexico, do hereby certify that the foregoing and attached Transcript of Hearing before the New Mexico Oil Conservation Commission was reported by me and that the same is a true and correct record of the said proceedings, to the best of my knowledge, skill, and ability.

I do harshy partify that the forms 2 againment out to broom of the present a

Merico 013 Conservation

## OIL CONSERVATION COMMISSION P. O. BOX 2088 SANTA FE, NEW MEXICO 87501

March 30, 1972

CERTIFIED - RETURN RECEIPT REQUESTED

The Travelers Indemnity Company c/o Mr. Robert E. Ferguson P. O. Box 350
Artesia, New Mexico

Re: Luttrell Oil Company Corn Well No. 1 - Unit A, Section 5, Township 8 South, Range 24 East, Chaves County, New Mexico, The Travelers Indemnity Company, \$10,000 Blanket Plugging Bond No. 1673364

Gentlemen:

After notice and hearing, Luttrell Oil Company was ordered, by Order No. R-4252, to recommence drilling or to plug the above-described well in accordance with a Commission approved program on or before March 31, 1972.

As Luttrell Oil Company has not complied with said order, the New Mexico Oil Conservation Commission hereby makes demand upon The Travelers Indemnity Company, as surety on the above-described plugging bond, to plug the subject well in accordance with a Commission approved program within a reasonable period of time.

Please notify the District Supervisor, District II, Oil Conservation Commission, Drawer DD, Artesia, New Mexico, of the date and time plugging operations are to commence so that he may witness same and furnish you an approved plugging program.

Very truly yours,

A. L. PORTER, Jr. Secretary-Director

ALP/GMH/dr Enclosure (Copy of Order No. R-4252)

CC: Luttrell Oil Company
P. O. Box 196
Artesia, New Mexico 88210
The Travelers Indemnity Company
One Tower Square
Hartford, Connecticut 06115

Mr. Bill Gressett
Oil Conservation Commission
Drawer DD
Artesia, New Mexico 88210



#### **OIL CONSERVATION COMMISSION**

STATE OF NEW MEXICO P. O. DRAWER DD - ARTESIA 88210

March 23, 1972

GOVERNOR BRUCE KING CHAIRMAN

LAND COMMISSIONER
ALEX J. ARMIJO
MEMBER

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

Mr. George M. Hatch Oil Conservation Commission P. O. Box 2088 Santa Fe, New Mexico

> Re: Case #4637 Order R-4252 Luttrell Oil Company, Corn #1-A, 5-8S-24E, Chaves County, New Mexico

Dear Mr. Hatch:

To date this office has not been contacted concerning plugging the subject well.

On March 21, 1972, Mr. Lelan Mermis of this office went to the location and found that nothing has been done to the well since our visit prior to the hearing.

Very truly yours,

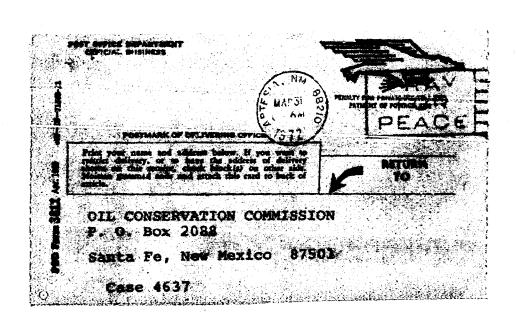
OIL CONSERVATION COMMISSION

W. A. Gressett

Supervisor, District II

W.a. Gressets

WAG: jw



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### 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 LUTTRELL OIL COMPANY AND ALL OTHER INTERESTED PERSONS TO APPEAR AND SHOW CAUSE WHY THE FOLLOWING-DESCRIBED WELLS IN NEW MEXICO SHOULD NOT BE PLUGGED AND ABANDONED IN ACCORDANCE WITH A COMMISSION-APPROVED PLUGGING PROGRAM.

CASE NO. 4637 Order No. R-4252

#### ORDER OF THE COMMISSION

#### BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on January 19, 1972, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 8th day of February, 1972, the Commission, a quorum being present, having considered the testimony, the record, and the recommendations of the Examiner, 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 Luttrell Oil Company is the owner and operator of the following wells:

Luttrell Oil Company State Well No. 1 - Unit M, Section 28, Township 2 South, Range 26 East, De Baca County;

Luttrell Oil Company Corn Well No. 1 - Unit A, Section 5, Township 8 South, Range 24 East, Chaves County.

(3) That drilling activities have been suspended far in excess of 60 days on each of the subject wells.

-2-CASE NO. 4637 Order No. R-4252

- (4) That each of the above-described wells has been abandoned.
- (5) That there is a danger, as to each of the subject wells, that oil, gas, or water will escape from the separate strata originally containing them into other strata if the subject wells are left in their present condition.
- (6) That there is a danger, as to each of the subject wells and locations, that injury will occur to neighboring leases or properties, that pollution of fresh water supplies will occur, or that the safety of humans and animals will be endangered if the subject wells are left in their present condition.
- (7) That in order to prevent crude petroleum oil, natural gas, or water from escaping from strata in which they are found into other strata; to prevent injury to neighboring leases or properties; to prevent pollution of fresh water supplies; to protect the safety of humans and animals; and to otherwise prevent waste and protect correlative rights each of the above-described wells should be plugged and abandoned or drilling should be recommenced on or before March 1, 1972, in accordance with a program approved by the Artesia office of the New Mexico Oil Conservation Commission.
- (8) That in order to prevent crude petroleum oil, natural gas, or water from escaping from strata in which they are found into other strata; to prevent injury to neighboring leases or properties; to prevent pollution of fresh water supplies; to protect the safety of humans and animals; and to otherwise prevent waste and protect correlative rights each of the above-described wells should be plugged and abandoned on or before March 31, 1972, in accordance with a program approved by the Artesia office of the New Mexico Oil Conservation Commission, if said wells are not on active production at said time.

#### IT IS THEREFORE ORDERED:

(1) That Luttrell Oil Company is hereby ordered to plug and abandon or to recommence drilling the Luttrell Oil Company State Well No. 1, located in Unit M, Section 28, Township 2 South, Range 26 East, NMPM, De Baca County, New Mexico, on or before March 1, 1972, in accordance with a Commission-approved program.

-3-CASE NO. 4637 Order No. R-4252

- (2) That Luttrell Oil Company is hereby ordered to plug and abandon the Luttrell Oil Company State Well No. 1, located in Unit M, Section 28, Township 2 South, Range 26 East, NMPM, De Baca County, New Mexico, on or before March 31, 1972, in accordance with a Commission-approved plugging program, if said well is not on active production at said time.
- (3) That Luttrell Oil Company is hereby ordered to plug and abandon or to recommence drilling the Luttrell Oil Company Corn Well No. 1, located in Unit A, Section 5, Township 8 South, Range 24 East, NMPM, Chaves County, New Mexico, on or before March 1, 1972, in accordance with a Commission-approved program.
- (4) That Luttrell Oil Company is hereby ordered to plug and abandon the Luttrell Oil Company Corn Well No. 1, located in Unit A, Section 5, Township 8 South, Range 24 East, NMPM, Chaves County, New Mexico, on or before March 31, 1972, in accordance with a Commission-approved plugging program, if said well is not on active production at said time.
- (5) That prior to commencing plugging operations on any well, Luttrell Oil Company shows obtain a Commission-approved plugging program for such well from the District Supervisor, Oil Conservation Commission, Drawer DD, Artesia, New Mexico, and shall notify said Supervisor of the exact date and time plugging operations are to commence.
- (6) That any deviation from the above-plugging program shall be permitted only upon a showing of good cause therefor and with the written consent of the Secretary-Director of the Commission.
- (7) 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

BRUCE KING, Chairman

SEAL dr/ ALEX J. ARMIJO, Member

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



#### **OIL CONSERVATION COMMISSION**

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

February 9, 1972

GOVERNOR BRUCE KING CHAIRMAN

LAND COMMISSIONER ALEX J. ARMIJO MEMBER

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

CERTIFIED - RETURN RECEIPT REQUESTED

Luttrell Oil Company
P. O. Box 196
Artesia, New Mexico 88210

Mr. Robert E. Ferguson The Travelers Indemnity Co. P. O. Box 350 Artesia, New Mexico

> Re: Case No. 4637 Order No. R-4252

#### Gentlemen:

I am enclosing herewith a certified copy of the above order which requires you to plug your Luttrell Oil Company State Well No. 1, located in Unit M, Section 28, Township 2 South, Range 26 East, De Baca County and your Luttrell Oil Company Corn Well No. 1, located in Unit A, Section 5, Township 8 South, Range 24 East, Chaves County, New Mexico.

Please note that each of the wells must be plugged on or before March 1, 1972, or drilling of each well must be recommenced by that date. Note further, that in the event drilling operations are recommenced, the wells must be on active production by March 31, 1972, or the wells plugged by that date.

Prior to commencing plugging operations on any well, a Commission-approved plugging program for such well must be obtained from the District Supervisor, Oil Conservation Commission, Drawer DD, Artesia, New Mexico, and said supervisor

February 9, 1972

Case No. 4637 Page 2

shall be notified of the exact date and time plugging operations are to commence.

Yours very truly,

GEORGE M. HATCH Attorney

GMH/dr
enclosure
cc: Mr. James E. Kirk - Albuquerque

## OIL CONSERVATION COMMISSION P. O. BOX 2088 SANTA FE, NEW MEXICO 87501

Pebruary 9, 1972

CERTIFIED - RETURN RECEIPT REQUESTED

Luttrell Oil Company P. O. Box 196 Artesia, New Mexico 88210

Mr. Robert B. Ferguson The Travelers Indemnity Co. P. O. Box 350 Artesia, New Mexico

> Re: Case No. 4637 Order No. R-4252

#### Gentlemen:

I am enclosing herewith a certified copy of the above order which requires you to plug your Luttrell Oil Company State Well Wo. 1, located in Unit M, Section 28, Township 2 South, Range 26 East, De Baca County and your Luttrell Oil Company Corn Well No. 1, located in Unit A, Section 5, Township 8 South, Range 24 East, Chaves County, New Mexico.

Please note that each of the wells must be plugged on or before March 1, 1972, or drilling of each well must be recommenced by that date. Note further, that in the event drilling operations are recommenced, the wells must be on active production by March 31, 1972, or the wells plugged by that date.

Prior to commencing plugging operations on any well, a Commission-approved plugging program for such well must be obtained from the District Supervisor, Oil Conservation Commission, Drawer DD, Artesia, New Mexico, and said supervisor

# OIL CONSERVATION COMMISSION P. O. BOX 2088 SANTA FE, NEW MEXICO 87501

Case No. 4637 Page 2 February 9, 1972

shall be notified of the exact date and time plugging operations are to commence.

Yours very truly,

GEORGE M. HATCH Attorney

GMH/dr enclosure cc: Mr. James E. Kirk - Albuquerque

## 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 LUTTRELL OIL COMPANY AND ALL OTHER INTERESTED PERSONS TO APPEAR AND SHOW CAUSE WHY THE FOLLOWING-DESCRIBED WELLS IN NEW MEXICO SHOULD NOT BE PLUGGED AND ARANDONED IN ACCORDANCE WITH A COMMISSION-APPROVED PLUGGING PROGRAM.

CASE NO. 4637 Order No. R-4252

#### ORDER OF THE COMMISSION

#### BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on January 19, 1972, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 8th day of February, 1972, the Commission, a quorum being present, having considered the testimony, the record, and the recommendations of the Examiner, 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 Luttrell Oil Company is the owner and operator of the following wells:

Luttrell Oil Company State Well No. 1 - Unit M, Section 28, Township 2 South, Range 26 East, De Baca County;

Luttrell Oil Company Corn Well No. 1 - Unit A, Section 5, Township 8 South, Range 24 East, Chaves County.

(3) That drilling activities have been suspended far in excess of 60 days on each of the subject wells.

-2-CASE NO. 4637 Order No. R-4252

- (4) That each of the above-described wells has been abandoned.
- (5) That there is a danger, as to each of the subject wells, that oil, gas, or water will escape from the separate strata originally containing them into other strata if the subject wells are left in their present condition.
- (6) That there is a danger, as to each of the subject wells and locations, that injury will occur to neighboring leases or properties, that pollution of fresh water supplies will occur, or that the safety of humans and animals will be endangered if the subject wells are left in their present condition.
- (7) That in order to prevent crude petroleum oil, natural gas, or water from escaping from strata in which they are found into other strata; to prevent injury to neighboring leases or properties; to prevent pollution of fresh water supplies; to pretect the safety of humans and animals; and to otherwise prevent waste and protect correlative rights each of the above-described wells should be plugged and abandoned or drilling should be recommenced on or before March 1, 1972, in accordance with a program approved by the Artesia office of the New Mexico Oil Conservation Commission.
- (8) That in order to prevent crude petroleum oil, natural gas, or water from escaping from strata in which they are found into other strata; to prevent injury to neighboring leases or properties; to prevent pollution of fresh water supplies; to protect the safety of humans and animals; and to otherwise prevent waste and protect correlative rights each of the above-described wells should be plugged and abandoned on or before March 31, 1972, in accordance with a program approved by the Artesia office of the New Mexico Oil Conservation Commission, if said wells are not on active production at said time

#### IT IS THEREFORE ORDERED:

(1) That Luttrell Oil Company is hereby ordered to plug and abandon or to recommence drilling the Luttrell Oil Company State Well No. 1, located in Unit M, Section 28, Township 2 South, Range 26 East, NMPM, De Baca County, New Mexico, on or before March 1, 1972, in accordance with a Commission-approved program.

-3-CASE NO. 4637 Order No. R-4252

- That Luttrell Oil Company is hereby ordered to plug and abandon the Luttrell Oil Company State Well No. 1, located in Unit M, Section 28, Township 2 South, Range 26 Bast, NMPM, De Baca County, New Mexico, on or before March 31, 1972, in accordance with a Commission-approved plugging program, if said well is not on active production at said time.
- (3) That Luttrell Oil Company is hereby ordered to plug and abandon or to recommence drilling the Luttrell Oil Company Corn Well No. 1, located in Unit A, Section 5, Township 8 South, Range 24 East, NMPM, Chaves County, New Mexico, on or before March 1, 1972, in accordance with a Commission-approved program.
- (4) That Luttrell Oil Company is hereby ordered to plug and abandon the Luttrell Oil Company Corn Well No. 1, located in Unit A, Section 5, Township 8 South, Range 24 East, MMPM, Chaves County, New Mexico, on or before March 31, 1972, in accordance with a Commission-approved plugging program, if said well is not on active production at said time.
- (5) That prior to commencing plugging operations on any well, Luttrell Oil Company shall obtain a Commission-approved plugging program for such well from the District Supervisor, Oil Conservation Commission, Drawer DD, Artesia, New Mexico, and shall notify said Supervisor of the exact date and time plugging operations are to commence.
- (6) That any deviation from the above-plugging program shall be permitted only upon a showing of good cause therefor and with the written consent of the Secretary-Director of the Commission.
- (7) 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 herein-

STATE OF NEW MEXICO

PORTER, Jr., Member & Secretary

# OIL CONSERVATION COMMISSION P. O. BOX 2088 SANTA FE. NEW MEXICO 87501

Pebruary 8, 1971

Mr. W. C. Welch 302 West Grand Artesia, New Mexico

American Employers' Insurance Company Surety Claim Department c/o Edwin H. Ward, Resident Agent Artesia, New Mexico

No: Case No. 4491
W. C. Welch State Well No. 1, located 660 feet from the South and West lines of Section 28, Township 2 South, Range 26 East, HMPM, De Baca County, New Mexico — Numerican Employers' Insurance Company \$10,000 Blanket Plugging Bond

#### Gentlemen:

Enclosed is a copy of Order No. R-4096 entered by the Commission in the subject case.

Very truly yours,

GEORGE M. MATCH Special Assistant Attorney General

GME/enr Enclosure

cc: Mr. James E. Kirk
Attorney at Law
401 San Pedro Drive, M.E.
Albuquerque, Mew Nexico

Mr. Bill Gressett Supervisor, District 2 Oil Conservation Commission Drawer DD Artesia, New Mexico



#### **OIL CONSERVATION COMMISSION**

GOVERNOR BRUCE KING CHAIRMAN

STATE OF NEW MEXICO P. O. DRAWER DD - ARTESIA 88210 LAND COMMISSIONER ALEX J. ARMIJO MEMBER

September 15, 1971

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

Case 4637

Luttrell Oil Company
P. O. Box 196
Artesia, New Mexico 88210

Re: Corn No.1-A, 5-8S-24E, Chaves County, New Mexico

#### Gentlemen:

According to our records drilling operations have been suspended on the subject well for several months. Therefore we are requesting that the well be plugged and abandoned immediately. This office must be contacted prior to commencing plugging operations. Failure to comply within twenty (20) days, will result in my requesting that the Commission docket a hearing to allow all interested parties to appear and show cause why the well should not be properly plugged and abandoned.

Very truly yours,

OIL CONSERVATION COMMISSION

W. A. Gressett Supervisor, District II

WAG:jw
cc: Mr. George Hatch
P. O. Box 2088
Santa Fe, New Mexico

Docket No. 2-72

#### DOCKET; EXAMINER HEARING - WEDNESDAY - JANUARY 19, 1972

9 A.M. - OIL CONSERVATION COMMISSION CONFERENCE ROOM, STATE LAND OFFICE BUILDING - SANTA FE, NEW MEXICO

The following cases will be heard before Elvis A. Utz, Examiner, or Daniel S. Nutter, Alternate Examiner:

- ALLOWABLE: (1) Consideration of the allowable production of gas for February, 1972, from fifteen prorated pools in Lea, Eddy, Roosevelt and Chaves Counties, New Mexico;
  - (2) Consideration of the allowable production of gas from nine prorated pools in San Juan, Rio Arriba and Sandoval Counties, New Mexico, for February, 1972.
- CASE 4645: Application of Acoma Oil Corporation for down-hole commingling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to commingle production from the Drinkard Pool and Wantz-Abo Pool in the well-bore of its S. J. Sarkeys A Well No. 1, a triple completion, located in Unit A of Section 26, Township 21 South, Range 37 East, Lea County, New Mexico.
- CASE 4648: Application of Aztec Oil & Gas Company for an unorthodox well location, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval for the off-pattern unorthodox location for its Vasaly Federal Well No. 1-Y to be located 790 feet from the North line and 1795 feet from the West line of Section 31, Township 32 North, Range ll West, Blanco-Mesaverde Pool, San Juan County, New Mexico.
- CASE 4625: (Continued from the December 15, 1971, Examiner Hearing)
  Application of Texaco Inc. for downhole commingling,
  Eddy County, New Mexico. Applicant, in the above-styled
  cause, seeks authority to commingle production from the
  Paduca-Morrow and Paduca-Wolfcamp Gas Pools in the wellbore of its Cotton Draw Unit Well No. 65 located in Unit
  G of Section 2, Township 25 South, Range 31 East, Eddy
  County, New Mexico.
- CASE 4642: (Continued from the January 5, 1972, Examiner Hearing)
  Application of Fluid Power Pump Company for special pool rules and a pressure maintenance project, Sandoval County, New Mexico. Applicant, in the above-styled cause, seeks the promulgation of special rules for the Media-Entrada Pool, including a provision for 160-acre spacing and proration units. Applicant further seeks authority to

Docket No. 2-72

Examiner Hearing - January 19, 1972

(Case 4642 continued)

institute a pressure maintenance project in said pool by the injection of water into the Entrad formation through various wells located in Sections 10, 11, 22, and 23 of Township 19 North, Range 3, West, Sandoval County, New Mexico, and the promulgation of rules for said project including a procedure whereby additional injection or production wells at orthodox or unorthodox locations may be approved administratively.

