

**CASE 4661: Motion of OCC TO PERMIT
BURWINKLE & SCANLON TO SHOW CAUSE
WHY PITS SHOULD NOT BE FILLED &
LEVELLED. (Sec. 21-T.20N-R9W)**

Case Number
4661

Application

Transcripts

Small Exhibits

E T C.

dearnley-meier reporting service, inc.

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

BEFORE THE
 NEW MEXICO OIL CONSERVATION COMMISSION
 MORGAN HALL, STATE LAND OFFICE BUILDING
 SANTA FE, NEW MEXICO
 February 16, 1972

EXAMINER HEARING

IN THE MATTER OF:

The hearing called by the Oil Conservation
 Commission on its own motion to permit
 Burwinkle & Scanlon or Burscan Oil Company
 to appear and show cause why pits located
 at its Santa Fe Railroad Wells Nos. 1, 2,
 and 3 in Unit N of Section 21, Township
 20 North, Range 9 West, McKinley County,
 New Mexico, should not be filled and
 levelled in accordance with Commission
 Rules and Regulations.

CASE NO. 4661

BEFORE: Elvis A. Utz
 Examiner

TRANSCRIPT OF HEARING

dearnley-meier reporting service, inc.

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1 MR. UTZ: We will call Case 4661.

2 MR. HATCH: In the matter of the hearing called
3 by the Oil Conservation Commission on its own motion to permit
4 Burwinkle & Scanlon or Burscan Oil Company to appear and show
5 cause why pits located at its Santa Fe Railroad Wells Nos.
6 1, 2, and 3 in Unit N of Section 21, Township 20 North, Range
7 9 West, McKinley County, New Mexico, should not be filled and
8 levelled in accordance with Commission Rules and Regulations.

9 A. R. KENDRICK,

10 was called as a witness and, after being duly sworn,
11 testified as follows:

12 DIRECT EXAMINATION

13 BY MR. HATCH:

14 Q Mr. Kendrick, will you state your name and position
15 and place of residence?

16 A A. R. Kendrick, Engineer in District III, for the
17 New Mexico Oil Conservation Commission. I live in
18 Aztec, New Mexico.

19 Q Would you describe the area included in District III?

20 A All of McKinley, Sandoval, and Rio Arriba Counties.

21 Q Are you familiar with Case 4661?

22 A Yes, sir.

23 Q Would you explain to the Commissioner what the purpose
24 of the Case is?

25 A The purpose is to allow the operator a fixed period of

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

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- 1 time to complete the plugging and clean up of three
2 wells drilled on the Santa Fe lease on which bottom
3 hole plugs have been set, but the surface has not been
4 cleaned and levelled.
- 5 Q Will you describe briefly, your duties relating to this
6 Case?
- 7 A As a representative of the Oil Conservation Commission,
8 it is our duty to see that Commission Rules and
9 Regulations applied in this Case to plug and the
10 abandonment of these wells are complied with.
- 11 Q And you do that by inspection of the premises?
- 12 A Yes, sir.
- 13 Q Have you inspected the premises that are involved in
14 this Case?
- 15 A I have.
- 16 Q When was that personal inspection made?
- 17 A The last inspection was during the first week of
18 January of this year.
- 19 Q Would you go back to your records and reports and
20 correspondence that you have received, or copies of
21 the correspondence that you have received, and go over
22 with the Commissioner the history of these wells, and
23 pits?
- 24 A Yes. Exhibit 1 is a copy of a letter addressed to
25 the District Office of the Commission in Aztec, New

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1 It is from D. J. Walsh of the Santa Fe Pacific
 2 Railroad Company, a portion of which reads: "Four
 3 wells have been drilled by the Lessee on said land to
 4 date."

5 Under date of August 14, 1970, we were advised
 6 by the Burscan Oil Company that they did not wish
 7 to continue the lease and would do everything necessary
 8 to effect the release of the land.

9 Thereafter on August 19, 1970, we advised our
 10 Lessee that they should take all steps necessary to
 11 immediately abandon the wells on the property in
 12 conformance with the Regulations of the New Mexico
 13 Oil and Gas Conservation Commission.