- CASE 4646: Application of Manning Gas and Oil Company for down-hole commingling and a non-standard proration unit, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks authority to commingle production from undesignated Gallup and Dakota oil pools in the well-bore of its Apache Well No. 100 to be drilled 435 feet from the North line and 475 feet from the East line of Section 3, Township 24 North, Range 4 West, Rio Arriba County, New Mexico. Applicant further seeks a procedure whereby similar approval may be granted administratively for other wells to be drilled in the area of the above-described well. Applicant further seeks approval for a non-standard 32-acre proration unit comprising all of Lot 1 to be dedicated to the above-described Well No. 100.
- CASE 4647: Application of Apache Corporation for the creation of a new pool and special pool rules, Sandoval County, New Mexico. Applicant, in the above-styled cause, seeks the creation of a new pool for the production of oil from the Mesaverde formation for its Jicarilla Apache Well No. 1-7 located in the SE/4 NE/4 of Section 7, Township 22 North, Range 5 West, Sandoval County, New Mexico. Applicant further seeks the promulgation of special rules for said pool including provisions for 80-acre spacing units with wells to be drilled in the north-west or southeast quarter-quarter sections.
- CASE 4650: Application of Walter W. Krug dba Wallen Production Company for an exception to Order No. R-111-A and for special pool rules, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an exception to the potash-oil area casing and cementing rules as set forth in Commission Order No. R-111-A for his Wallen Federal Well No. 2 located 990 feet from the North line and 1650 feet from the West line of Section 20, Township 20 South, Range 34 East, North Lynch Yates-Seven Rivers Pool, Lea County, New Mexico. Applicant proposes to drill and complete said well in such a manner that upon completion, the well would be equipped with a 7-inch production casing to the top of the pay and a 4 1/2-inch liner through the pay, with cement to the surface. Applicant further seeks the promulgation of special pool rules for similar casing and cementing, of all wells drilled in the above-described pool.

CASE 4649:

Application of the Oil Conservation Commission on its own motion for the amendment of the gas well testing procedures promulgated by Order No. R-333-F for Northwest New Mexico. The Commission proposes to amend Chapter I of said Order No. R-333-F in such a manner as to provide that most annual deliverability and shut-in pressure tests required by said order be filed within 60 days following the completion of the test and to provide for notice to the Commission of any rescheduling of shut-in pressure tests. The Commission further proposes to amend the ninth paragraph of Chapter II, Section 2 of said order to permit shutting in gas wells for the required shut-in test other than immediately following the 7-day deliverability flow test and to permit measuring the shut-in test pressure during the 8th to 15th day of shut-in of of the well rather than on the 8th day as presently required.

CASE 4637:

(Continued from the December 15, 1971, Examiner Hearing)
In the matter of the hearing called by the Oil Conservation
Commission on its own motion to permit Luttrell Oil Company
and all other interested persons to appear and show cause
why the following-described wells in New Mexico should not
be plugged and abandoned in accordance with a Commissionapproved plugging program:

Luttrell Oil Company State Well No. 1 - Unit M, Section 28, Township 2 South, Range 26 East, De Baca County;

Luttrell Oil Company Corn Well No. 1 - Unit A, Section 5, Township 8 South, Range 24 East, Chaves County.

CASE 4651: Southeastern New Mexico nomenclature case calling for an order for the creation and extension of certain pools in Lea and Roosevelt Counties, New Mexico.

(a) Create a new pool in Roosevelt County, New Mexico, classified as a gas pool for San Andres production and designated as the Baker-San Andres Gas Pool. The discovery well is the Cactus Drilling Corporation of Texas Kewanee State No. 2 located in Unit G of Section 9, Township 7 South, Range 35 East, NMPM. Said pool would comprise:

TOWNSHIP 7 SOUTH, RANGE 35 EAST, NMPM SECTION 9: NE/4

Examiner Hearing - January 19, 1972

(Case 4651 continued)

(b) Extend the Bluitt-San Andres Associated Pool in Roosevelt County, New Mexico, to include therein:

TOWNSHIP 8 SOUTH, RANGE 37 EAST, NMPM SECTION 15: All

(c) Extend the Littman-San Andres Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 21 SOUTH, RANGE 38 EAST, NMPM SECTION 20: SE/4

(d) Extend the West Sawyer-San Andres Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 9 SOUTH, RANGE 37 EAST, NMPM SECTION 27: SW/4

(e) Extend the North Vacuum-Abo Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 17 SOUTH, RANGE 35 EAST, NMPM SECTION 18: W/2

(f) Extend the Vada-Pennsylvanian Pool in Lea and Roosevelt Counties, New Mexico, to include therein:

TOWNSHIP 8 SOUTH, RANGE 34 EAST, NMPM SECTION 36: NW/4

TOWNSHIP 9 SOUTH, RANGE 34 EAST, NMPM SECTION 17: NW/4 SECTION 18: N/2

### NEW MEXICO OIL CONSERVATION COMMISSION WELL LOCATION AND ACREAGE DEDICATION PLAT

Form C-102 Supersedes C-128 Effective 1-1-65

All distances must be from the outer boundaries of the Section CHAVES feet from the Dedicated Acreages 40 1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below. 2. If more than one lease is dedicated to the well, outline each and identify the owners to be the set o working interest and royalty). 3. If more than one lease of different ownership is dedicated to the well, have the interests MAR dwgersheen consolidated by communitization, unitization, force-pooling. etc? O. C. C. If answer is "yes," type of consolidation. If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.). No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commis-CERTIFICATION 22 4E I hereby certify that the information contained herein is true and complete to the 1/av. 36240 I hemby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or is true and correct to the best of my knowledge and belief. 3954 Certificate No. 1820-1680 1980. 2810 1800 1000

BEFORE EXAMINER NITTER

CIL CONSERVATION

OCC EXHIBIT NO. /

CASE NO. 463 7

BEFORE EXAMINER NUTTER
OIL CONSERVATION NO. 2

CASE NO. 46 37

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BEFORE EXAMINER NUTTER

CIL CONTENT ION COMMISSI III

CASE NO. 4637



#### **OIL CONSERVATION COMMISSION**

STATE OF NEW MEXICO P. O. DRAWER DD - ARTESIA

September 15, 1971

GOVERNOR BRUCE KING CHAIRMAN

LAND COMMISSIONER ALEX J. ARMIJO MEMBER

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

Case 4637

Luttrell Oil Company
P. O. Box 196
Artesia, New Mexico 88210

Re: Corn No.1-A, 5-8S-24E, Chaves County, New Mexico

#### Gentlemen:

According to our records drilling operations have been suspended on the subject well for several months. Therefore we are requesting that the well be plugged and abandoned immediately. This office must be contacted prior to commencing plugging operations. Failure to comply within twenty (20) days, will result in my requesting that the Commission docket a hearing to allow all interested parties to appear and show cause why the well should not be properly plugged and abandoned.

Very truly yours,

OIL CONSERVATION COMMISSION

W. A. Gressett Supervisor, District II

WAG:jw
cc: Mr. George Hatch
P. O. Box 2088
Santa Fe, New Mexico

BEFORE EXAMINER NUTTER
OIL CONSERVA TORRIGHMANDSION
OCC EXHIBIT NO. 4
CASE NO. 4637

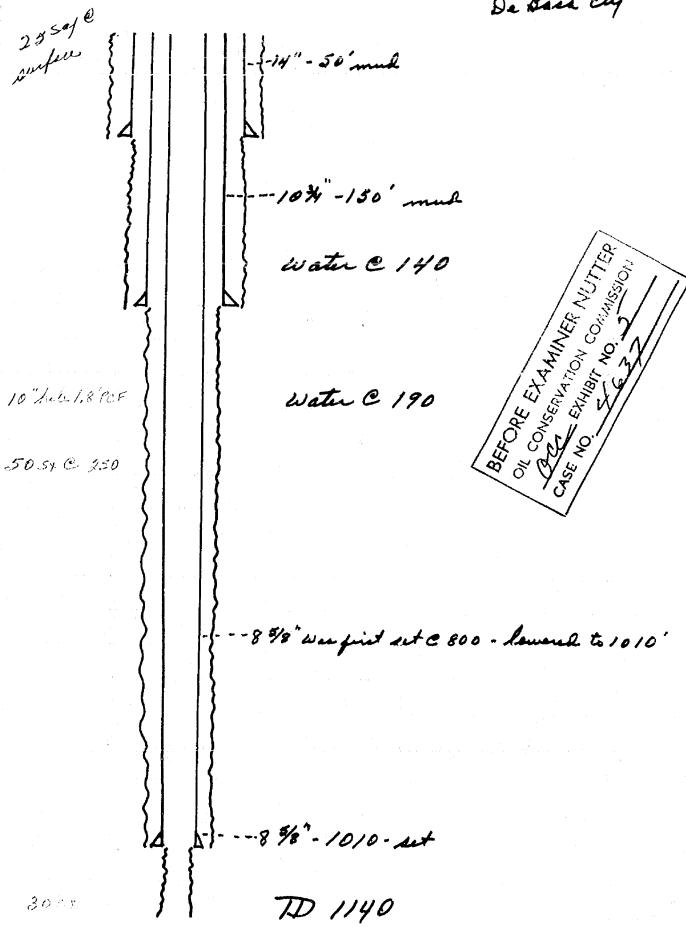
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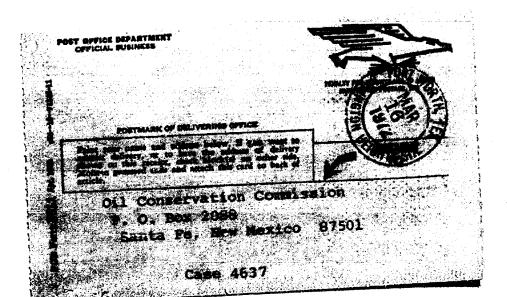
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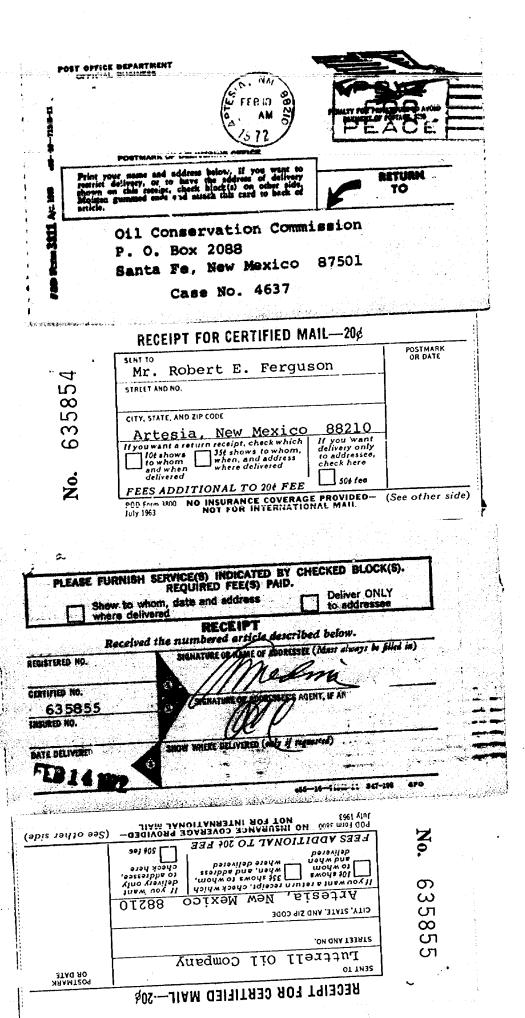
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### O.L CONSERVATION COMMISSION P. O. BOX 2088 SANTA FE, NEW MEXICO 87501

December 3, 1971

CERTIFIED - METURN ARCRIFT ENQUESTED

Luttrell Oil Company P. O. Box 196 Artesia, New Mexico 88210

Mr. Robert B. Forguson The Travelers Indemnity Co. P. O. Box 350 Artesia, New Mexico

Re: Luttrell Oil Company State Well No. 1 - Unit M, Section 28, Turnship 2 South, Range 26 East, De Baca County; Luttrell Oil Company Corn Well No. 1 - Unit A, Section 5, Township 8 South, Range 24 East, Chaves County
The Travelers Indemnity Co. - \$10,000 Blanket Plugging Bond No. 1673364

#### Gentlemen:

Anclosed is a copy of the docket of the Examiner Mearing to be held on Wednesday, December 15, 1971, at 10:00 A.M. in the Oil Conservation Commission Conference Room, State Land Office Building, Santa Fe, New Mexico. Case No. 4637 concerns the subject matter.

Very truly yours,

GBORGE M. MATCH Agency Assistant Attorney General

### qual/ar

CC: Mr. James E. Kirk - Albuquerque Mr. W. C. Welch - Artesia Mr. Bill Gressett, Oil Conservation Commission - Artesia State Land Office - Santa Pe

### OIL CONSERVATION COMMISSION P. O. BOX 2088 SANTA FE, NEW MEXICO 87501

December 9, 1971

Luttrell Oil Company P. O. Box 196 Artesia, New Mexico 88210

Mr. Robert E. Ferguson The Travelers Indomnity Co. P. O. Box 350 Artesia, New Mexico

> Re: Luttrell Cil Company State Well No. 1-Unit M, Section 28, Township 2 South, Rango 26 Rast, De Baca County; Luttrell Cil Company Corn Well No. 1 -Unit A, Section 5, Township 8 South, Range 24 Bast, Chaves County The Travelers Indemnity Co. - \$10,000 Blanket Plugging Bond No. 1673364

### Gentlemen:

Please be advised that Case No. 4637, concerning the subject matter, will be continued to the January 19, 1972, Examiner Mearing. A docket will be mailed to you at a later date.

Very truly yours,

GEORGE M. HATCH Attorney

#### com/dr

cc: Mr. James E. Kirk - Albuquerque
Mr. W. C. Welch - Artesia
Mr. Bill Gressett, Oil Conservation Commission - Artesia
State Land Office - Santa Fe

### JAMES E. KIRK ATTORNEY AT LAW 6051/4 SAN MATEO BOULEVARD, N.E. / SUITE 250 ALBUQUERQUE, NEW MEXICO 87108

December 6, 1971

RECEIVED

DEC - 7 1971

Gra

Oil Conservation Commission P. O. Box 2088 Santa Fe, New Mexico 87501

Attention: Mr. George M. Hatch,

Agency Assistant Attorney General

Re: Luttrell Oil Company State Well No. 1 Unit M, Section 28, Township 2 South,

Range 26 East, De Baca County

Dear Mr. Hatch:

Your letter of December 3, 1971 was received in my office Saturday, December 4, 1971, but I personally did not receive same until today, December 6, 1971.

In relation to the hearing which is scheduled to be heard on December 15, 1971, I respectfully request that this hearing be postponed for at least thirty days. The reason for my request is that I am leaving for Djakarta, Indonesia on December 8, 1971, and will not be returning to the United States until about December 22, 1971. My being in Indonesia involves extremely substantial business with the Indonesian Government and, therefore, there is no way that I could reschedule my trip to Indonesia. At the same time, I am the principle person involved in the hearing and I believe that it is very important that I am present.

Thanking you for your kind consideration in this matter, I am

Very truly yours,

James E. Kirk

JEK/brf

cc: Luttrell Oil Co.

### DOCKET: REGULAR HEARING - WEDNESDAY - DECEMBER 15. 1971

OIL CONSERVATION COMMISSION - 9 A.M. - MORGAN HALL, STATE LAND OFFICE BUILDING, SANTA FE, NEW MEXICO

- ALLOWABLE: (1) Consideration of the oil allowable for January and February, 1972;
  - (2) Consideration of the allowable production of gas for January, 1972, from fifteen prorated pools in Lea, Eddy, Roosevelt and Chaves Counties, New Mexico. Consideration of the allowable production of gas from nine prorated pools in San Juan, Rio Arriba and Sandoval Counties, New Mexico for January, 1972; consideration of purchaser's nominations for the six-month period beginning February 1, 1972 for that area.
- CASE 4575: (De Novo) (This case, previously continued from its October 13, 1971, hearing, will be continued to the February 16, 1972, regular hearing)

Application of Anadarko Production Company for the amendment of the special pool rules for an existing pool, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the amendment of the special rules and regulations governing the South Eunice-San Andres Pool to provide for the classification of oil and gas wells, spacing and well location requirements, and an allocation formula for withdrawals by oil and gas wells.

Upon application of Anadarko Production Company, this case will be heard De Novo under the provisions of Rule 1220.

CASE 4557: (De Novo) (This case, previously continued from its October 13, 1971, hearing, will be continued to the February 16, 1972, regular hearing)

Application of Continental Oil Company for transfer of allowable, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to transfer allowable across boundaries of the participating area and the leases outside said area, but within the Maljamar Co-operative Area, MCA Unit Area, Maljamar Grayburg-San Andres Pool, Lea County, New Mexico.

Upon application of Continental Oil Company, this case will be heard <u>De Novo</u> under the provisions of Rule 1220.

Docket No. 28-71

Regular Hearing - December 15, 1971 -2-

\* \* \* \* \* \* \* \* \* \* \* \* \* \*

THE FOLLOWING CASES WILL BE HEARD BEFORE ELVIS A. UTZ, EXAMINER, OR DANIEL S. NUTTER, ALTERNATE EXAMINER, IN THE OIL CONSERVATION COMMISSION CONFERENCE ROOM ON THE SECOND FLOOR OF THE LAND OFFICE BUILDING AT 10 O'CLOCK A.M.

\* \* \* \* \* \* \* \* \* \* \* \* \* \*

- CASE 4625: (Continued from the November 17, 1971, Examiner Hearing)
  Application of Texaco Inc. for downhole commingling,
  Eddy County, New Mexico. Applicant, in the above-styled
  cause, seeks authority to commingle production from the
  Paduca-Morrow and Paduca-Wolfcamp Gas Pools in the wellbore of its Cotton Draw Unit Well No. 65 located in Unit
  G of Section 2, Township 25 South, Range 31 East, Eddy
  County, New Mexico.
- CASE 4633: Application of El Paso Natural Gas Company for the suspension of certain provisions of Rules 14 (A) and 15 (A) of the General Rules and Regulations for the prorated gas pools of Southeastern New Mexico, promulgated by Order No. R-1670, as amended. Applicant, in the above-styled cause, seeks suspension for a period of one year from January 1, 1972, of those provisions of Rules 14 (A) and 15 (A) of the General Rules and Regulations for the prorated gas pools of Southeastern New Mexico that provide, respectively, for the cancellation of unproduced allowable and the shutting-in of overproduced wells. Applicant seeks said suspension for the Blinebry, Crosby (Devonian), Eumont, Jalmat, Justis, Monument (McKee), and Tubb Gas Pools, all in Lea County,
- CASE 4634: Application of Texaco Inc. for a waterflood expansion,
  Lea County, New Mexico. Applicant, in the above-styled
  cause, seeks authority to expand its West Vacuum Unit Waterflood Project, Vacuum Pool, by the conversion to water
  injection of eleven wells located in Sections 28, 33, and
  34 of Township 17 South, Range 34 East, and Sections 3 and
  4 of Township 18 South, Range 34 East, Lea County, New
  Mexico.
- CASE 4635: Application of Continental Oil Company for multiple completion and down-hole commingling, Lea County, New Mexico.

  Applicant, in the above-styled cause, seeks authority to complete its Lockhart A-17 Well No. 4, located in the NE/4 NE/4 of Section 17, Township 21 South, Range 37 East, Lea County, New Mexico, in such a manner as to produce oil from the Tubb and Drinkard Pools through a single string of tubing and oil from the Penrose Skelly (Grayburg) Pool through a parallel string of tubing.

CASE 4637: In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit Luttrell Oil Company and all other interested persons to appear and show cause why the following-described wells in New Mexico should not be plugged and abandoned in accordance with a Commission-approved plugging program:

Luttrell Oil Company State Well No. 1 - Unit M, Section 28, Township 2 South, Range 26 East, De Baca County;

Luttrell Oil Company Corn Well No. 1 - Unit A, Section 5, Township 8 South, Range 24 East, Chaves County.

- CASE 4636: Southeastern nomenclature case calling for an order for the creation and extension of certain pools in Lea, Eddy and Roosevelt Counties, New Mexico.
  - (a) Create a new pool in Eddy County, New Mexico, classified as a gas pool for Atoka production and designated as the West Sand Dunes-Atoka Gas Pool. The discovery well is the El Paso Natural Gas Company Arco State No. 1 located in Unit K of Section 16, Township 23 South, Range 31 East, NMPM. Said pool would comprise:

TOWNSHIP 23 SOUTH, RANGE 31 EAST, NMPM SECTION 16: S/2

(b) Extend the North Allison-San Andres Pool in Roosevelt County, New Mexico, to include therein:

TOWNSHIP 8 SOUTH, RANGE 37 EAST, NMPM SECTION 18: SE/4 SECTION 19: NE/4

(c) Extend the North Bagley-Pennsylvanian Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 12 SOUTH, RANGE 33 EAST, NMPM SECTION 9: SE/4

(d) Extend the South Carlsbad-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 22 SOUTH, RANGE 27 EAST, NMPM SECTION 19: S/2

(Case 4636 continued)

(e) Extend the South Carlsbad-Strawn Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 22 SOUTH, RANGE 27 EAST, NMPM SECTION 30: S/2

(f) Extend the Catclaw Draw-Morrow Gas Pool in Eddy County New Mexico, to include therein:

TOWNSHIP 21 SOUTH, RANGE 25 EAST, NMPM SECTION 23: All

(g) Extend the Cerca-Upper Pennsylvanian Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 14 SOUTH, RANGE 34 EAST, NMPM SECTION 2: SW/4 SECTION 3: S/2

(h) Extend the Eagle Creek-San Andres Pool in Eddy County. New Mexico, to include therein:

### TOWNSHIP 17 SOUTH, RANGE 25 EAST, NMPM

SECTION 15: S/2 S/2

SECTION 21: S/2 NE/4 and SW/4

SECTION 27: S/2 NW/4

SECTION 28: S/2 NE/4 and NW/4

(i) Extend the Grayburg Jackson Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 17 SOUTH, RANGE 30 EAST, NMPM SECTION 10: S/2 SW/4

(j) Extend the Grayburg-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 17 SOUTH, RANGE 29 EAST, NMPM SECTION 21: S/2 SECTION 22: NW/4 NE/4, N/2 SW/4, and SW/4 SW/4

(k) Extend the Justis-Blinebry Pool in Lea County, New Mexico, therein:

Docket No. 28-71

Regular Hearing - December 15, 1971 -5-

(Case 4636 continued)

- (k) TOWNSHIP 25 SOUTH, RANGE 37 EAST, NMPM SECTION 12: SE/4
- (1) Extend the North Lynch Yates-Seven Rivers Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 20 SOUTH, RANGE 34 EAST, NMPM SECTION 17: SW/4 SECTION 20: NW/4

(m) Extend the Malaga-Delaware Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 24 SOUTH, RANGE 28 EAST, NMPM SECTION 24: NW/4 SW/4

(n) Extend the Power Grayburg-San Andres Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 30 EAST, NMPM SECTION 1: SE/4 NE/4

(o) Extend the Shugart Pool in Eddy County, New Mexico, to include therein:

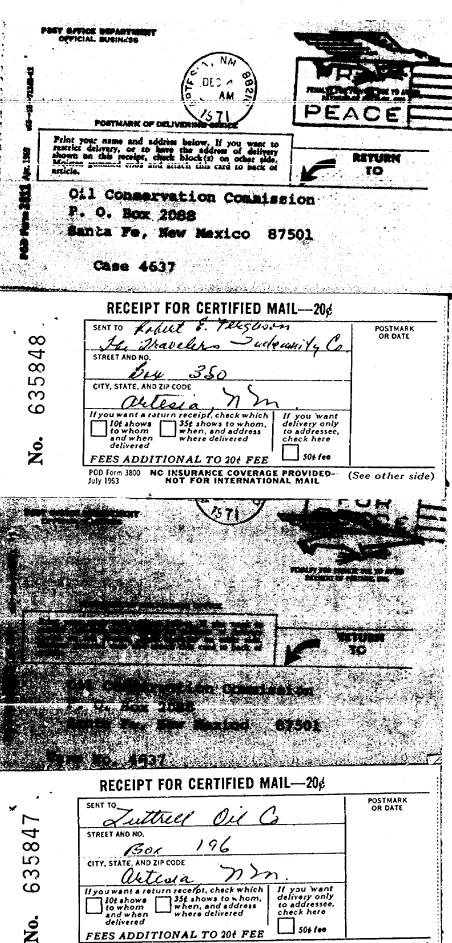
TOWNSHIP 18 SOUTH, RANGE 31 EAST, NMPM SECTION 23: W/2 SW/4

(p) Extend the Tres Papalotes-Pennsylvanian Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 14 SOUTH, RANGE 34 EAST, NMPM SECTION 28: SW/4 SECTION 29: S/2

(q) Extend the Weir-Blinebry Pool in Lea County, New Mexico, to include therein:

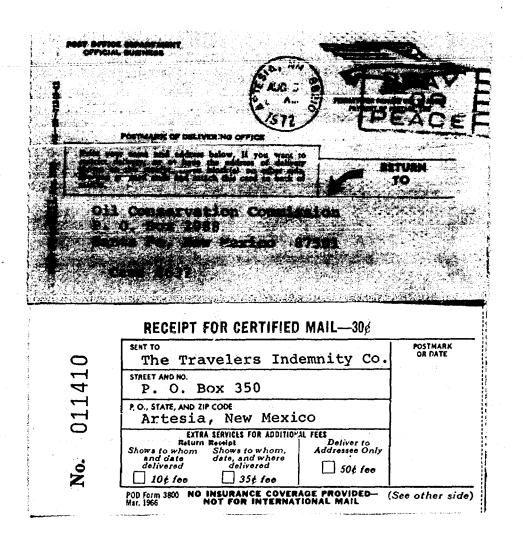
TOWNSHIP 20 SOUTH, RANGE 37 EAST, NMPM SECTION 15: SE/4

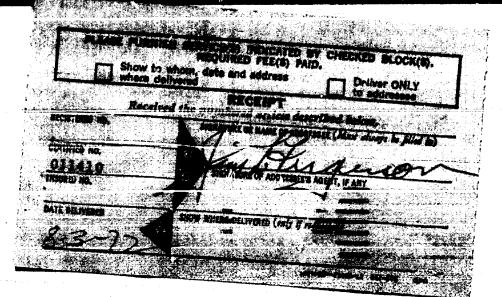


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2. If you want this receipt postmarked, stick the gummed stub on the left portion of the address side of the article, leaving the receipt attached, and present the article at a post office service window or hand it to your rural carrier. (In artia charge)

3. If you do not want this receipt postmarked, stick the gummed stub on the left portion of the address side of the article, detach and retain the receipt, and mail the article.

4. If you want a return receipt, write the certified-mail number and your name and address on a return receipt card, Form 3811, and attach it to the back of the article by means of the gummed stude of the article delivered only to the addresser. (Fees-10f or 35t.)

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### OIL CONSERVATION COMMISSION P. O. BOX 2088 SANTA FE, NEW MEXICO 87501

August 18, 1972

The Travelers Insurance Company 101 University Boulevard Denver, Colorado 80206

Attention: Mr. Scott D. Stewart

Re: Luttrell Oil Company Corn Well No. 1 - Unit A, Section 5, Township 8 South Range 24 East, Chaves County, New Mexico, The Travelers Indemnity Company, \$10,000 Blanket Plugging Bond No. 1673364

#### Gentlemen:

In regards to the above-described well and bond, I wish to inform you that the well has been plugged and the plugging has been approved. I also wish to thank you for your cooperation in the matter.

A copy of the approved plugging program is enclosed.

Very truly yours,

GEORGE M. HATCH Attorney

GMH/dr

CC: The Travelers Indemnity Company
Artesia, New Mexico
Luttrell Oil Company
Artesia, New Mexico
The Travelers Indemnity Company
Hartford, Connecticut 06115
Oil Conservation Commission - Artesia

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and around	o 3/o cay. at st	ILLace.		
61 . m 3 . 1 .				
Cleaned lo	cation, ready for	inspection.		•
Plugging w	itnessed by Lelan	Mermis		
	•			
I hereby carrier that the information above				
$\mathcal{S}_{1}$		ent for the	- 4	
to Slaver (	Tra Tra	velers Indemnity Co	. DATE 8/	14/72
1106		AND GAS INSPECTOR	Δ11(2.5	1 / 1070
HONES BY WY CLE KINGS	THE VIEW		MATE HUG	1 4 1972
DITIONS OF APPROVAL, IF ANYI				•
		And the second s		•

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### THE TRAVELERS

THE TRAVELERS INSURANCE COMPANY. THE TRAVELERS INDEMNITY COMPANY

SURETY DIVISION
ELSTON K. SMITH, MANAGER

August 11, 1972

OIL CONSERVATION COMM.

DENVER OFFICE 101 University Boulevard DENVER, COLORADO 80206 Telephone: (303) 388-6244

Bur

Oil Conservation Commission State of New Mexico P. C. Box 2088 Santa Fe, New Mexico 87501

Attention: Mr. A. L. Porter, Jr. Secretary - Director

42 88 1148

Principal: Jimmy D. Luttrell dba

Luttrell Oil Company

Obligee:

State of New Mexico

Corn Well #1

Dear Mr. Porter:

Your letter of August 2, 1972 to The Travelers Indemnity Company, c/o Mr. Robert E. Ferguson has been directed to this office.

I spoke recently by telephone to  $^{M}$ r. George Chase of Artesia, New Mexico about Corn Well No. 1 - Unit A, Section 5, Township 8 South, Range 24 East, Chaves County, New Mexico.

I asked Mr. Chase to proceed. It is my understanding that Mr. Chase had discussed this matter with Mr. Bill Gressett.

towark

We trust that the plugging operations will be underway shortly, if not already, and that the District Supervisor of District 2 will be properly notified.

Should you have any questions or comments, please do not hesitate to contact me directly.

Scott D. Stewart

Senior Account Analyst

cc: Mr. George Chase Chase Well Service P. O. Box 637 Artesia, New Mexico 88210

> Mr. Robert E. Ferguson P. O. Box 350 Artesia, New Mexico 88210

Mr. P. D. Tubach Examiner, Surety The Travelers 1 Tower Square Hartford, Connecticut 06115

### OIL CONSERVATION COMMISSION P. O. BOX 2088 SANTA FE, NEW MEXICO 87501

August 2, 1972

CERTIFIED - RETURN RECEIPT REQUESTED

The Travelers Indemnity Company c/o Mr. Robert E. Ferguson P. O. Box 359 Artesia, New Mexico

Re: Luttrell Oil Company Corn Well No. 1 - Unit A, Section 5, Township 8 South, Range 24 East, Chaves County, New Mexico, The Travelers Indemnity Company, \$10,000 Blanket Plugging Bond No. 1673364

### Gentlemen:

After notice and hearing, Luttrell Oil Company was ordered, by Order No. R-4252, to recommence drilling or to plug the above-described well in accordance with a Commission approved program on or before March 1, 1972.

As Luttrell did not comply with said order, the New Maxico Oil Conservation Commission made demand, by letter dated March 31, 1972, upon The Travelers Indemnity Company, as surety on the above-described plugging bond, to plug the subject well in accordance with a Commission approved program within a reasonable period of time.

As several months have passed and the subject well has not yet been plugged, the New Mexico Oil Conservation Commission hereby renews its demand upon The Travelers Indemnity Company to plug the subject well in accordance with said Order No. R-4252 and demands that said plugging be done on or before September 30, 1972.

Please notify the District Supervisor of District 2 of the New Mexico Oil Conservation Commission, Artesia,

### OIL CONSERVATION COMMISSION P. O. BOX 2083 SANTA FE, NEW MEXICO 87501

The Travelers Indumnity Company Page 2

August 2, 1972

New Mexico, prior to commencing plugging operations, of the date and time plugging operations are to commence so that he may witness same.

Very truly yours,

A. L. PORTER, Jr. Secretary-Director

#### ALP/GMI/dr

oc: Luttrell Oil Company P. G. Box 196 Artesia, New Maxico 88210

> Mr. Bill Gressott Oil Conservation Commission Drawer DD Artesia, New Mexico 88210

The Travelers Indomnity Company One Tower Square Hartford, Connecticut 06115

### OIL CONSERVATION COMMISSION P. O. BOX 2088 SANTA FE. NEW MEXICO 87501

August 2, 1972

CERTIFIED - RETURN RECEIPT REQUESTED

The Travelers Indemnity Company c/o Mr. Robert E. Ferguson P. O. Box 350 Artesia, New Mexico

> Re: Luttrell Oil Company Corn Well No. 1 -Unit A, Section 5, Township 8 South, Range 24 East, Chaves County, New Mexico, The Travelers Indemnity Company, \$10,000 Blanket Plugging Bond No. 1673364

### Gentlemen:

After notice and hearing, Luttrell Oil Company was ordered, by Order No. R-4252, to recommence drilling or to plug the above-described well in accordance with a Commission approved program on or before March 1, 1972.

As Luttrell did not comply with said order, the New Mexico Oil Conservation Commission made demand, by letter dated March 31, 1972, upon The Travelers Indemnity Company, as surety on the abova-described plugging bond, to plug the subject well in accordance with a Commission approved program within a reasonable period of time.

As several months have passed and the subject well has not yet been plugged, the New Mexico Oil Conservation Commission hereby renews its demand upon The Travelers Indemnity Company to plug the subject well in accordance with said Order No. R-4252 and demands that said plugging be done on or before September 30, 1972.

Please notify the District Supervisor of District 2 of the New Mexico Oil Conservation Commission, Artesia,

## OIL CONSERVATION COMMISSION P. O. BOX 2088 SANTA FE, NEW MEXICO 87501

The Travelers Indemnity Company Page 2

August 2, 1972

New Mexico, prior to commencing plugging operations, of the date and time plugging operations are to commence so that he may witness same.

Very truly yours,

A. L. PORTER, Jr. Secretary-Director

### ALP/GHH/dr

cc: Luttrell Oil Company
P. O. Box 196
Artesia, New Mexico 88210

Mr. Bill Gressett Oil Conservation Commission Drawer DD Artesia, New Nexico 88210

The Travelers Indennity Company One Tower Square Hartford, Connecticut 06115

Total			
100 07 SURCES 17 13/60	Form C-103		
RECEIVED	Supersedes Old C-102 and C-103		
SANTA FE NEW MEXICO OIL CONSERVATION COMMISSION	Effective 1-1-65		
FILE			
AUG 1 4 1972	Sa. Indicate Type of Lease		
LANO OF SE	State Fee X		
CPERATOR D. C. C.	5. State Oil & Gas Lease No.		
ARTEGIA, OFFICE			
SUNDRY NOTICES AND REPORTS ON WELLS  (00 HOT USE THIS FORM FOR PROPOSALS TO ORILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR.  USE "APPLICATION FOR PERMIT -" (FORM FOLTO) FOR SUCH PROPOSALS.)			
1. OIL GAS	7. Unit Agreement Name		
WELL OTHER. Dry hole 2. Name of Operator			
	8. Farm or Lease Name		
Luttrell Oil Company  3. Address of Operator	Corn		
B 0 B 100	9. Well No.		
P. O. Box 196 Artesia, New Mexico 88210	i =		
4, Location of Well	10. Field and Pool, or Wildcat		
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Fact 5 00 34n			
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15. Elevation (Show whether DF, RT, GR, etc.)	12. County Chaves		
THE STATE OF THE S			
Check Appropriate Box To Indicate Nature of Notice, Report or Oth	er Data		
NOTICE OF INTENTION TO: SUBSEQUENT	REPORT OF:		
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COMMENCE ORILLING OPNS.	PLUG AND ABANDONMENT		
CHANGE PLANS CASING TEST AND CEMENT JQB			
OTHER			
OYHER			
17. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including	estimated date of starting any proposed		
work) SEE RULE 1103.			
Plugged & Abandoned Order R. 42.52			
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Pulled the and shot 7" csg at 253' could not pull			
backed off and recovered 180' of 7", could not pu	ıll 8 5/8" csg.		
Ran tbg. back to 217 and spotted 40 sx plug.			
8/10/72 Tagged top of plug at 90', pulled tbg and spot 2	5 sx blug in		
and around 8 5/8" csg. at surface.	en and property		
and around o 5/6 csg. at surface.			
Cleaned location, ready for inspection.			
plugging witnessed by Lelan Mermis			
18. I hereby certify that the information above is true and complete to the best of my knowledge and belief.			
Agent for the			
SIGNED RONAL CO.	DATE 8/14/72		
OIL AND GAS INSPECTOR	ALIC 1 4 1070		
APPROVED BY W. C. STRESSETT TITLE OIL AND GAS INSTERIOR	DATE AUG 1 4 1972		
CONDITIONS OF APPROVAL, IF ANY:			
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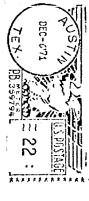
Jeinny Lattrell 282-7887

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R.W. BYRAM & COMPANY. P.O. Drawer 1867 AUSTIN, TEXAS 78767



Air Mail

LEGAL DEPARTMENT
OIL CONSERVATION COMMISSION
P. O. BOX 2088
SANTA FE, NEW MEXICO 87501

DRAFT

GMH/dr

BEFORE THE OIL CONSERVATION COMMISSION OF THE STATE OF NEW MEXICO

MA

IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION COMMISSION OF NEW MEXICO FOR THE PURPOSE OF CONSIDERING:

CASE No. 4637

Order No. R- 4252

IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION COMMISSION ON ITS OWN MOTION TO PERMIT LUTTRELL OIL COMPANY AND ALL OTHER INTERESTED PERSONS TO APPEAR AND SHOW CAUSE WHY THE FOLLOWING-DESCRIBED WELLS IN NEW MEXICO SHOULD NOT BE PLUGGED AND ABANDONED IN ACCORDANCE WITH A COMMISSION-APPROVED PLUGGING PROGRAM.