14 They then removed all personal property from the
 15 premises, advising us of the accomplishment thereof.

16 Q Do you have more than one copy of each of these?

17 A Yes, I have another copy here, if you would like to
 18 mark it as an Exhibit.

19 Q So the Commissioner can look at them, we will mark
 20 this Exhibit 1. How many of these do you have?

21 A One copy of each of the eight Exhibits.

22 Q These are all letters?

23 A Copies of letters relating to the plugging of these
 24 wells.

25 Q That you either received or sent, in your capacity as

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1 as a representative of the Oil Conservation Commission?

2 A That's true.

3 Q Go ahead and identify each of those and give us, just
4 briefly, the purpose of the letter.

5 A On June 4, 1971, I answered that letter and it appears
6 that I withheld my answer some twenty days because of
7 conversations we had been having and were, at the time,
8 having with representatives of Husk Engineering, who
9 advised us shortly before we received the letter that
10 they had acquired the property adjacent to this Lease
11 and were in the process of attempting to revive this
12 Lease which was operated by Burscan Oil Company, or
13 Burwinkle & Scanlon.

14 So I delayed answering, and then advised
15 Mr. Walsh that these people had agreed to abandon the
16 wells, and I actually wrote the letter on June 4th.

17 That letter was a memorandum stating that the
18 operator had advised that they would plug the first
19 hole the next day.

20 On June 5th I went to the field and witnessed
21 the plugging of the Number 3 Santa Fe Well.

22 On June 7th I witnessed the plugging of the Number
23 7 Well, and on June 9th, the plugging of the Number 2
24 Well.

25 By the plugging of these three wells, I mean setting

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1 downhole plugs and the surface markers were not
2 placed at that time.

3 Q Have the surface markers been erected at the present
4 time?

5 A I was advised that they were placed sometime around
6 Christmas of 1971.

7 The remaining Exhibits are further correspondence
8 at about sixty day intervals of the request by the
9 Railroad as to what progress had been made.

10 Before I answered each of those letters, I had
11 either just completed a field trip wherein I inspected
12 these wells along with the other wells, or I made a
13 field trip after the receipt of the letter and before
14 answering the letter.

15 Q Do you have anything further you wish to add concerning
16 the letters?

17 A The latest letter was addressed to Mr. Walsh and dated
18 January 28th, in which I advised him that I had asked
19 this Case be set.

20 Copies of that letter, along with copies of each
21 letter that went to the Railroad, went to Burwinkle &
22 Scanlon who were the operators of record on these
23 wells.

24 Q And you have testified that you visited the site of
25 these pits in Janury, early January?

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1 A Yes, sir.

2 Q Would you describe for the Commissioner exactly what
3 you observed on that date?

4 A The wells are relatively shallow, that is less than
5 500 feet deep, so the pits are small, but they have
6 been constructed by the use of a backhoe, and the
7 pit walls are steep ranging from about one and one-half
8 to four or five feet deep.

9 There is some miscellaneous junk about and the
10 pits need to be filled as they are a hazard to livestock
11 in the area because if something causes the cattle to
12 run through there, there will be a chance of physical
13 damage to the cattle if they run into these pits.

14 Q Do you know of any other hazards that are present?

15 A That is the greatest hazard except if they are levelled
16 there is a chance that grass would continue to grow
17 in the area, but it will have to be seeded in the bottom
18 of the pits or the piles of dirt that were made by the
19 digging of the pits.

20 Q Have you received a subsequent report of the plugging
21 and abandonment that would indicate that markers have
22 been put up?

23 A No, we have not received a subsequent report of
24 abandonment on any of these three holes.

25 Q Would you like to receive such a report?

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1 A I think it would complete our well file if we had
2 abandonment reports.

3 Q Do you have any recommendations to make to the Examiner
4 concerning the levelling and clearing of the junk?

5 A Yes, I would like to recommend that a fixed period
6 time, like two to four weeks, be authorized for the
7 operator to complete the abandonment of these wells.

8 It seems that the Lease is more than a year
9 expired and they have been more than eight months
10 finishing their plugging operations.

11 At the termination of this time if the operator
12 has not seen fit to complete the work, I would
13 recommend that the bonding company be called upon to
14 complete the work for them.

15 Q You have identified each of these eight letters as
16 correspondence, that you have had, some of which you
17 wrote yourself, and others that you received?