#### ORDER OF THE COMMISSION

#### BY THE COMMISSION:

#### 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 Luttrell Oil Company is the owner and operator of the following wells:

Luttrell Oil Company State Well No. 1 - Unit M, Section 28, Township 2 South, Range 26 East, De Baca County;

Luttrell Oil Company Corn Well No. 1 - Unit A, Section 5, Township 8 South, Range 24 East, Chaves County.

-2-CASE NO. 4637 Order No. R-

in excess of 60 days on each of the subject wells.

That there is a danger, as to each of the subject wells, that oil, gas, or water will escape from the separate strata originally containing them into other strata if the subject wells are left in their present condition.

wells and locations, that injury will occur to neighboring leases or properties, that pollution of fresh water supplies will occur, or that the safety of humans and animals will be endangered if the subject wells are left in their present condition.

gas, or water from escaping from strata in which they are found into other strata; to prevent injury to neighboring leases or properties; to prevent pollution of fresh water supplies; to protect the safety of humans and animals; and to otherwise prevent waste and protect correlative rights each of the above-described wells excommensed on or before March 1, 1972, in accordance with a program approved by the Artesia office of the New Mexico Oil Conservation Commission.

(8) (7) That in order to prevent crude petroleum oil, natural gas, or water from escaping from strata in which they are found into other strata; to prevent injury to neighboring

(4) that each of the above - decoribed weeder

leases or properties; to prevent pollution of fresh water supplies; to protect the safety of humans and animals; and to otherwise prevent waste and protect correlative rights each of the above-described wells should be plugged and abandoned or drilling should be resonanced on or before March 31, 1972, in accordance with a program approved by the Artesia office of the New Mexico Oil Conservation Commission, and wells we not one of the New Mexico of the New Me

- (1) That Luttrell Oil Company is hereby ordered to plug and abandon or to recommence drilling the Luttrell Oil Company State Well No. 1, located in Unit M, Section 28, Township 2 South, Range 26 East, NMPM, De Baca County, New Mexico, on or before March 1, 1972, in accordance with a Commission-approved program.
- (2) That Luttrell Oil Company is hereby ordered to plug and abandon the Luttrell Oil Company State Well No. 1, located in Unit M, Section 28, Township 2 South, Range 26 East, NMPM, De Baca County, New Mexico, on or before March 31, 1972, in accordance with a Commission—approved plugging program, if said well is not on active production at said time.
- (3) Luttrell Oil Company is hereby ordered to plug and abandon or to recommence drilling the Luttrell Oil Company Corn Well No. 1, located in Unit A, Section 5, Township 8 South, Range 24 East, NMPM, Chaves County, New Mexico, on or before March 1, 1972, in accordance with a Commission—approved program.

-4-CASE NO. 4637 Order No. R-

(4) That Luttrell Oil Company is hereby ordered to plug and abandon the Luttrell Oil Company Corn Well No. 1, located in Unit A, Section 5, Township 8 South, Range 24 East, NMPM, Chaves County, New Mexico, on or before March 31, 1972, in accordance with a Commission-approved plugging program, if said well is not on active production at said time.

Commission approved plugging program for anch

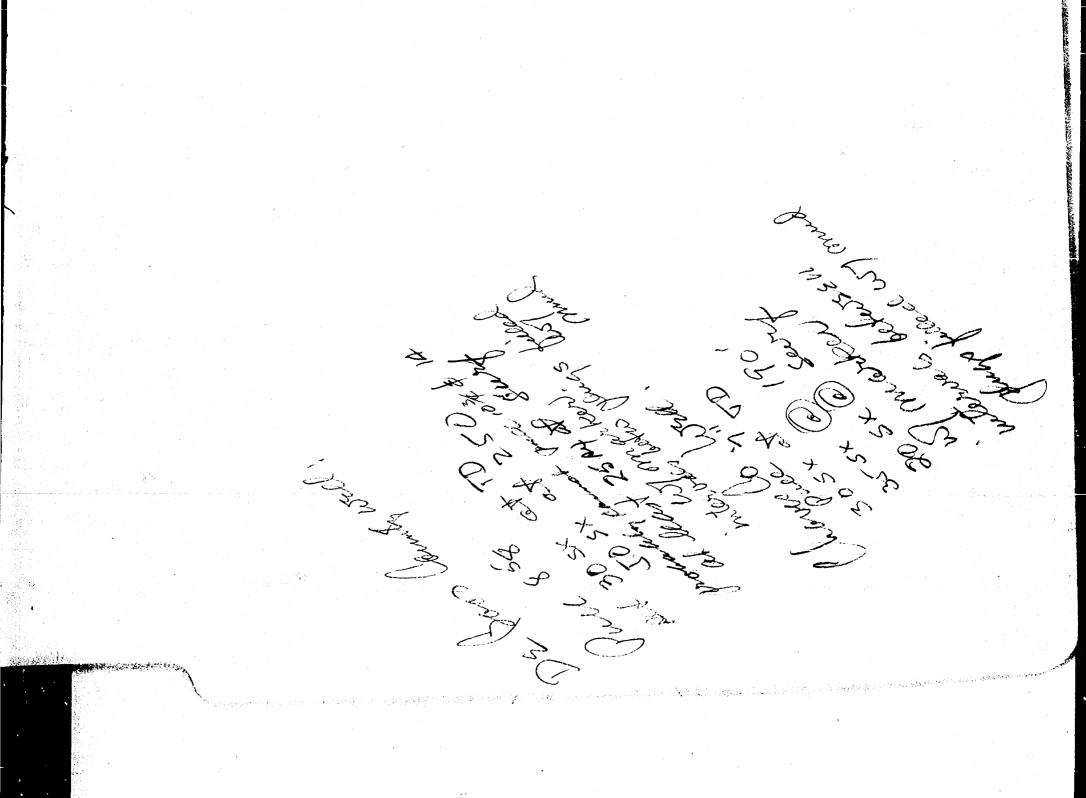
Commission, Drawer DD, Artesia, New Mexico, of the exact date and time plugging operations are to commence.

- That any deviation from the above-plugging program shall be permitted only upon a showing of good cause therefor and with the written consent of the Secretary-Director of the Commission.
- (7) For 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.

CASE 4637: MOTION OF THE OCC
PLUGGING CASE FOR LUTTRELL OIL
COMPANY

Jan 19, 1927



# Case Number 46 37

Application

Trascripts

Small Exhibits

ETC.

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BEFORE THE

NEW MEXICO OIL CONSERVATION COMMISSION

STATE LAND OFFICE BUILDING

SANTA FE, NEW MEXICO

January 19, 1972

#### EXAMINER HEARING

IN THE MATTER OF the hearing called by the Oil Conservation Commission on its own motion to ) permit Luttrell Oil Company and ) all other interested persons to ) appear and show cause why the following-described wells in New Mexico should not be plugged) and abandoned: Luttrell Oil Company State Well No. 1 - Unit ) M, Section 28, Township 2 South,) Range 26 East, De Baca County; Luttrell Oil Company Corn Well No. 1 - Unit A, Section 5, Township 8 South, Range 24 East,) Chaves County, New Mexico.

Case 4637

BEFORE: Daniel S. Nutter,
Alternate Examiner.

TRANSCRIPT OF HEARING

MEARINGS, STATEMENTS, EXPERT TESTIMONY, DAILY COPY, CONVENTIONS

MR. NUTTER: Call Case 4637.

MR. HATCH: Case 4637: In the matter of a Hearing called by the Oil Conservation Commission on its own motion to permit--

MR. NUTTER: Just a minute, here. Off the record. (Whereupon an off the record discussion was held.)

MR. NUTTER: I think it would be preferable to call Mr. Gressett to the stand.

MR. HATCH: Go ahead and state your name.

MR. KIRK: My name is James Kirk, an attorney in Albuquerque, and an interested person in that I am the leasee on the lease involved in Luttrell Oil Company State Well No. 1, Township 2, South, Range 26 East, deBaca County.

I have no interest whatsoever in this other well under consideration.

MR. NUTTER: It may be preferable if we go ahead with his portion of the case first. Then go to yours.

MR. HATCH: George Hatch, appearing on behalf of the Oil Conservation Commission and the staff. I have one witness, Mr. Gressett.

### W. A. GRESSETT

a witness, having been first duly sworm according to law, upon his oath, testified as follows:

### DIRECT EXAMINATION

BY MR. HATCH

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SPECIALIZING INI DEPOSITIONS, HEARINGS, STATEMENTS, EXPERT TESTIMONY, DAILY COPY, CONVENTIONS 209 SIMMS BLDG.\* P.O. BOX 1092\*PHONE 218\*6691\*ALBUGUERQUE, NEW MEXICO 87108 FIRST NATIONAL BANK BLDG. EAST\*ALBUQUERQUE, NEW MEXICO 87101

j	
A	W. A. Gressett, supervisor of District 2, Artesia, New
	Mexico.
Q	Does District 2 include deBaca County?
A	Yes.
Q	Does it include the part of Chavez County that is involved
	here?
A	Well, part of Chavez County is included in District 2. It
	includes that part of Chavez County line west of the north-
	south line dividing Ranges 29 and 30 East.
Ö	Would you describe briefly your duties as they relate to
	this case as district supervisor?
A	All reports concerning wells in this district from State
	and fee+land wells must be filed and approved in our office
	We therefore watch the wells from spudding to
	completion to insure that they are adequately cemented in
	order to protect any fresh water encountered or any oil or
	gas shows.
Q	All right. Do you also then make recommendations to the
	Commission when wells should be plugged and abandoned?
A	Yes, sir, we do.
Q	Are you familiar with the purpose of Case 4637?
A	Yes, sir.
Q.	What is the purpose of Case 4637?
A	Case 4637 was originally docketed for December 15, 1971;
	Q A Q A Q A Q

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Yes, sir.

then co	ontinued until today in order that all interested
parties	s might appear and show cause why these two wells
should	n't be plugged and abandoned in accordance with the
Oil Cor	nservation Commission's plugging program.
Would y	you identify those two wells?
Luttre	11 Oil Company State Well No. 1 located in Section 2
Townshi	ip 2 South, Range 26 East, deBaca County; Luttrell
Oil Con	mpany Corporation Well No. 1, Unit A, located in
Section	1 5, Township 2 South, Range 26 East, Chavez County,
New Mex	cico.
Are you	familiar with each of those two wells?
Yes, si	ir, I am.
How?	
Well, I	have official records and I have also been at the
locatio	on of the wells.
Now, wh	nen you say official, through official records, what
do you	mean by official records?
The rep	ports that have been filed by the operator.
Are tho	ose required to be filed with the Commission by
Commiss	sion rules and regulations?
Yes.	
And you	have those official records with you?
Yes, si	r, I do.
You sai	d you did have, you have visited both wells?
	and the control of th

	1		then continued until today in order that all interested
	2		parties might appear and show cause why these two wells
	3		shouldn't be plugged and abandoned in accordance with the
	4	] ]	Oil Conservation Commission's plugging program.
	5	δ	Would you identify those two wells?
	6	A	Luttrell Oil Company State Well No. 1 located in Section 2
	7		Township 2 South, Range 26 East, deBaca County; Luttrell
	8		Oil Company Corporation Well No. 1, Unit A, located in
	9		Section 5, Township 2 South, Range 26 East, Chavez County,
	10		New Mexico.
	11	Q	Are you familiar with each of those two wells?
, s	12	A	Yes, sir, I am.
100 87	13	Q	How?
W MEX	14	A	Well, I have official records and I have also been at the
UE. NE	15		location of the wells.
QUERO EW MEY	16	Ω	Now, when you say official, through official records, what
	17		do you mean by official records?
	18	A	The reports that have been filed by the operator.
HONE 2	19	Q	Are those required to be filed with the Commission by
1092 . P	20		Commission rules and regulations?
D. BOX	21	A ,	Yes.
	22	Q `	And you have those official records with you?
MS BLE	23	A	Yes, sir, I do.
209 SIN FIRST	24	Q	You said you did have, you have visited both wells?
	25	A	Yes, sir.
	MMS BLDG.+ P.O. BOX 1092+PHONE 243-6691+ALBUQUERQUE, NEW MEXICO 871 National Bank Bldg. East-Albuquerque, new mexico 87108	200 SIMMS BLDGP.O. BOX 1092.PHONE 245-06910-ALBUQUERQUE, NEW MEXICO 87103 FIRST NATIONAL BANK BLDG. EAST-0ALBUQUERQUE, NEW MEXICO 87103 FIRST NATIONAL BANK BLDG. EAST-0ALBUQUERQUE, NEW MEXICO 87103 7 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	200 SIMMS BLDGPHONE 243-06801-ALBUQUERQUE, NEW MEXICO 87103  4 2 4 5 6 4 7 8 9 100  11 12 13 14 14 15 15 16 16 17 18 19 19 10 11 12 13 14 14 15 15 16 16 16 16 16 16 16 16 16 16 16 16 16

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### dearnley-meier reporting

CONVENTION

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NEW MEXICO 87103 87108

Q	Has	that	been	recently?

- Yes, sir, January 7, 1972. A 2
  - Please refer to those records of the well for deBaca County Q and give us the history of the well as reflected by the records.
  - Okay. Commission Form C-101 Application for Permit to A Drill was approved on July the 29th, 1968, and at this time the operator was W. C. Welch, and attached thereto is Commission Form C-102, Well Location, and acreage dedication.
  - At that time how deep did he propose to drill the well? Ö
  - The proposed depth was 1,800 feet. Α
  - In what Formation? Q
  - San Andres.

Then we have Commission Form C-103, which is sundry notices and reports on wells reporting the spud thick of July the 24th, 1968, and it states that they run 50 feet of 14-inch casing mudded 150' of 10 3/4 inch casing, mudded, says there were 800' in shale and red bed, prepared to run 8 and 5/8ths inch casing.

That was approved on December 13, 1968.

- When did you receive that, Mr. Gressett? Q
- December the 11th.

MR. NUTTER: Then the only other official form in the file is the Form C-103 received in our office on February the 2nd, 1971, reporting a change of ownership from W. C. Welch to

DEPOSITIONS, HEARINGS, STATEMENTS, EXPERT TESTIMONY, BALY COPY,

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SPECIALIZING IN: DEPOSITIONS, HEARINGS, STATEMENTS, EXPERT TESTIMONY, DALLY COPY, CONVENTIONS 209 SIMMS BLDG. 8 P.O. BOX 1092 & PHONE 243\*6691 & ALBUQUERQUE. NEW MEXICO 87103 FIRST NATIONAL BANK BLDG. EAST & ALBUQUERQUE. NEW MEXICO 87108

Luttrell Oil Company. That was approved on February 2nd, 1971.

THE WITNESS: Now, I have some notes of conversations with various and sundry people concerning this well, but that is all of the official record.

- Q (By Mr. Hatch) Do you have anything on your notes from conversations that you think the Examiner might be interested in?
- A Yes, sir, on February the 3rd, 1969 a Mr. Wayne Adkins, which I understand had an interest in the well, and he was also drilling it--excuse me--does Mr. Adkins name appear or
- Q Excuse me--does Mr. Adkins mame appear on any of the forms that were filed?
- A Yes, sir. He signed one report at that time, reporting that the well had been spudded and set in a casing.
- O Continue.
  - He stated at that time the well was at a total depth of 1,140 feet, and that in addition to previous high reported casing, he had set 8 5/8" at a hundred feet and that it had followed and been under dug to a point of a 1,010 feet, and still didn't have a shut-off, and it was his understanding that they might set 7" pipe or cement the 8 and 5/8ths inch, and this was to be reported when that work was done, and so far I don't have a report on it.

MR. NUTTER: That was just a verbal report he gave you?
THE WITNESS: Right.

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209 SIMMS PERST NAT

Q (By Mr. Hatch) Mr. Gressett, would you next describe your visit on January the 7th to the well?

Yes, sir.

0 Tell the Examiner what you observed there.

On January the 7th, 1972, I went to the location, and the cable tool rigging is still rigged up over the hole, and the baler hangs in top of the casing with a bar in it, which is normally too small for this type operation, and there is tools and junk all over the location.

By "junk" I mean an old wrecked pickup, an old bunch of wore out tires and truck tires, and all kinds of drilling tools.

- Did you observe any windmills or any indication of fresh water in the area?
- Yes, sir. There is a ranch house approximately a thousand feet west of this location, and they have water wells located at the ranch house, and the windmill wells are a mile or two away.

There is other windmills, and in talking to the rancher, he said that their water wells were ranging from forty feet to 190' or 200', and Mr. Adkins reported to me on this well that he had water at 140 and 190.

- Well, Mr. Adkins' report of the water doesn't appear on any of the official forms?
- No, sir, it doesn't.

# dearniey-meier reporting service,

SPECIALIZING IN DEPOSITIONS, HEARINGS, STATEMENTS, EXPERT TESTIMONY, DAILY COPY, CONVENTIONS	209 SIMMS BLDG.8-P.O. BOX 1092-PHONE 248-36918-ALBUQUERQUE, NEW MEXICO 87103 First national bank bldg. East-albuquerque, new mexico 87101	

and get hurt.