18 A Yes.

19 MR. HATCH: I would like to introduce those as
20 Exhibits in the Case, if there is no objection. There
21 were eight of them.

22 MR. UTZ: Without objection, Exhibits 1 through
23 8 will be entered into the record of this case.

24 (Whereupon, Exhibits 1 through 8 were admitted
25 in evidence.)

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1 MR. HATCH: That's all I have.

2 MR. UTZ: Any questions of the witness?

3 CROSS-EXAMINATION

4 BY MR. McGRATH:

5 Q Mr. Kendrick, does this operator have any more production
6 in the basin?

7 A No.

8 Q Does this operator still have a blanket bond?

9 A Yes, in fact the parent operator is still operating
10 under that bond.

11 Q So the bond has not been cancelled to any degree as
12 to further liability or anything?

13 A No.

14 MR. McGRATH: That's all I have.

15 CROSS-EXAMINATION

16 BY MR. UTZ:

17 Q Mr. Kendrick, the purpose of this Hearing is to
18 restore the surface to its original state insofar
19 as possible; is it not?

20 A Yes.

21 Q And to clean up the junk. I think the Rule reads
22 that upon the completion of plugging a subsequent
23 report will be filed.

24 Q Along that line, Mr. Kendrick, it may be well for
25 you to make an extra trip down there for an inspection

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1 if you get the report.

2 A If we get the report, I will make a final inspection,
3 that is a matter of policy.

4 MR. McGRATH: The file will not be completed until
5 you sign those forms.

6 MR. UTZ: Thirty days should be long enough to
7 make some response.

8 THE WITNESS: Yes, I think thirty days will be
9 ample time.

10 MR. UTZ: The case will be taken under advisement.
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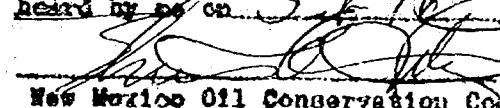
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1 STATE OF NEW MEXICO)
2) ss
3 COUNTY OF BERNALILLO)

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

11 
12 CERTIFIED SHORTHAND REPORTER

23 I do hereby certify that the foregoing is
24 a complete record of the proceedings in
25 the Examiner hearing of Case No. 4661
heard by ss on 3-16-72.
 Examiner
New Mexico Oil Conservation Commission

dearnley-meier reporting services, inc.

SPECIALIZING IN: DEPOSITIONS, HEARINGS, INTERVIEWS, EXPERT TESTIMONY, EASY COPY, CONVENTIONS
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I N D E XWITNESS:PAGEA. R. KENDRICK

Direct Examination by Mr. Hatch	3
Cross-Examination by Mr. McGrath	10
Cross-Examination by Mr. Utz	10

E X H I B I T SCOMMISSION'SOFFEREDADMITTED

Exhibit 1	Letter	4	9
Exhibit 2	Letter	5	9
Exhibit 3	Letter	5	9
Exhibit 4	Letter	5	9
Exhibit 5	Letter	5	9
Exhibit 6	Letter	5	9
Exhibit 7	Letter	5	9
Exhibit 8	Letter	5	9



OIL CONSERVATION COMMISSION

STATE OF NEW MEXICO

P. O. BOX 2088 - SANTA FE

87501

GOVERNOR
BRUCE KING
CHAIRMAN

LAND COMMISSIONER
ALEX J. ARMJO
MEMBER

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

March 2, 1972

Burwinkle & Scanlon
124 Jackson N. E.
Albuquerque, New Mexico

Re: Case No. 4661

Order No. R-4265

Applicant:

Burwinkle & Scanlon

Dear Sir:

Enclosed herewith are two copies of the above-referenced Commission order recently entered in the subject case.

Very truly yours,

A. L. PORTER, Jr.
Secretary-Director

ALP/ir

Copy of order also sent to:

Hobbs OCC x

Artesia OCC

Aztec OCC x

Other Burscan Oil Company, Box 1291, Farmington, New Mexico

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 BURWINKLE & SCANLON
OR BURECAN OIL COMPANY TO APPEAR AND SHOW
CAUSE WHY PITS LOCATED AT ITS SANTA FE
RAILROAD WELLS NOS. 1, 2, AND 3 IN UNIT N
OF SECTION 21, TOWNSHIP 20 NORTH, RANGE 9
WEST, MCKINLEY COUNTY, NEW MEXICO, SHOULD
NOT BE FILLED AND LEVELLED IN ACCORDANCE
WITH COMMISSION RULES AND REGULATIONS.