		PAGE Q
1	Ŏ	Would you consider this a dry well or an abandoned well?
2	A	Yes, sir, inasmuch as apparently no activity since February
3		of 1969. I would say it has been abandoned.
4	Q	You didn't see any sign of production?
5	A	No sign of production.
5	Ω	You have testified that there appears to be water in the
7		area and that Mr. Adkins in an original conversation with
3		you testified as to water.
)		Do you have any indication as to the well, can you tel
)		about any gas or oil, sand?
	A	No, I sure don't have.
	Ω	Assuming that water was in the well, if the well is left in
		its present condition, is there any danger that water will
		escape from the strata in which it was found into other
		strata?
	A	Yes, sir.
	Ö	How would that be?
	A	Well, that open hole interval from the deepest reported
		water of 190 down to the total depth of 1,140, I don't know
		what that interval might hold, and there is a possibility
		that that water can escape into that open hole interval.
	Q. T	All right. Is there any other danger to be encountered if
		the well is left in its present condition?
	A	Well, stock could get tangled up in some of those tools

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A	No, sir, there is no fence at all.	l
Ö	It could be a safety problem then?	
A	Yes.	
Q	Do you have an opinion as to whether or not the well should	
	be plugged?	
A	Yes, sir, I feel that it should be.	
Q	Do you have a recommended plugging program to present to	
	the Examiner?	
A	Yes, sir, I would recommend that the 8 and 5/8ths be pulled	
	and that a thirty sack cement plug be placed at a total	
	depth, and a fifty sack plug at 250, and I don't know	
	whether this 10 and 3/4s can be pulled or not.	
	It is very doubtful that it could be pulled at this	
	state or the 14", so I would recommend then about a 25 sack	
	plug there in the surface to seal off the top of all of	
	that.	
Q	But you would recommend that they try to pullwhat did you	•
	say10 and 3/4sand it waswhat was the other one?	
A	I would recommend the 8 and 5/8ths be pulled. Then it	

the 10 and 3/4s or not.

of those casings?

Right.

wouldn't make a great deal of difference whether they pulled

You would put a 50 sack at 250, which would be below both

The area is not fenced?

2.		
	Ď	So any water that was produced from any formation up there
		in the interval of those casings would be protected by that
		50 sack plug of 250?

- Yes, sir. Α
- Kept from going down the hole? Q
- A Yes.

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- So, in other words, then if they could or couldn't get the 14 in and the 10 and 3/4s out you would put a 20 sack plug at the surface?
- Well, it is going to be a pretty good sized hole, probably ought to have at least a 25 sack at the surface.

MR. HATCH: That is all.

We ran into some difficulty on one case, once, where somebody wanted to see what was in the case file about plugging one of these things, and the Examiner had taken administrative notice of the well file, etc.

Now, there has been testimony from these official records, so I would like to either introduce them, leave them in the well file, and you have a set here, but Xerox copies of them to go into the case record itself.

MR. NUTTER: I think you have got a Xerox copy of these forms that Mr. Gressett has mentioned.

If he will take a look at them and testify thereto and correct copies of the form in his file -- that will suffice.

Let Mr. Kirk and Mr. Gressett look these over. These are

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Xerox copies of what he was testifying to.

The only ones I am interested in putting in would be the signed copies here, not his oral notes that he testified to.

If you will compare these to see that is what we have over there, then I will mark them.

MR. HATCH: I would like to introduce Exhibits 1
through 5, Exhibit 1 being Form C-102; and Exhibit 2 being a
Form C-101; and Exhibit--I've got two exhibits, yes, Exhibit 3,
No. 3 being a Form C-103, received or approved December 13, 1968,
and Exhibit 4, C-103, approved February the 2nd, 1971; and
Exhibit No. 5 is a proposed plugging program for the well.

I would like to suggest this might be the time to allow Mr.

Kirk to make his appearance, or anything he has to say concerning this case before we go on to the other one, since he is not interested in the other one well.

MR. NUTTER: Just a minute. I have got some questions
I want to ask Mr. Gressett first.

### CROSS-EXAMINATION

BY MR. NUTTER

- When you went out and inspected the well, I believe you stated it was on January, '70?
- A Yes.
- Q Was there evidence that this 8 and 5/8ths inch casing had been run in the hole as Mr. Adkins told you in this verbal report?

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1	A	Yes, however, I have no way of knowing.
2	Ω	There is some at the top?
3	A	There is some at the top.
4	Õ	What about the space between the 10 and 3/4s and the 14"
5		casing that is open or that flanged, or is there a casing
6		hanger, or anything in there?
7	A	I think it is setting on elevators, and, of course, if that
3		cable, that cable tool rig flared around it, I didn't get
)		down in to look too close.
,	Q	What about the annulus between the walls of the hole and
		the outside of the 14" casing that opened around there?
	A	You can't see.
	Ω	You couldn't see?
	A	You couldn't see. No, if there has been any rain in the
;		area and washed in around it, I am sure it is filled up,
;		but I didn't get down in there.
	Ö	Normally when one set has set there as long as this
		one has with no cement behind it, it costs more to try to
		pull the 14" and maybe the 10 and 3/4s than it would be
		worth.
	Q	Now, Mr. Adkins had told you that they had run how much 8
		and 5/8ths inch pipe?
	A	He said they first run it to 800 feet, but it followed and
		was under dug down to a 1,010.

Then had they tried to cement or just to land it so they

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PAGE14 could get a shut off? Right. 2 They were never able to achieve a shut off? That is what he said. Now, if there is any open space around the 14" pipe or if 5 the annulus between the 10 and the 3/4s and 15" should be open, that should be sealed and closed in some manner if the well is ordered plugged, shouldn't it? 8 Yes, sir. Actually that is the reason I was recommending 9 25 sack cement plug in order to seal it off, good at the 10 surface. 11 Now, what was the latest that you, the deepest that you 12 know the well to have ever been drilled? 13 1,140'. 14 MR. PORTER: It was originally projected to about 18? 15 THE WITNESS: 18, yes. 16 Q (By Mr. Nutter) What about the interval between the plugs and 17 the well; how would you treat that interval? 18 I would recommend that it be filled with mud. And, of course, a regulation type marker at the surface, I presume? 21 Yes. If you will, yield the witness stand to Mr. Kirk, please, Mr. Gressick.

If you would identify yourself for the record, please

MR. KIRK: My name is James Kirk, an attorney from Albuquerque, and one of the leasees on the subject lease.

JAMES KIRK

an attorney, called as a witness, having been first duly sworn according to law, upon his oath, testified as follows:

### CROSS-EXAMINATION

BY MR. HATCH

- Are you planning on testifying any or just making a statement?
- A No, I would sort of like to testify.
- Q Well, perhaps we had better swear you then.
- A Fine.

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(Whereupon the witness was duly sworn.)

THE WITNESS: As one of the leasees, it is the intention of the leasees, or it has been the intention, to recommence drilling on this well and to try to take it down to 1,800 level.

We haven't abandoned it at all.

We have kept a workable rig out on the lease all of this time, and during that time we have either paid rental on the rig or we have assumed the responsibility of paying the rental on the rig.

We have had some problems contractually with the drillers involved.

Luttrell Oil Company had agreed to go ahead and recommence the drilling, but then didn't or wasn't able to, and during that

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period of time on several occasions we have had geologists and drillers go out to the well.

I won't say how many times, but I would say probably not less than ten times, and they have always indicated to me at least that there wasn't any actual danger to the water in the area, and really no other problem, that it was causing, as it was setting.

And in any event, we have spent a fair amount of money on it and are prepared to spend a fair amount more to complete our intended drill program, and I want to, I would like to suggest to the Commission that the Commission consider it at least allowing us a period of sixty or ninety days to recommence our drilling, and then if we haven't made substantial efforts to physically, at least, start the recommencement of the drilling, then at that time carry out a plugging order, but I feel that we are most interested in going ahead with it, and I think we are capable of it.

I don't really believe that another sixty days or something like that would really cause any problems or constitute any danger.

What I would like to respectfully urge is that an order be entered to the effect if we have not started good faith recommencement of drilling within sixty days that after sixty days that it be ordered plugged forthwith.

Q (By Mr. Nutter) Mr. Kirk, were you involved with the ownership

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of the well when it was commenced under the name of W. C. Welch?

- Yes. The nature of my personal interest was a little different than it is now.
- So, you have had an interest in the well from the time it was first started?
- Yes, that is correct.
- As I review the scout report that we have had on the well 0 I notice for a period of time from September 23 of 1968 until into November of 1968 the status on the well didn't change.

Then there was 70' drilled in November of '68, it set that way until August of 1969, according to this scout report, without any additional drilling being done, and then from August of '69 until the scout report dropped the well in November of '69, it gave the total depth as 1,100, with no further change in the status.

It appears it is taking an uncommonly long period of time in which to complete the well if there is this danger that Mr. Gressett has talked about.

Now, the rancher states he has got water wells in this area at 140 to 190' deep.

We know the deepest casing that is mudded in is 150', so therefore you have got that water that is 190' opening into the water well bore, if that is producing water.

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That water may be lost forever if we--we all realize water is an important commodity in New Mexico--I don't know if we would entertain a request to further delay the plugging of the well or not.

- Well, I can't respond very well because I don't really know about the technical part of that.
- You mentioned that your geologist has said there was no Q problem.

Have they considered the depth of the water here that the rancher reports?

- I feel certain they have. I have discussed this with Mr. Adkins a number of times. He was the driller. He is an experienced driller. He stated each time that the question has come up that there is no problem here. I don't know what its worth would be, but I am almost certain that he would testify that is his opinion, or give a letter to that effect.
- How long, if the Commission gave you this reasonable period of time in which to start the well, how long would it take before the well was completed then?
- Well, of course, we'drtry to do it as quickly as we could, particularly in view of the problems.

The rig is there and it is ready to go, so I would say that it wouldn't take us very long to get started, and we would use our best efforts to get it diligently done.

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Are there finances available at the present time to complete the well?

Yes, sir, there is.

Q (By Mr. Hatch) This would be drilled under a different name and a different bond?

Yes, we would have to get a new bond and it would be a different driller.

Q (By Mr. Porter) In other words, Luttrell would be relieved of the responsibility under that kind of a setup?

MR. HATCH: If there is another operator and another bond assumed, the responsibility for the well would be his. That is why I was asking whether this drilling would be under Mr. Luttrell's name or a new bond and new operator, because certainly without hearing from Mr. Luttrell we would not permit other drilling under Mr. Luttrell's name or bond, because that could possibly release him of responsibility from his bond. somebody else went in and started drilling.

THE WITNESS: I understand. I started to say this that I haven't talked to Mr. Luttrell for some time, but I feel very certain that he would be perfectly agreeable to letting it be done under his bond or he would be agreeable to having another bond substituted, and I don't know what the ramifications might 23 be from that, but what I am getting at is I feel sure he would continue in any reasonable way.

MR. HATCH: We have had no cooperation from Mr.

EXPERT TESTIMONY, DAILY COPY, CONVENTION

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Luttrell in this matter.

He has not appeared here or anything, and so I would think the Commission might be reluctant to approve anything done under Mr. Luttrell's name without his appearing before the Commission.

MR. NUTTER: If we approved the operator under another bond the chances are if we made a call on them to plug the well they would say no. Mr. Luttrell's bond should prevail here, at least down to 1,140'.

That is how far the well was drilled under Mr. Luttrell's bond.

THE WITNESS: That isn't actually right. The well was drilled under the bond of W. C. Welch, and then after drilling was terminated the Luttrell bond was substituted.

What we are saying, we would substitute another bond. I think if the Commission would see its way clear to give us just a few days we would get the thing started and try to do a good job of it.

- O (By Mr. Nutter) How long--I will ask you again--how long do you think it would take you to complete the well once you get started?
  - Barring unforeseen circumstances, under normal drilling operations, I know very little about that, except that I would say probably thirty days.
- O (By Mr. Nutter) We have had wells drilled deeper than this in less than thirty days.

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Yes, I am sure you have.

MR. PORTER: Is this being drilled with cable tools?

THE WITNESS: Yes.

MR. PORTER: Do you have a depth of 1,140 at the present time?

THE WITNESS: Approximately.

MR. PORTER: Your projected depth is 1,800?

THE WITNESS: Right.

MR. PORTER: One more question. Did your driller ever indicate to you whether or not they had encountered water in this well?

THE WITNESS: Yes, he talked about water, but I don't -- I am not very well versed on that sort of aspect, and I don' know whether it was sub-surface water or salt water, or what, really.

In our consideration to go ahead, it didn't seem to pose a problem anyway.

MR. PORTER: I see.

MR. NUTTER: Are there any further questions of Mr. Kirk?

He may be excused.

We will proceed with your other case now, Mr. Hatch.

Mr. Gressett, if you will return to the stand.

MR. NUTTER: George, do you have anything further? MR. HATCH: Nothing further.

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MR. NUTTER: We will take the entire case under advisement, including both wells. We will notify you by mail as soon as we have reached a decision on it.

### DIRECT EXAMINATION (CONTINUED)

BY MR. HATCH

- Would you refer to your official records for the well in Chavez County and give the Examiner the history of the well as reflected in the record?
  - The Luttrell Oil Company--concerns Well No. 1 located in Unit A, Section 5, Township 8 South, Range 24 East, and we have no official records, Commission Form C-101 Application for Permit to Drill, was approved on March the 19th, 1971, and attached thereto is Commission Form C-102, Well Location and Acreage Dedication Plat, and Form C-103, Sundry Notices and Reports, stating that the well was spudded on March 19, 1971; drilled to 100' in a 10 and 3/4" hole, set 8 and 5/8 ths inch; 28 pounds using casing at 100' set.

They drilled to a total depth of 450', and set 7" casing, and then they drilled on down to a total depth of 490.

They said they were temporarily abandoning, awaiting land owner's decision whether to convert to a water well or whether the operator plugged the well.

This report was received on June the 7th.

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However, I didn't approve it for some time, trying to find out a little information about the well.

On August 11 I approved it after determining that the land owner had no desire for this well, and I approved it with a stipulation it must be plugged and abandoned or converted to a water well immediately.

MR. PORTER: Did you talk to the land owner yourself?

THE WITNESS: No, sir, I didn't.

Leon House did.

MR. PORTER: Our Field Representative?

THE WITNESS: The Field Representative.

MR. PORTER: He contacted him and he did not express any desire for the well?

THE WITNESS: He said that he had no use for it at that location.

Q (By Mr. Hatch) You have testified previously that you have visited this well January the 7th.

Would you tell the Examiner what you observed on January the 7th?

Yes, sir. We went by this one on the 7th of January, and the 7" casing standing about three foot above the ground level, and an 8 and 5/8ths about two feet below ground level, and there is—it is caved in around the top of the hole about four to six feet across and about four foot deep.

This is in a country that is bad about caving.

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	2		observed there?
	3	A	There is a very small pit. That is it.
	4	δ	Have you contacted anyone else concerning the presence of
	5		water in that area?
	6	A	Yes, sir, inasmuch as this well is located in the Roswell-
	7		Artesia Basin, I contacted Mr. Jim Wright, the State
	8		Engineer's Office in Roswell, and got his recommendation
	9		for plugging of a well in this area.
	10	Ω	Did he tell you, did you learn anything from him as to the
	11		location of water in this area?
80	12	A	Yes, sir, there are numerous irrigation wells in the
ICO 87103	13		immediate vicinity of this well.
NEW MEX	14	Q	How deep is the water?
10E, 341	15	A	Well, it ranges down as deep as five or six hundred feet.
QUERQ EW MES	16	Q	How shallow?
OFF.	17	A	Probably fifty or sixty feet.
43-6691 UQUER	18	Q	Fifty or sixty feet. Would this well encounter any oil or
HONE 2	19		gas sands?
)X 1092.PHC	20	A	That would be real they could have. I don't know that they
O.O. BOX	21		did.
u 0	22	Q	What zones could it have encountered at this depth?
209 SIMMS BLDG.	23	A	They could have gone through the they scheduled as a queen
209 SIM FIRST	24		test, and they could possibly have stopped the San Adres
	25		in this area, 490.

Do you have anything further to testify as to what you

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		PAGE 25
1	Ö	You cannot tell from any of the records that were submitted
. 2	A	No, sir, there are no other oil wells drilled in the area.
3		We have very little information.
4	Q	Is there any danger, if this well is left in its present
5		condition, that any crude oil, natural gas, or water will
6		escape from the strata in which they are found into other
7		strata?
8	A	Yes.
9	Q	Would you explain to the Examiner what causes the danger?
10	A	Well, this is in an area of shale of water and, artesian
11		water, and they should be isolated in order to keep them
12		from migrating one to the other.
13	Q	As the well is presently completed they are not isolated?
14	A	That is correct.
15	Q	Is there any other danger to be encountered if the well is
16	<u> </u>	left in its present condition?
17	A	Well, yes, right now with this hole around it, a farmer
18	i	turning cattle in this area loose, one could fall in this
19		hole around the well.
20	Ö	Did you testify as to what area this well was in; is it in
21		a field, a pasture?
22	A	It is on the edge of a cultivated field.
23	Ω	In the edge of a cultivated field?
24	A	Yes.

Do you have any opinion as to whether the well should be

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- A Yes, sir, I feel that it should be plugged.
- O Do you have a plugging program to present to the Examiner?
- A Yes, sir, I would recommend that a thirty sack plug be placed at a total depth, and 35 sack plug at 190!, and a 20 sack plug at the surface, and in the interval between plugs this filled with mud, and the 7" casing be pulled prior to setting those plugs.
- Q Would you identify each of these by number and what they are, and Mr. Nutter, we will do the same thing as we did on the others.

I have some Xerox copies here from the well file, and we can actually put them in the case file then.

Yes, sir. Exhibit 1 is Form C-102, well location, and acreage dedication plat

No. 2 is Form C-101, Application for Permit to Drill; No. 3 is the subsequent report of plugging and setting the casing; and No. 4 is my letter to Mr. Luttrell concerning that the well be plugged and abandoned, or we could call a hearing.

- Those are xerox copies of the form that you have been testifying from?
- A Yes, sir.
- Q What is Exhibit 5?
- Exhibit 5 just shows the recommended plugging procedure.

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That you just testified to? Q A Yes.

MR. HATCH: I would like to introduce these five exhibits.

MR. NUTTER: OCC Exhibits 1 through 5 will be admitted in evidence.

MR. HATCH: That is all of the questions I have.

Q (By Mr. Nutter) Just to review the chronology here.

When Luttrell filed the 103 on August 11th, 1971, reporting having drilled the well and run certain casings and so forth, he stated the well was temporarily abandoned waiting on the land owner's decision whether to convert to a water well or if the operator plugs -- abandoned -- having not heard any further from either operator, anyone else, have you contacted the landowner?

- Yes, sir.
- The landowner says he does not want the well?
- He doesn't want the well for a water well. He didn't want it.
- Subsequent to that you did contact Luttrell and told them they should plug the well?
- I contacted his agent. I have never talked to Mr. Luttrel. Α
- Did you notify his agent? Ŏ
- I notified his agent in Artesia, yes, sir.
- That is the one that filed these forms?
- Yes, sir.

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EXPERT TESTIMONY, DALLY COPY, CONVENTIONS

PAGE 28 That is Mr. Muncie, the bookkeeper? Q Α Right. You have had no response from them that indicated they were going to plug the well; that is the reason we are here today? Right. MR. NUTTER: Any further questions of Mr. Gressett? THE WITNESS: I might say this: That 8 and 5/8ths, they may not can pull that since it is caved in around at the top, which I don't feel would make--The seven inch? No, the 7", they should be able to pull that, but the 8 and 5/8ths, I doubt if they can pull it. MR. PORTER: How much of the 7" did you say was in the hole? THE WITNESS: They reported 450'. MR. HATCH: No further questions. MR. NUTTER: Mr. Gressett may be excused.

Do you have anything further, Mr. Hatch?

MR. HATCH: No.

MR. NUTTER: Does anyone have anything they wish to offer in Case No. 4637?

We will take the case under advisement, and the Hearing is adjourned.

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STATE OF NEW MEXICO ) ) ss. COUNTY OF BERNALILLO)

I, RICHARD STURGES, a Certified Shorthand Reporter in and for the County of Bernalillo, State of New Mexico, do hereby certify that the foregoing and attached Transcript of Hearing before the New Mexico Oil Conservation Commission was reported by me; and that the same is a true and dorrect record of the said proceedings to the best of my knowledge, skill and ability

I do hereby wertiff that the throughly in a consideration of the proposition is

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		30	
1	INDEX		
2	WITNESS	PAGE	
3	W. A. GRESSETT		
4	Direct Examination by Mr. Hatch	4 <b>3</b>	
5	Cross-Examination by Mr. Nutter	12	
6	" " (Cont'd) by Mr. I	Nutter 22	
7	JAMES KIRK		
8	Cross-Examination by Mr. Hatch	15	
9		•	
10			
11			
12			
13			
14			
15			
16			
17	<u>EXHIBITS</u>		
18	APPLICANT'S	MARKED	ADMITTED
19	Exhibits 1 through 5	12	27
20			
21			
22			
23		- · ·	
24			
25			

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MR. UTZ: Case 4637.

MR. HATCH: Case 4637, in the matter of the hearing called by the Oil Conservation Commission on its own motion to permit Luttrell Oil Company and all other interested persons to appear and show cause why certain wells should not be plugged and abandoned with the Commission-approved plugging program, and the Commission has received a request from an interested person that the case be continued to January 19, 1972. I recommend that it do be continued to that date.

MR. UTZ: Case 4637 will be continued to January 19, 1972.

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STATE OF NEW MEXICO SS COUNTY OF BERNALILLO

I, RICHARD STURGES, Court Reporter in and for the County of Bernalillo, State of New Mexico, do hereby certify that the foregoing and attached Transcript of Hearing before the New Mexico Oil Conservation Commission was reported by me and that the same is a true and correct record of the said proceedings, to the best of my knowledge, skill, and ability.

I do horshy partify that the foregoing in a complete recent of the presentings in the Euniper hearing of Case So. 4.6.

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STATE OF NEW MEXICO SS COUNTY OF BERNALILLO

I, RICHARD STURGES, Court Reporter in and for the County of Bernalillo, State of New Mexico, do hereby certify that the foregoing and attached Transcript of Hearing before the New Mexico Oil Conservation Commission was reported by me and that the same is a true and correct record of the said proceedings, to the best of my knowledge, skill, and ability.

I do harshy partify that the foregoing in a complete record of the presentage in the Ecsainer hearing of Case So. 46

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### OIL CONSERVATION COMMISSION P. O. BOX 2088 SANTA FE, NEW MEXICO 87501

March 30, 1972

CERTIFIED - RETURN RECEIPT REQUESTED

The Travelers Indemnity Company c/o Mr. Robert E. Ferguson P. O. Box 350 Artesia, New Mexico

Re: Luttrell Oil Company Corn Well No. 1 - Unit A, Section 5, Township 8 South, Range 24 East, Chaves County, New Mexico, The Travelers Indemnity Company, \$10,000 Blanket Plugging Bond No. 1673364

Gentlemen:

After notice and hearing, Luttrell Oil Company was ordered, by Order No. R-4252, to recommence drilling or to plug the above-described well in accordance with a Commission approved program on or before March 31, 1972.

As Luttrell Oil Company has not complied with said order, the New Mexico Oil Conservation Commission hereby makes demand upon The Travelers Indemnity Company, as surety on the above-described plugging bond, to plug the subject well in accordance with a Commission approved program within a reasonable period of time.

Please notify the District Supervisor, District II, Oil Conservation Commission, Drawer DD, Artesia, New Mexico, of the date and time plugging operations are to commence so that he may witness same and furnish you an approved plugging program.

Very truly yours,

A. L. PORTER, Jr. Secretary-Director

AIP/GMH/dr Enclosure (Copy of Order No. R-4252)

CC: Luttrell Oil Company
P. O. Box 196
Artesia, New Mexico 88210

The Travelers Indemnity Company One Tower Square Hartford, Connecticut 06115

Mr. Bill Gressett Oil Conservation Commission Drawer DD Artesia, New Mexico 88210



### **OIL CONSERVATION COMMISSION**

ST E OF NEW MEXICO P. O. DRAWER DD - ARTESIA 88210

March 23, 1972

GOVERNOR
BRUCE KING
CHAIRMAN

LAND COMMISSIONER
ALEX J. ARMIJO
MEMBER

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

Mr. George M. Hatch Oil Conservation Commission P. O. Box 2088 Santa Fe, New Mexico

> Re: Case #4637 Order R-4252 Luttrell Oil Company, Corn #1-A, 5-8S-24E, Chaves County, New Mexico

Dear Mr. Hatch:

To date this office has not been contacted concerning plugging the subject well.

On March 21, 1972, Mr. Lelan Mermis of this office went to the location and found that nothing has been done to the well since our visit prior to the hearing.

Very truly yours,

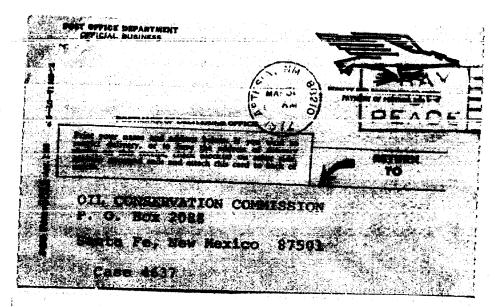
OIL CONSERVATION COMMISSION

W. A. Gressett

Supervisor, District II

WAG:jw

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6. Sans this receipt and present it if you make inquiry.

## 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 LUTTRELL OIL COMPANY AND ALL OTHER INTERESTED PERSONS TO APPEAR AND SHOW CAUSE WHY THE FOLLOWING-DESCRIBED WELLS IN NEW MEXICO SHOULD NOT BE PLUGGED AND ABANDONED IN ACCORDANCE WITH A COMMISSION-APPROVED PLUGGING PROGRAM.

CASE NO. 4637 Order No. R-4252

#### ORDER OF THE COMMISSION

#### BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on January 19, 1972, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 8th day of February, 1972, the Commission, a quorum being present, having considered the testimony, the record, and the recommendations of the Examiner, 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 Luttrell Oil Company is the owner and operator of the following wells:

Luttrell Oil Company State Well No. 1 - Unit M, Section 28, Township 2 South, Range 26 East, De Baca County;

Luttrell Oil Company Corn Well No. 1 - Unit A, Section 5, Township 8 South, Range 24 East, Chaves County.

(3) That drilling activities have been suspended far in excess of 60 days on each of the subject wells.

-2-CASE NO. 4637 Order No. R-4252

- (4) That each of the above-described wells has been abandoned.
- (5) That there is a danger, as to each of the subject wells, that oil, gas, or water will escape from the separate strata originally containing them into other strata if the subject wells are left in their present condition.
- (6) That there is a danger, as to each of the subject wells and locations, that injury will occur to neighboring leases or properties, that pollution of fresh water supplies will occur, or that the safety of humans and animals will be endangered if the subject wells are left in their present condition.
- (7) That in order to prevent crude petroleum oil, natural gas, or water from escaping from strata in which they are found into other strata; to prevent injury to neighboring leases or properties; to prevent pollution of fresh water supplies; to protect the safety of humans and animals; and to otherwise prevent waste and protect correlative rights each of the above-described wells should be plugged and abandoned or drilling should be recommenced on or before March 1, 1972, in accordance with a program approved by the Artesia office of the New Mexico Oil Conservation Commission.
- (8) That in order to prevent crude petroleum oil, natural gas, or water from escaping from strata in which they are found into other strata; to prevent injury to neighboring leases or properties; to prevent pollution of fresh water supplies; to protect the safety of humans and animals; and to otherwise prevent waste and protect correlative rights each of the above-described wells should be plugged and abandoned on or before March 31, 1972, in accordance with a program approved by the Artesia office of the New Mexico Oil Conservation Commission, if said wells are not on active production at said time.

#### IT IS THEREFORE ORDERED:

(1) That Luttrell Oil Company is hereby ordered to plug and abandon or to recommence drilling the Luttrell Oil Company State Well No. 1, located in Unit M, Section 28, Township 2 South, Range 26 East, NMPM, De Baca County, New Mexico, on or before March 1, 1972, in accordance with a Commission-approved program.

-3-CASE NO. 4637 Order No. R-4252

- (2) That Luttrell Oil Company is hereby ordered to plug and abandon the Luttrell Oil Company State Well No. 1, located in Unit M, Section 28, Township 2 South, Range 26 East, NMPM, De Baca County, New Mexico, on or before March 31, 1972, in accordance with a Commission-approved plugging program, if said well is not on active production at said time.
- (3) That Luttrell Oil Company is hereby ordered to plug and abandon or to recommence drilling the Luttrell Oil Company Corn Well No. 1, located in Unit A, Section 5, Township 8 South, Range 24 East, NMPM, Chaves County, New Mexico, on or before March 1, 1972, in accordance with a Commission-approved program.
- (4) That Luttrell Oil Company is hereby ordered to plug and abandon the Luttrell Oil Company Corn Well No. 1, located in Unit A, Section 5, Township 8 South, Range 24 East, NMPM, Chaves County, New Mexico, on or before March 31, 1972, in accordance with a Commission-approved plugging program, if said well is not on active production at said time.
- (5) That prior to commencing plugging operations on any well, Luttrell Oil Company shall obtain a Commission-approved plugging program for such well from the District Supervisor, Oil Conservation Commission, Drawer DD, Artesia, New Mexico, and shall notify said Supervisor of the exact date and time plugging operations are to commence.
- (6) That any deviation from the above-plugging program shall be permitted only upon a showing of good cause therefor and with the written consent of the Secretary-Director of the Commission.
- (7) 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 herein-

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

BRUCE KING, Chairman

ALEX J. ARMIJO, Member

S E A L dr/

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



#### **OIL CONSERVATION COMMISSION**

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

February 9, 1972

GOVERNOR BRUCE KING CHAIRMAN

LAND COMMISSIONER
ALEX J. ARMIJO
MEMBER

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

CERTIFIED - RETURN RECEIPT REQUESTED

Luttrell Oil Company P. O. Box 196 Artesia, New Mexico 88210

Mr. Robert E. Ferguson The Travelers Indemnity Co. P. O. Box 350 Artesia, New Mexico

> Re: Case No. 4637 Order No. R-4252

#### Gentlemen:

I am enclosing herewith a certified copy of the above order which requires you to plug your Luttrell Oil Company State Well No. 1, located in Unit M, Section 28, Township 2 South, Range 26 East, De Baca County and your Luttrell Oil Company Corn Well No. 1, located in Unit A, Section 5, Township 8 South, Range 24 East, Chaves County, New Mexico.

Please note that each of the wells must be plugged on or before March 1, 1972, or drilling of each well must be recommenced by that date. Note further, that in the event drilling operations are recommenced, the wells must be on active production by March 31, 1972, or the wells plugged by that date.

Prior to commencing plugging operations on any well, a Commission-approved plugging program for such well must be obtained from the District Supervisor, Oil Conservation Commission, Drawer DD, Artesia, New Mexico, and said supervisor



#### **OIL CONSERVATION COMMISSION**

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

February 9, 1972

GOVERNOR BRUCE KING CHAIRMAN

LAND COMMISSIONER
ALEX J. ARMIJO
MEMBER

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

CERTIFIED - RETURN RECEIPT REQUESTED

Luttrell Oil Company P. O. Box 196 Artesia, New Mexico 88210

Mr. Robert E. Ferguson The Travelers Indemnity Co. P. O. Box 350 Artesia, New Mexico

> Re: Case No. 4637 Order No. R-4252

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Please note that each of the wells must be plugged on or before March 1, 1972, or drilling of each well must be recommenced by that date. Note further, that in the event drilling operations are recommenced, the wells must be on active production by March 31, 1972, or the wells plugged by that date.

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shall be notified of the exact date and time plugging operations are to commence.

Yours very truly,

Slove m. Halele GEORGE M. HATCH Attorney

GMH/dr enclosure cc: Mr. James E. Kirk - Albuquerque

## OIL CONSERVATION COMMISSION P. O. BOX 2088 SANTA FE, NEW MEXICO 87501

February 9, 1972

CERTIFIED - RETURN RECEIPT REQUESTED

Luttrell Oil Company P. O. Box 196 Artesia, New Mexico 88210

Mr. Robert E. Ferguson The Travelers Indemnity Co. P. O. Box 350 Artesia, New Mexico

> Re: Case No. 4637 Order No. R-4252

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Please note that each of the wells must be plugged on or before March 1, 1972, or drilling of each well must be recommenced by that date. Note further, that in the event drilling operations are recommenced, the wells must be on active production by March 31, 1972, or the wells plugged by that date.

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# OIL CONSERVATION COMMISSION P. O. BOX 2088 SANTA FE, NEW MEXICO 87501

Case No. 4637 Page 2 February 9, 1972

shall be notified of the exact date and time plugging operations are to commence.

Yours very truly,

GEORGE M. HATCH Attorney

GME/dr enclosure cc: Mr. James S. Kirk - Albuquerque

## 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 CWN MOTION TO PERMIT LUTTRELL OIL COMPANY AND ALL OTHER INTERESTED PERSONS TO APPEAR AND SHOW CAUSE WHY THE FOLLOWING-DESCRIBED WELLS IN NEW MEXICO SHOULD NOT BE PLUGGED AND ABANDONED IN ACCORDANCE WITH A COMMISSION-APPROVED PLUGGING PROGRAM.

CASE NO. 4637 Order No. R-4252

#### ORDER OF THE COMMISSION

#### BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on January 19, 1972, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 8th day of February, 1972, the Commission, a quorum being present, having considered the testimony, the record, and the recommendations of the Examiner, 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 Luttrell Oil Company is the owner and operator of the following wells:

Luttrell Oil Company State Well No. 1 - Unit M, Section 28, Township 2 South, Range 26 East, De Baca County;

Luttrell Oil Company Corn Well No. 1 - Unit A, Section 5, Township 8 South, Range 24 East, Chaves County.

(3) That drilling activities have been suspended far in excess of 60 days on each of the subject wells.

-2-CASE NO. 4637 Order No. R-4252

- (4) That each of the above-described wells has been abandoned.
- (5) That there is a danger, as to each of the subject wells, that oil, gas, or water will escape from the separate strata originally containing them into other strata if the subject wells are left in their present condition.
- (6) That there is a danger, as to each of the subject wells and locations, that injury will occur to neighboring leases or properties, that pollution of fresh water supplies will occur, or that the safety of humans and animals will be endangered if the subject wells are left in their present condition.
- (7) That in order to prevent crude petroleum oil, natural gas, or water from escaping from strata in which they are found into other strata; to prevent injury to neighboring leases or properties; to prevent pollution of fresh water supplies; to protect the safety of humans and animals; and to otherwise prevent waste and protect correlative rights each of the above-described wells should be plugged and abandoned or drilling should be recommenced on or before March 1, 1972, in accordance with a program approved by the Artesia office of the New Mexico Oil Conservation Commission.
- (8) That in order to prevent crude petroleum oil, natural gas, or water from escaping from strata in which they are found into other strata; to prevent injury to neighboring leases or properties; to prevent pollution of fresh water supplies; to protect the safety of humans and animals; and to otherwise prevent waste and protect correlative rights each of the above-described wells should be plugged and abandoned on or before March 31, 1972, in accordance with a program approved by the Artesia office of the New Mexico Oil Conservation Commission, if said wells are not on active production at said time

#### IT IS THEREFORE ORDERED:

(1) That Luttrell Oil Company is hereby ordered to plug and abandon or to recommence drilling the Luttrell Oil Company State Well No. 1, located in Unit M, Section 28, Township 2 South, Range 26 East, NMPM, De Baca County, New Mexico, on or before March 1, 1972, in accordance with a Commission-approved program.

-3-CASE NO. 4637 Order No. R-4252

- (2) That Luttrell Oil Company is hereby ordered to plug and abandon the Luttrell Oil Company State Well No. 1, located in Unit M, Section 28, Township 2 South, Range 26 East, NMPM, De Baca County, New Mexico, on or before March 31, 1972, in accordance with a Commission-approved plugging program, if said well is not on active production at said time.
- (3) That Luttrell Oil Company is hereby ordered to plug and abandon or to recommence drilling the Luttrell Oil Company Corn Well No. 1, located in Unit A, Section 5, Township 8 South, Range 24 East, NMPM, Chaves County, New Mexico, on or before March 1, 1972, in accordance with a Commission-approved program.
- (4) That Luttrell Oil Company is hereby ordered to plug and abandon the Luttrell Oil Company Corn Well No. 1, located in Unit A, Section 5, Township 8 South, Range 24 East, MMPM, Chaves County, New Mexico, on or before March 31, 1972, in accordance with a Commission-approved plugging program, if said well is not on active production at said time.
- (5) That prior to commencing plugging operations on any well, Luttrell Oil Company shall obtain a Commission-approved plugging program for such well from the District Supervisor, Oil Conservation Commission, Drawer DD, Artesia, New Mexico, and shall notify said Supervisor of the exact date and time plugging operations are to commence.
- (6) That any deviation from the above-plugging program shall be permitted only upon a showing of good cause therefor and with the written consent of the Secretary-Director of the Commission.
- (7) 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 Adesignated.

STATE OF NEW MEXICO
OLL CONSERVATION COMMISSION

BRUCE KING, Chairma

ALEX J. ARMIJO, Nember

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

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#### OIL CONSERVATION COMMISSION

P. O. BOX 2088

SANTA FE. NEW MEXICO 87501

#### February 8, 1971

Mr. W. C. Welch 302 West Grand Artesia, New Mexico

American Employers' Insurance Company Surety Claim Department c/o Edwin H. Ward, Resident Agent Artesia, New Mexico

Re: Case No. 4491
W. C. Welch State Well No. 1, located 660 feet
from the South and West lines of Section 28,
Township 2 South, Range 26 Rast, MMPM, De Baca
County, New Mexico — American Employers'
Insurance Company \$10,000 Blanket Plugging Bond

#### Gentlemen:

Enclosed is a copy of Order No. R-4096 entered by the Commission in the subject case.