CASE NO. 4661
Order No. R-4265

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on February 16, 1972, at Santa Fe, New Mexico, before Examiner Elvis A. Uts.

NOW, on this 2nd day of March, 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 Burwinkle & Scanlon drilled or caused to be drilled its Santa Fe Railroad Wells Nos. 1, 2, and 3, located in Unit N of Section 21, Township 29 North, Range 9 West, MNPM, McKinley County, New Mexico.
- (3) That Burwinkle & Scanlon constructed or caused to be constructed a pit or pits in the vicinity of each of said wells.
- (4) That Burwinkle & Scanlon has plugged or caused to be plugged the subject wells as the wells were dry.

-2-

CASE NO. 4661

Order No. R-4265

(5) That said plugging has not been completed in compliance with Rule 202(a) of the Commission Rules and Regulations.

(6) That the subject pits have not been filled and the locations levelled, and cleared of junk in compliance with Rule 202(a) of the Commission Rules and Regulations.

(7) That there is a danger, as to each of the subject wells and locations, that injury will occur to neighboring leases or properties or that the safety of humans and animals will be endangered if the subject wells, pits, and locations are left in the present condition.

(8) That in order to prevent injury to neighboring leases or properties and to protect the safety of humans and animals, the plugging of each of the above-described wells should be completed in compliance with Rule 202(a) of the Commission Rules and Regulations.

(9) That in order to prevent injury to neighboring leases or properties and to protect the safety of humans and animals, each of the above-described pits should be filled and the locations levelled and cleared of junk in compliance with Rule 202(a) of the Commission Rules and Regulations.

IT IS THEREFORE ORDERED:

(1) That Burwinkle & Scanlon are hereby ordered to complete the plugging of its Santa Fe Railroad Wells Nos. 1, 2, and 3, located in Unit M of Section 21, Township 29 North, Range 9 West, NMPM, McKinley County, New Mexico, in compliance with the requirements of Rule 202(a) of the New Mexico Oil Conservation Commission Rules and Regulations, on or before March 31, 1972.

(2) That Burwinkle & Scanlon are hereby ordered to fill each of the pits associated with the above-described wells, and to level and clear of junk the locations of each of the above-described wells on or before March 31, 1972.

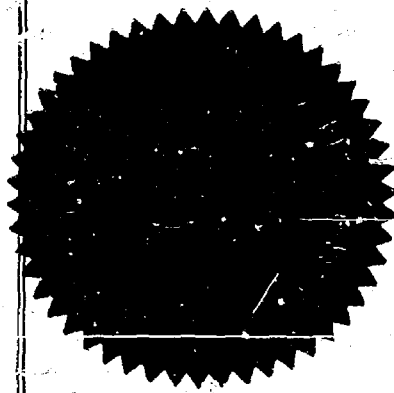
(3) That Burwinkle & Scanlon are hereby ordered to file Forms C-103 and C-105 for each of the above-described wells in accordance with Rules 201, 202, 1103, and 1105 on or before April 30, 1972.

-3-

CASE NO. 4661
Order No. R-4265

(4) That jurisdiction of this cause is retained for 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
BRUCE KING, Chairman

Alex J. Armijo
ALEX J. ARMILLO, Member

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

S E A L

dr/

Case 4661

Heard 2-16-72

Rec. 2-17-72

Order Benwinkle & Scanlon to
fill & level pits & clean up location
to the satisfaction of the Ogden dist.
superintendent.

Give them 30 days to begin
work. If not actively working
on the job then order The Banding
Co. to do so.

Thos D. [Signature]

(Case 4658 continued)

and including the Drinkard formation underlying the NE/4 of Section 28, Township 16 South, Range 38 East, Garrett-Drinkard Pool, Lea County, New Mexico, to form four standard oil proration units to be dedicated to four wells to be drilled at standard locations. Also to be considered will be the costs of drilling said wells. Charges for the risks involved, provisions for the allocation of actual operating costs, and the establishment of charges for supervision of said wells.