Very truly yours,

GEORGE M. HATCH Special Assistant Attorney General

GMH/esr Enclosure

cc: Mr. James E. Kirk
Attorney at Law
401 San Pedro Drive, N.E.
Albuquerque, New Mexico

Mr. Bill Gressett Supervisor, District 2 Oil Conservation Commission Drawer DD Artesia, New Mexico



#### **OIL CONSERVATION COMMISSION**

STATE OF NEW MEXICO P. O. DRAWER DD - ARTESIA

88210

September 15, 1971

GOVERNOR BRUCE KING CHAIRMAN

LAND COMMISSIONER ALEX J. ARMIJO MEMBER

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

Case 4637

Luttrell Oil Company
P. O. Box 196
Artesia, New Mexico 88210

Re: Corn No.1-A, 5-8S-24E, Chaves County, New Mexico

#### Gentlemen:

According to our records drilling operations have been suspended on the subject well for several months. Therefore we are requesting that the well be plugged and abandoned immediately. This office must be contacted prior to commencing plugging operations. Failure to comply within twenty (20) days, will result in my requesting that the Commission docket a hearing to allow all interested parties to appear and show cause why the well should not be properly plugged and abandoned.

Very truly yours,

OIL CONSERVATION COMMISSION

W. A. Gressett Supervisor, District II

WAG:jw cc: Mr. George Hatch P. O. Box 2088 Santa Fe, New Mexico (Case 4642 continued)

institute a pressure maintenance project in said pool by the injection of water into the Entrad formation through various wells located in Sections 10, 11, 22, and 23 of Township 19 North, Range 3, West, Sandoval County, New Mexico, and the promulgation of rules for said project including a procedure whereby additional injection or production wells at orthodox or unorthodox locations may be approved administratively.

- CASE 4646: Application of Manning Gas and Oil Company for down-hole commingling and a non-standard proration unit, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks authority to commingle production from undesignated Gallup and Dakota oil pools in the well-bore of its Apache Well No. 100 to be drilled 435 feet from the North line and 475 feet from the East line of Section 3, Township 24 North, Range 4 West, Rio Arriba County, New Mexico. Applicant further seeks a procedure whereby similar approval may be granted administratively for other wells to be drilled in the area of the above-described well. Applicant further seeks approval for a non-standard 32-acre proration unit comprising all of Lot 1 to be dedicated to the above-described Well No. 100.
- CASE 4647: Application of Apache Corporation for the creation of a new pool and special pool rules, Sandoval County, New Mexico. Applicant, in the above-styled cause, seeks the creation of a new pool for the production of oil from the Mesaverde formation for its Jicarilla Apache Well No. 1-7 located in the SE/4 NE/4 of Section 7, Township 22 North, Range 5 West, Sandoval County, New Mexico. Applicant further seeks the promulgation of special rules for said pool including provisions for 80-acre spacing units with wells to be drilled in the north-west or southeast quarter-quarter sections.
- CASE 4650: Application of Walter W. Krug dba Wallen Production Company for an exception to Order No. R-111-A and for special pool rules, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an exception to the potash-oil area casing and cementing rules as set forth in Commission Order No. R-111-A for his Wallen Federal Well No. 2 located 990 feet from the North line and 1650 feet from the West line of Section 20, Township 20 South, Range 34 East, North Lynch Yates-Seven Rivers Pool, Lea County, New Mexico. Applicant proposes to drill and complete said well in such a manner that upon completion, the well would be equipped with a 7-inch production casing to the top of the pay and a 4 1/2-inch liner through the pay, with cement to the surface. Applicant further seeks the promulgation of special pool rules for similar casing and cementing, of all wells drilled in the above-described pool.

#### DOCKET; EXAMINER HEARING - WEDNESDAY - JANUARY 19, 1972

9 A.M. - OIL CONSERVATION COMMISSION CONFERENCE ROOM, STATE LAND OFFICE BUILDING SANTA FE, NEW MEXICO

The following cases will be heard before Elvis A. Utz, Examiner, or Daniel S. Nutter, Alternate Examiner:

- ALLOWABLE: (1) Consideration of the allowable production of gas for February, 1972, from fifteen prorated pools in Lea, Eddy, Roosevelt and Chaves Counties, New Mexico;
  - (2) Consideration of the allowable production of gas from nine prorated pools in San Juan, Rio Arriba and Sandoval Counties, New Mexico, for February, 1972.
- CASE 4645: Application of Acoma Oil Corporation for down-hole commingling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to commingle production from the Drinkard Pool and Wantz-Abo Pool in the well-bore of its S. J. Sarkeys A Well No. 1, a triple completion, located in Unit A of Section 26, Township 21 South, Range 37 East, Lea County, New Mexico.
- CASE 4648: Application of Aztec Oil & Gas Company for an unorthodox well location, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval for the off-pattern unorthodox location for its Vasaly Federal Well No. 1-Y to be located 790 feet from the North line and 1795 feet from the West line of Section 31, Township 32 North, Range 11 West, Blance-Mesaverde Pool, San Juan County, New Mexico.
- CASE 4625: (Continued from the December 15, 1971, Examiner Hearing)
  Application of Texaco Inc. for downhole commingling,
  Eddy County, New Mexico. Applicant, in the above-styled
  cause, seeks authority to commingle production from the
  Paduca-Morrow and Paduca-Wolfcamp Gas Pools in the wellbore of its Cotton Draw Unit Well No. 65 located in Unit
  G of Section 2, Township 25 South, Range 31 East, Eddy
  County, New Mexico.
- CASE 4642: (Continued from the January 5, 1972, Examiner Hearing)
  Application of Fluid Power Pump Company for special pool rules and a pressure maintenance project, Sandoval County, New Mexico. Applicant, in the above-styled cause, seeks the promulgation of special rules for the Media-Entrada Pool, including a provision for 160-acre spacing and proration units. Applicant further seeks authority to

(Case 4651 continued)

(b) Extend the Bluitt-San Andres Associated Pool in Roosevelt County, New Mexico, to include therein:

TOWNSHIP 8 SOUTH, RANGE 37 EAST, NMPM SECTION 15: All

(c) Extend the Littman-San Andres Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 21 SOUTH, RANGE 38 EAST, NMPM SECTION 20: SE/4

(d) Extend the West Sawyer-San Andres Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 9 SOUTH, RANGE 37 EAST, NMPM SECTION 27: SW/4

(e) Extend the North Vacuum-Abo Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 17 SOUTH, RANGE 35 EAST, NMPM SECTION 18: W/2

(f) Extend the Vada-Pennsylvanian Pool in Lea and Roosevelt Counties, New Mexico, to include therein:

TOWNSHIP 8 SOUTH, RANGE 34 EAST, NMPM SECTION 36: NW/4

TOWNSHIP 9 SOUTH, RANGE 34 EAST, NMPM SECTION 17: NW/4 SECTION 18: N/2

CASE 4649: Application of the Oil Conservation Commission on its own motion for the amendment of the gas well testing procedures promulgated by Order No. R-333-F for Northwest New Mexico. The Commission proposes to amend Chapter I of said Order No. R-333-F in such a manner as to provide that most annual deliverability and shut-in pressure tests required by said order be filed within 60 days following the completion of the test and to provide for notice to the Commission of any rescheduling of shut-in pressure tests. The Commission further proposes to amend the minth paragraph of Chapter II, Section 2 of said order to permit shutting in gas wells for the required shut-in test other than immediately following the 7-day deliverability flow test and to permit measuring the shut-in test pressure during the 8th to 15th day of shut-in of of the well rather than on the 8th day as presently required.

CASE 4637:

(Continued from the December 15, 1971, Examiner Hearing) In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit Luttrell Oil Company and all other interested persons to appear and show cause why the following-described wells in New Mexico should not be plugged and abandoned in accordance with a Commissionapproved plugging program:

> Luttrell Oil Company State Well No. 1 -Unit M, Section 28, Township 2 South, Range 26 East, De Baca County;

Luttrell Oil Company Corn Well No. 1 -Unit A, Section 5, Township 8 South, Range 24 East, Chaves County.

CASE 4651: Southeastern New Mexico nomenclature case calling for an order for the creation and extension of certain pools in Lea and Roosevelt Counties, New Mexico.

(a) Create a new pool in Roosevelt County, New Mexico, classified as a gas pool for San Andres production and designated as the Baker-San Andres Gas Pool. The discovery well is the Cactus Drilling Corporation of Texas Kewanee State No. 2 located in Unit G of Section 9, Township 7 South, Range 35 East, NMPM. Said pool would comprise:

> TOWNSHIP 7 SOUTH, RANGE 35 EAST, NMPM SECTION 9: NE/4

## NEW MEXICO OIL CONSERVATION COMMISSION WELL LOCATION AND ACREAGE DEDICATION PLAT

Form C-102 Supersedes C-128 Effective 1-1-65

			All dia	lances must be f	rom the ou	ter boundaries of t	he Section	1.	
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					       		5	shown on t notes of a under my s	certify that the well location his plat was plotted from field ctual surveys made by me or upervision, and that the same d correct to the best of my and belief.
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BEFORE EXAMINER NUTTER

CIL CONSERVATION

OCC EXHIBIT NO. /

CASE NO. 463 7

MALIAR 1 9 1971 OIL AND GAS INSPECTOR

BEFORE EXAMINER MUTTER
OIL CONSERVATION
OCC EXHIBIT NO. 2

CASE NO. 46 37

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decision whether to conver			
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DEPATOR O		15/1	State State Fee
LAND OFFICE	ATION COXICO OIL CONSEI	JN 7 1971	

BEFORE EXAMINER NUTTER

CIL CONSERVATION COMMISSI IN

CASE NO. 463.7



#### **OIL CONSERVATION COMMISSION**

STATE OF NEW MEXICO
P. O. DRAWER DD - ARTESIA

September 15, 1971

GOVERNOR BRUCE KING CHAIRMAN

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

Case 4637

Luttrell Oil Company
P. O. Box 196
Artesia, New Mexico 88210

Re: Corn No.1-A, 5-8S-24E, Chaves County, New Mexico

#### Gentlemen:

According to our records drilling operations have been suspended on the subject well for several months. Therefore we are requesting that the well be plugged and abandoned immediately. This office must be contacted prior to commencing plugging operations. Failure to comply within twenty (20) days, will result in my requesting that the Commission docket a hearing to allow all interested parties to appear and show cause why the well should not be properly plugged and abandoned.

Very truly yours,

OIL CONSERVATION COMMISSION

W. A. Gressett Supervisor, District II

WAG:jw cc: Mr. George Hatch P. O. Box 2088 Santa Fe, New Mexico

BEFORE EXAMINER NUTTER
OIL CONSELLA POR COMMISSION
OCC EXHIBIT NO. 4
CASE NO. 4637

### Luthell oil Co. Com #1- A. 5-8-24 Chaves Cty.

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Luthell oil Co. State #1-11. 28-25-26 e

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Artesia, New Mexico 88210

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Oil Conservation Commission P. O. Box 2008 Santa Fa. New Mexico 87501

Case No. 4637

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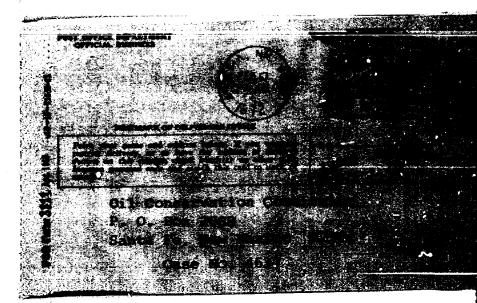
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## OIL CONSERVATION COMMISSION P. O. BOX 2088 SANTA FE, NEW MEXICO 87501

December 3, 1971

CERTIFIED - RETURN ANCEIPT REQUESTED

Lattrell Oil Company P. O. Box 196 Artesia, New Mexico 88210

Mr. Robert B. Ferguson The Travelers Indemnity Co. 7. O. Box 350 Artesia, New Mexico

Re: Luttrell Oil Company State Well No. 1 - Unit M, Section 28, Township 2 South, Range 26 East, De Baca County; Luttrell Oil Company Corn Well No. 1 - Unit A, Section 5, Township 8 South, Range 24 East, Chaves County The Travelers Indemnity Co. - \$10,000 Blanket Plugging Bond No. 1673364

#### Gentlesen:

Anchored is a copy of the docket of the Examiner Mearing to be held on Wednesday, December 15, 1971, at 10:00 A.M. in the Oil Conservation Commission Conference Room, State Land Office Building, Santa Fe, New Mexico. Case No. 4637 concerns the subject matter.

Very truly yours,

GEORGE M. HATCH Agency Assistant Attorney General

#### com/dr

cc: Mr. James E. Kirk - Albuquerque Mr. W. C. Welch - Artesia Mr. Bill Gressett, Oil Conservation Commission - Artesia State Land Office - Santa Pe

# OIL CONSERVATION COMMISSION P. O. BOX 2088 SANTA FE, NEW MEXICO 87501

December 9, 1971

Luttrell Oil Company F. O. Box 196 Artesia, New Mexico 88210

Mr. Robert E. Ferguson The Travelers Indonnity Co. P. O. Box 150 Artesia, New Mexico

> Re: Luttrell Oil Company State Well No. 1-Unit M, Section 28, Township 2 South, Range 26 East, De Baca County; Luttrell Oil Company Corn Well No. 1 -Unit A, Section 5, Township 8 South, Range 24 East, Chaves County The Travelors Indemnity Co. - \$10,000 Blanket Plugging Bond No. 1673364

#### Contlemen:

Please be advised that Case No. 4637, concerning the subject matter, will be continued to the January 19, 1972, Examiner Mearing. A docket will be mailed to you at a later date.

Very truly yours,

GEORGE M. HATCH Attorney

#### quet/dr

CC: Mr. James H. Kirk - Albuquerque
Mr. W. C. Welch - Artesia
Mr. Bill Grassett Cil Consequetion Commission

Mr. Bill Grassett, Oil Conservation Commission - Artesia State Land Office - Santa Pe JAMES E. KIRK
ATTORNEY AT LAW
6051/2 SAN MATEO BOULEVARD, N.F. / SUITE 250
ALBUQUERQUE, NEW MEXICO 87108

December 6, 1971

RECEIVED

1971

Gra

Oil Conservation Commission F. O. Box 2088 Santa Fe, New Mexico 87501

Attention: Mr. George M. Hatch,

Agency Assistant Attorney General

Re: Luttrell Oil Company State Well No. 1 Unit M, Section 28, Township 2 South, Range 26 East, De Baca County

Dear Mr. Hatch:

Your letter of December 3, 1971 was received in my office Saturday, December 4, 1971, but I personally did not receive same until today, December 6, 1971.

In relation to the hearing which is scheduled to be heard on December 15, 1971, I respectfully request that this hearing be postponed for at least thirty days. The reason for my request is that I am leaving for Djakarta, Indonesia on December 8, 1971, and will not be returning to the United States until about December 22, 1971. My being in Indonesia involves extremely substantial business with the Indonesian Government and, therefore, there is no way that I could reschedule my trip to Indonesia. At the same time, I am the principle person involved in the hearing and I believe that it is very important that I am present.

Thanking you for your kind consideration in this matter, I am

Very truly yours,

James E. Kirk

JEK/brf cc: Luttrell Oil Co.

#### DOCKET: REGULAR HEARING - WEDNESDAY - DECEMBER 15, 1971

OIL CONSERVATION COMMISSION - 9 A.M. - MORGAN HALL, STATE LAND OFFICE BUILDING, SANTA FE, NEW MEXICO

- ALLOWABLE: (1) Consideration of the oil allowable for January and February, 1972;
  - (2) Consideration of the allowable production of gas for January, 1972, from fifteen prorated pools in Lea, Eddy, Roosevelt and Chaves Counties, New Mexico. Consideration of the allowable production of gas from nine prorated pools in San Juan, Rio Arriba and Sandoval Counties, New Mexico for January, 1972; consideration of purchaser's nominations for the six-month period beginning February 1, 1972 for that area.
- CASE 4575: (De Novo) (This case, previously continued from its October 13, 1971, hearing, will be continued to the February 16, 1972, regular hearing)

Application of Anadarko Production Company for the amendment of the special pool rules for an existing pool, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the amendment of the special rules and regulations governing the South Eunice-San Andres Pool to provide for the classification of oil and gas wells, spacing and well location requirements, and an allocation formula for withdrawals by oil and gas wells.

Upon application of Anadarko Production Company, this case will be heard <u>De Novo</u> under the provisions of Rule 1220.

CASE 4557: (De Novo) (This case, previously continued from its
October 13, 1971, hearing, will be continued to the February
16, 1972, regular hearing)

Application of Continental Oil Company for transfer of allowable, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to transfer allowable across boundaries of the participating area and the leases outside said area, but within the Maljamar Co-operative Area, MCA Unit Area, Maljamar Grayburg-San Andres Pool, Lea County, New Mexico.

Upon application of Continental Oil Company, this case will be heard <u>De Novo</u> under the provisions of Rule 1220.

Docket No. 28-71

Regular Hearing - December 15, 1971 -2-

\* \* \* \* \* \* \* \* \* \* \* \* \*

THE FOLLOWING CASES WILL BE HEARD BEFORE ELVIS A. UTZ, EXAMINER, OR DANIEL S. NUTTER, ALTERNATE EXAMINER, IN THE OIL CONSERVATION COMMISSION CONFERENCE ROOM ON THE SECOND FLOOR OF THE LAND OFFICE BUILDING AT 10 O'CLOCK A.M.