CASE 4659: (This case will be dismissed; application to be processed administratively)
Application of Continental Oil Company for dual completions, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks approval for the dual completion (conventional) of certain AXI Apache wells located as follows in Township 25 North, Range 5 West, Rio Arriba County, New Mexico, in such a manner as to produce gas from the Otero-Chacra Pool and oil from an undesignated Mesaverde oil pool through parallel strings of tubing:

No. 18 - Unit A - Section 8
No. 19 - Unit D - Section 6
No. 20 - Unit C - Section 5
No. 21 - Unit I - Section 5
No. 22 - Unit L - Section 6
No. 23 - Unit D - Section 8

CASE 4660: In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit Texaco Inc. to appear and show cause why it should not take immediate action to repair its Cotton Draw Unit Well No. 65, a dual completion, located in Unit G of Section 2, Township 25 South, Range 31 East, Eddy County, New Mexico, in such a manner as to prevent communication between the Paduca-Morrow and Paduca-Wolfcamp Gas Pools.

CASE 4661: In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit Burwinkle & Scanlon or Burscan Oil Company to appear and show cause why pits located at its Santa Fe Railroad Wells Nos. 1, 2, and 3 in Unit N of Section 21, Township 20 North, Range 9 West, McKinley County, New Mexico, should not be filled and

(Case 4661 continued)

levelled in accordance with Commission Rules and Regulations.

- CASE 4662: Application of Amoco Production Company for an exception to Order No. R-111-A, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an exception to the potash-oil area casing and cementing rules set forth in Order No. R-111-A to permit its Bate Federal Well No. 2 located in Unit L of Section 26, Township 19 South, Range 33 East, Lea County, New Mexico, to be drilled in such a manner as to eliminate running a salt protection string provided the production string is cemented to the surface.
- CASE 4663: Application of Amoco Production Company for an unorthodox gas well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval of an unorthodox gas well location for its Malco "A" Federal Well No. 3 located 1650 feet from the North line and 1653 feet from the West line of Section 11, Township 18 South, Range 27 East, undesignated Pennsylvanian-Morrow Pool, Eddy County, New Mexico, with the W/2 of said Section 11 to be dedicated to the well.
- CASE 4664: Application of Tenneco Oil Company for a unit agreement, McKinley County, New Mexico. Applicant, in the above-styled cause, seeks approval of the Lone Pine Dakota "D" Unit Area comprising 2598 acres, more or less, of federal, fee and Indian lands in Township 17 North, Ranges 8 and 9 West, Lone Pine Dakota "D" Pool, McKinley County, New Mexico.
- CASE 4665: Application of Tenneco Oil Company for a pressure maintenance project, McKinley County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a pilot pressure maintenance project in the Lone Pine Dakota "D" Pool by the injection of gas and water into the Dakota "D" zone through five wells located in Sections 12 and 13 of Township 17 North, Range 9 West and Sections 7 and 19 of Township 17 North, Range 8 West, McKinley County, New Mexico. Applicant further seeks the designation of a project area and promulgation of rules for the project including a procedure whereby additional injection wells may be approved administratively.

Santa Fe Pacific Railroad Company

OFFICE OF LAND COMMISSIONER

4549 Produce Plaza

Los Angeles, California 90058

D. J. WALSH
LAND COMMISSIONER

May 14, 1971

SW/4 of Section 21, T20N, R9W,
McKinley County, New Mexico,
containing 160 acres

Oil and Gas Lease with the
Burscan Oil Company

Secretary's No. SFP-0721

New Mexico Oil Conservation Commission
State of New Mexico
1000 Rio Brazos Road
Aztec, New Mexico 87410

MAY 17 1971

OIL CON. COM.
DIST. 3

Gentlemen:

Under date of July 16, 1968 Santa Fe Pacific Railroad Company issued an Oil and Gas Lease to the Burscan Oil Company, a partnership composed of Mr. John V. Burwinkle, Jr., et al, covering 160 acres in the SW/4 of Section 21, T20N, R9W, McKinley County, New Mexico.