\* \* \* \* \* \* \* \* \* \* \* \* \*

- CASE 4625: (Continued from the November 17, 1971, Examiner Hearing)
  Application of Texaco Inc. for downhole commingling,
  Eddy County, New Mexico. Applicant, in the above-styled
  cause, seeks authority to commingle production from the
  Paduca-Morrow and Paduca-Wolfcamp Gas Pools in the wellbore of its Cotton Draw Unit Well No. 65 located in Unit
  G of Section 2, Township 25 South, Range 31 East, Eddy
  County, New Mexico.
- CASE 4633: Application of El Paso Natural Gas Company for the suspension of certain provisions of Rules 14 (A) and 15 (A) of the General Rules and Regulations for the prorated gas pools of Southeastern New Mexico, promulgated by Order No. R-1670, as amended. Applicant, in the above-styled cause, seeks suspension for a period of one year from January 1, 1972, of those provisions of Rules 14 (A) and 15 (A) of the General Rules and Regulations for the prorated gas pools of Southeastern New Mexico that provide, respectively, for the cancellation of unproduced allowable and the shutting-in of overproduced wells. Applicant seeks said suspension for the Blinebry, Crosby (Devonian), Eumont, Jalmat, Justis, Monument (McKee), and Tubb Gas Pools, all in Lea County,
- CASE 4634: Application of Texaco Inc. for a waterflood expansion,
  Lea County, New Mexico. Applicant, in the above-styled
  cause, seeks authority to expand its West Vacuum Unit Waterflood Project, Vacuum Pool, by the conversion to water
  injection of eleven wells located in Sections 28, 33, and
  34 of Township 17 South, Range 34 East, and Sections 3 and
  4 of Township 18 South, Range 34 East, Lea County, New
  Mexico.
- CASE 4635: Application of Continental Oil Company for multiple completion and down-hole commingling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to complete its Lockhart A-17 Well No. 4, located in the NE/4 NE/4 of Section 17, Township 21 South, Range 37 East, Lea County, New Mexico, in such a manner as to produce oil from the Tubb and Drinkard Pools through a single string of tubing and oil from the Penrose Skelly (Grayburg) Pool through a parallel string of tubing.

CASE 4637: In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit Luttrell Oil Company and all other interested persons to appear and show cause why the following-described wells in New Mexico should not be plugged and abandoned in accordance with a Commission-approved plugging program:

Luttrell Oil Company State Well No. 1 - Unit M, Section 28, Township 2 South, Range 26 East, De Baca County;

Luttrell Oil Company Corn Well No. 1 - Unit A, Section 5, Township 8 South, Range 24 East, Chaves County.

- CASE 4636: Southeastern nomenclature case calling for an order for the creation and extension of certain pools in Lea, Eddy and Roosevelt Counties, New Mexico.
  - (a) Create a new pool in Eddy County, New Mexico, classified as a gas pool for Atoka production and designated as the West Sand Dunes-Atoka Gas Pool. The discovery well is the El Paso Natural Gas Company Arco State No. 1 located in Unit K of Section 16, Township 23 South, Range 31 East, NMPM. Said pool would comprise:

TOWNSHIP 23 SOUTH, RANGE 31 EAST, NMPM SECTION 16: S/2

(b) Extend the North Allison-San Andres Pool in Roosevelt County, New Mexico, to include therein:

TOWNSHIP 8 SOUTH, RANGE 37 EAST, NMPM SECTION 18: SE/4 SECTION 19: NE/4

(c) Extend the North Bagley-Pennsylvanian Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 12 SOUTH, RANGE 33 EAST, NMPM SECTION 9: SE/4

(d) Extend the South Carlsbad-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 22 SOUTH, RANGE 27 EAST, NMPM SECTION 19: S/2

(Case 4636 continued)

(e) Extend the South Carlsbad-Strawn Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 22 SOUTH, RANGE 27 EAST, NMPM SECTION 30: S/2

(f) Extend the Catclaw Draw-Morrow Gas Pool in Eddy County. New Mexico, to include therein:

TOWNSHIP 21 SOUTH, RANGE 25 EAST, NMPM SECTION 23: All

(g) Extend the Cerca-Upper Pennsylvanian Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 14 SOUTH, RANGE 34 EAST, NMPM SECTION 2: SW/4
SECTION 3: S/2

(h) Extend the Eagle Creek-San Andres Pool in Eddy County. New Mexico, to include therein:

TOWNSHIP 17 SOUTH, RANGE 25 EAST, NMPM SECTION 15: S/2 S/2 SECTION 21: S/2 NE/4 and SW/4 SECTION 27: S/2 NW/4 SECTION 28: S/2 NE/4 and NW/4

(i) Extend the Grayburg Jackson Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 17 SOUTH, RANGE 30 EAST, NMPM SECTION 10: S/2 SW/4

(j) Extend the Grayburg-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 17 SOUTH, RANGE 29 EAST, NMPM SECTION 21: S/2 SECTION 22: NW/4 NE/4, N/2 SW/4, and SW/4 SW/4

(k) Extend the Justis-Blinebry Pool in Lea County, New Mexico, therein:

Docket No. 28-71

Regular Hearing - December 15, 1971 -5-

(Case 4636 continued)

- (k) TOWNSHIP 25 SOUTH, RANGE 37 EAST, NMPM SECTION 12: SE/4
- (1) Extend the North Lynch Yates-Seven Rivers Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 20 SOUTH, RANGE 34 EAST, NMPM SECTION 17: SW/4 SECTION 20: NW/4

(m) Extend the Malaga-Delaware Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 24 SOUTH, RANGE 28 EAST, NMPM SECTION 24: NW/4 SW/4

(n) Extend the Power Grayburg-San Andres Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 30 EAST, NMPM SECTION 1: SE/4 NE/4

(o) Extend the Shugart Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 31 EAST, NMPM SECTION 23: W/2 SW/4

(p) Extend the Tres Papalotes-Pennsylvanian Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 14 SOUTH, RANGE 34 EAST, NMPM SECTION 28: SW/4 SECTION 29: S/2

(q) Extend the Weir-Blinebry Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 20 SOUTH, RANGE 37 EAST, NMPM SECTION 15: SE/4

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o de la contra

August 18, 1972

The Travelers Insurance Company 101 University Boulevard Denver, Colorado 80206

Attention: Mr. Scott D. Stewart

Re: Luttrell Oil Company Corn Well No. 1 - Unit A, Section 5, Township 8 South Range 24 East, Chaves County, New Mexico, The Travelers Indemnity Company, \$10,000 Blanket Plugging Bond No. 1673364

#### Gentlemen:

In regards to the above-described well and bond, I wish to inform you that the well has been plugged and the plugging has been approved. I also wish to thank you for your cooperation in the matter.

A copy of the approved plugging program is enclosed.

Very truly yours,

GEORGE M. HATCH Attorney

GMH/dr

The Travelers Indemnity Company
Artesia, New Mexico
Luttrell Oil Company
Artesia, New Hexico
The Travelers Indemnity Company
Hartford, Connecticut 06115
Oil Conservation Commission - Artesia

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18. I hereby carry that the information above is true and complete to the best of my knowledge and belief.  Agent for the  Pipes Travelers Indemnity Co.	BATE 8/1	14/72
APPROVED BY JA Gressett TITLE OIL AND CAS INSPLTION '	AUG 1	4 1972
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Cleaned location, ready for inspection.		
Plugging witnessed by Lelan Mermis		
14. I hereby comby that the information above is true and complete to the best of my knowledge and belief.  Agent for the  State Travelers Indemnity Co.	B/	14/72
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	" csg. at surface.	
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18. I hereby certify that the information above is true and	complete to the best of my knowledge and belief.	
Your Chan	Agent for the Travelers Indemnity (	20. 9/14/72
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1100	OIL AND GAS INSPECTOR	A11/2 4 4 4000
AFMONED OF W. C. Gressett	THE THE	AUG 1 4 1972
CONDITIONS OF APPROVAL, IF ANTI		

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### TRAVELERS

THE TRAVELERS INSURANCE COMPANY. THE TRAVELERS INDEMNITY COMPANY

SURETY DIVISION ELSTON K. SMITH, MANAGER

August 11, 1972

OIL CONSERVATION COMM. Santa Fo

DENVER OFFICE 101 University Boulevard DENVER, COLORADO 80206 Telephone: (303) 388-6244

Oil Conservation Commission State of New Mexico P. O. Box 2088 Santa Fe, New Mexico 87501

Attention: Mr. A. L. Porter, Jr. Secretary - Director

42 SS 1148

Principal:

Jimmy D. Luttrell dba

Luttrell Oil Company State of New Mexico

Obligee:

Corn Well #1

Dear Mr. Porter:

Your letter of August 2, 1972 to The Travelers Indemnity Company, c/o Mr. Robert E. Ferguson has been directed to this office.

I spoke recently by telephone to Mr. George Chase of Artesia, New Mexico about Corn Well No. 1 - Unit A, Section 5, Township 8 South, Range 24 East, Chaves County, New Mexico.

I asked  $^{M}\mathbf{r}$ . Chase to proceed. It is my understanding that Mr. Chase had discussed this matter with Mr. Bill Gressett.

We trust that the plugging operations will be underway shortly, if not already, and that the District Supervisor of District 2 will be properly notified.

Should you have any questions or comments, please do not hesitate to contact me directly.

Senior Account Analyst

cc: Mr. George Chase Chase Well Service P. O. Box 637

Artesia, New Mexico 88210

Mr. Robert E. Ferguson P. O. Box 350 Artesia, New Mexico 88210 Mr. P. D. Tubach Examiner, Surety The Travelers 1 Tower Square Hartford, Connecticut 06115

HOME OFFICE: HARPFORD, CONNECTICET

August 2, 1972

CERTIFIED - RETURN RECEIPT REQUESTED

The Travelers Indomnity Company c/o Mr. Robert E. Ferguson P. O. Box 350 Artesia, New Mexico

Re: Luttrell Oil Company Corn Well No. 1 Unit A, Section 5, Township 8 South,
Range 24 East, Chaves County, New Mexico,
The Travelers Indemnity Company, \$10,000
Blanket Plugging Bond No. 1673364

#### Gentlemen:

After notice and hearing, Luttrell Oil Company was ordered, by Order No. R-4252, to recommence drilling or to plug the above-described well in accordance with a Commission approved program on or before March 1, 1972.

As Luttrell did not comply with said order, the New Mexico Oil Conservation Commission made demand, by letter dated March 31, 1972, upon The Travelers Indemnity Company, as surety on the above-described plugging bond, to plug the subject well in accordance with a Commission approved program within a reasonable period of time.

As several months have passed and the subject well has not yet been plugged, the New Mexico Oil Conservation Commission hereby rensws its demand upon The Travelers Indemnity Company to plug the subject well in accordance with said Order No. R-4252 and demands that said plugging be done on or before September 30, 1972.

Please notify the District Supervisor of District 2 of the New Mexico Oil Conservation Commission, Artesia,

The Travelers Indomnity Company Page 2

August 2, 1972

New Mexico, prior to commencing plugging operations, of the date and time plugging operations are to commence so that he may witness same.

Very truly yours,

A. L. PORTER, Jr. Secretary-Director

### ALP/GMH/dr

oc: Luttrell Oil Company P. O. Box 196 Artesia, New Mexico 88210

> Mr. Bill Gressett Oil Conservation Commission Drawer DD Artesia, New Nexico 88210

The Travelers Indemnity Company One Tower Square Nartford, Connecticut 06115

August 2, 1972

CERTIFIED - RETURN RECEIPT REQUESTED

The Travelers Indemnity Company c/o Mr. Robert E. Ferguson P. O. Box 350 Artesia, New Mexico

Re: Luttrell Oil Company Corn Well No. 1 - Unit A, Section 5, Township 8 South, Range 24 East, Chaves County, New Mexico, The Travelers Indemnity Company, \$10,000 Blanket Plugging Bond No. 1673364

### Gentlemen:

After notice and hearing, Luttrell Oil Company was ordered, by Order No. R-4252, to recommence drilling or to plug the above-described well in accordance with a Commission approved program on or before March 1, 1972.

As Luttrell did not comply with said order, the New Mexico Oil Conservation Commission made demand, by letter dated March 31, 1972, upon The Travelers Indemnity Company, as surety on the above-described plugging bond, to plug the subject well in accordance with a Commission approved program within a reasonable period of time.

As several months have passed and the subject well has not yet been plugged, the New Mexico Oil Conservation Commission hereby renews its demand upon The Travelers Indemnity Company to plug the subject well in accordance with said Order No. R-4252 and demands that said plugging be done on or before September 30, 1972.

Please notify the District Supervisor of District 2 of the New Mexico Oil Conservation Commission, Artesia,

The Travelers Indemnity Company Page 2

August 2, 1972

New Mexico, prior to commencing plugging operations, of the date and time plugging operations are to commence so that he may witness same.

Very truly yours,

A. L. PORTER, Jr. Secretary-Director

### ALP/GMH/dr

cc: Luttrell Oil Company
P. O. Box 196
Artesia, New Mexico 88210

Mr. Bill Gressett Oil Conservation Commission Drawer DD Artesia, New Mexico 88210

The Travelers Indemnity Company One Tower Square Hartford, Connecticut 96115

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DISTRIBUTION RECEIVED  SANTAFE  NEW MEXICO OIL CONSERVATION COMMISSION	Form C-103 Supersedes Old C-102 and C-103 Elfective 1-1-65
FILE AUG 1 4 1972	Sa. Indicate Type of Lease State Fee X
OPERATOR D. C. C.	5. State Oil & Gas Lease No.
SUNDRY NOTICES AND REPORTS ON WELLS  (00 NOT USE THIS FORM FOR PROPOSALS TO BAILL OR TO DEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR.  USE "APPLICATION FOR PERMIT—" (FORM CTIOI) FOR SUCK PROPOZALS.)	
other. Dry hole	7. Unit Agreement Name
2. Nama of Operator  Luttrell Oil Company	8. Form or Lease Name Corn
3. Address of Operator	9. Well No.
P. O. Box 196 Artesia, New Mexico 88210	1 10. Field and Pool, or Wildcat
UNIT LETTER A 821.26 FEET FROM THE NOrth LINE AND 665.34 FEET FROM	Wildcat
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OTHER	
17. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including ework) SEE RULE 1103.	estimated date of starting any proposed
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8/8/72 TD 490' rigged up and tried to pull 7" csg. could	not pull.
8/9/72 Ran 2 3/8" tbg to 490' and loaded hole with mud 8 Pulled tbg and shot 7" csg at 253' could not pull backed off and recovered 180' of 7", could not pur Ran tbg. back to 217 and spotted 40 sx plug.	. thru 8 5/8"
8/10/72 Tagged top of plug at 90', pulled tbg and spot 2 and around 8 5/8" csg. at surface.	5 sx plug in
Cleaned location, ready for inspection.	
Plugging witnessed by Lelan Mermis	
18. I hereby certify that the information above is true and complete to the best of my knowledge and belief.	
Agent for the Travelers Indemnity Co.	DAYE 8/14/72
APPROVED BY J. a Gressett TITLE OIL AND GAS INSPECTOR	,AUG 1 4 1972
CONDITIONS OF APPROVAL, IF ANY:	

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R.W.BYRAM & COMPANY E AUSTIN, TEXAS



Air Mail

LEGAL DEPARTMENT
OIL CONSERVATION COMMISSION
P. O. BOX 2088
SANTA FE, NEW MEXICO 87501

na 817=2830454 Jenny D. Luttrell = FD. Worth = Jeinny Lattrell 282-7887

DRAFT

GMH/dr

DEFORE THE OIL CONSERVATION COMMISSION OF THE STATE OF NEW MEXICO

**M** IN

IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION COMMISSION OF NEW MEXICO FOR THE PURPOSE OF CONSIDERING:

CASE No. 4637

Order No. R- 4252

IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION COMMISSION ON ITS OWN MOTION TO PERMIT LUTTRELL OIL COMPANY AND ALL OTHER INTERESTED PERSONS TO APPEAR AND SHOW CAUSE WHY THE FOLLOWING-DESCRIBED WELLS IN NEW MEXICO SHOULD NOT BE PLUGGED AND ABANDONED IN ACCORDANCE WITH A COMMISSION-APPROVED PLUGGING PROGRAM.

### ORDER OF THE COMMISSION

### BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on January 19, 1972, at Santa Fe, New Mexico, before Examiner Elvis A. W. January 19

NOW, on this \_\_\_\_\_ day of \_\_\_\_\_\_\_, 1972, the Commission, a quorum being present, having considered the testimony, the record, and the recommendations of the Examiner, 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 Luttrell Oil Company is the owner and operator of the following wells:

Luttrell Oil Company State Well No. 1 - Unit M, Section 28, Township 2 South, Range 26 East, De Baca County;

Luttrell Cil Company Corn Well No. 1 - Unit A, Section 5, Township 8 South, Range 24 East, Chaves County.

that look of the above - desvited well.

drilling

(3) That drilling activities have been suspended in for far in excess of 60 days on each of the subject wells.

wells, that oil, gas, or water will escape from the separate strata originally containing them into other strata if the subject wells are left in their present condition.

wells and locations, that injury will occur to neighboring leases or properties, that pollution of fresh water supplies will occur, or that the safety of humans and animals will be endangered if the subject wells are left in their present condition.

gas, or water from escaping from strata in which they are found into other strata; to prevent injury to neighboring leases or properties; to prevent pollution of fresh water supplies; to protect the safety of humans and animals; and to otherwise prevent waste and protect correlative rights each of the above-described wells standard to should be recommenced on or before March 1, 1972, in accordance with a program approved by the Artesia office of the New Mexico Oil Conservation Commission.

That in order to prevent crude petroleum oil, natural gas, or water from escaping from strata in which they are found into other strata; to prevent injury to neighboring

leases or properties; to prevent pollution of fresh water supplies; to protect the safety of humans and animals; and to otherwise prevent waste and protect correlative rights each of the above-described wells should be plugged and abandoned or drilling should be recommended on or before March 31, 1972, in accordance with a program approved by the Artesia office of the New Mexico Oil Conservation Commission, if said wells we not on the foreign at a facility of the first production at acid fine.

IT IS THEREFORE ORDERED:

- (1) That Luttrell Oil Company is hereby ordered to plug and abandon or to recommence drilling the Luttrell Oil Company State Well No. 1, located in Unit M, Section 28, Township 2 South, Range 26 East, NMPM, De Baca County, New Mexico, on or before March 1, 1972, in accordance with a Commission-approved program.
- (2) That Luttrell Oil Company is hereby ordered to plug and abandon the Luttrell Oil Company State Well No. 1, located in Unit M, Section 28, Township 2 South, Range 26 East, NMPM, De Baca County, New Mexico, on or before March 31, 1972, in accordance with a Commission—approved plugging program, if said well is not on active production at said time.
- (3) That Luttrell Oil Company is hereby ordered to plug and abandon or to recommence drilling the Luttrell Oil Company Corn Well No. 1, located in Unit A, Section 5, Township 8 South, Range 24 East, NMPM, Chaves County, New Mexico, on or before March 1, 1972, in accordance with a Commission-approved program.

CASE NO. 4637 Order No. R-

(4) That Luttrell Oil Company is hereby ordered to plug and abandon the Luttrell Oil Company Corn Well No. 1, located in Unit A, Section 5, Township 8 South, Range 24 East, NMPM, Chaves County, New Mexico, on or before March 31, 1972, in accordance with a Commission-approved plugging program, if said well is not on active production at said time.

That prior to community and plugging year a prison in the Cirl Company Shad affails a Commission approved plugging program for such with from all the District Supervisor, Oil Conservation and shall malify said supervisor Commission, Drawer DD, Artesia, New Mexico, of the exact date and time plugging operations are to commence.

That any deviation from the above-plugging program shall be permitted only upon a showing of good cause therefor and with the written consent of the Secretary-Director of the Commission.

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.