Four wells have been drilled by the Lessee in said land to date. Under date of August 14, 1970, we were advised by the Burscan Oil Company that they did not wish to continue the lease and that they would do everything necessary to affect the release of the land. Thereafter, on August 18, 1970 we advised our Lessee that they should take all steps necessary to immediately abandon the wells on the property in conformance with regulations of the New Mexico Oil and Gas Conservation Committee and to remove all personal property from the premises, advising us accomplishment thereof.

BEFORE EXAMINER UTZ
OIL CONSERVATION COMMISSION

EXHIBIT NO. 1

CASE NO.

Submitted by

Hearing Date

Santa Fe Pacific Railroad Company

OFFICE OF LAND COMMISSIONER

4549 Produce Plaza

Los Angeles, California 90058

D. J. WALSH
LAND COMMISSIONER

New Mexico Oil Conservation Commission
Page 2

Since that time, we have been endeavoring, without success, to determine from the Burscan Oil Company whether or not the wells have been abandoned in conformance with regulations. We would very much appreciate, therefore, your reviewing your files in this matter and advising if they reflect proper abandonment of the wells in question.

Yours truly,

D. J. Walsh

cc: Mr. John V. Burwinkle, Jr.
P. O. Box 1291
Farmington, New Mexico



OIL CONSERVATION COMMISSION

STATE OF NEW MEXICO
1000 RIO BRAZOS ROAD - AZTEC
87410

June 4, 1971

GOVERNOR
BRUCE KING
CHAIRMAN
LAND COMMISSIONER
ALEX J. ARMijo
MEMBER
STATE GEOLOGIST
A. L. PORTER, JR.
SECRETARY - DIRECTOR

Santa Fe Pacific Railroad
Office of the Land Commission
4549 Produce Plaza
Los Angeles, California 90058

Attn: Mr. D. J. Walsh

Re: Oil & Gas lease with the Burscan Oil Co.
Southwest quarter Section 21, Township 20 North, Range 9 West
McKinley County, New Mexico
Secretary's No. SFP 9791

Dear Mr. Walsh:

We had been in contact with Mr. William H. Wagner of the Husky Energy, Inc. just prior to the arrival of your letter of May 14, 1971.

The Husky Energy, Inc. has acquired the other holdings of the Burscan Oil Company on acreage adjacent to the subject lease.

Mr. Wagner had advised me that the Burscan Oil Company was preparing to plug and abandon the wells on the subject lease.

We have approved notices from the Burscan Oil Company to plug and abandon wells #1, #2 and #3 since your letter arrived. The #4 well was not drilled.

Mr. Wagner was in this office after we approved the notices and advised us that he would contact your office about continuance of the lease prior to the abandonment of the wells. He advised that all materials had been hauled to the location in preparation for the well abandonment.

The wells have not been plugged and abandoned in accordance with our Rules and Regulations.

If we can be of further service, please contact us.

Yours very truly,

A. R. Kendrick
A. R. Kendrick
Engineer, District #3

cc: Burscan Oil Company
124 Jackson N. E.
Albuquerque, New Mexico

BEFORE EXAMINER UTZ	
OIL CONSERVATION COMMISSION	
EXHIBIT NO.	2
CASE NO.	4661
Submitted by	OC
Hearing Date	

Memo

From

A. R. KENDRICK

6/4/71

To Mr. Walsh:

While this letter was being transcribed the contractor called to say that he would be on the location today to plug and abandon the wells. The first hole should be plugged tomorrow, and the other two next week.



Oil Conservation Commission - Aztec, New Mexico

Santa Fe Pacific Railroad Company

La Posada Building
Winslow, Arizona 86047
Phone: 602-289-4771

L. G. FULLER
ASS'T. LAND COMMISSIONER

September 7, 1971

SW/4 of Section 21, T20N, R9W,
McKinley County, New Mexico,
containing 160 acres.

Oil and Gas Lease with the
Burscan Oil Company.
Secretary's No. SFP-9791

Mr. Walsh:

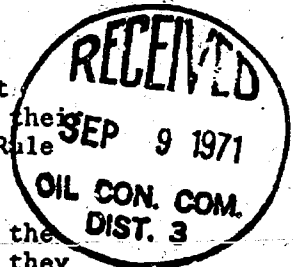
In connection with correspondence dating back to your letter of May 14, 1971 to the New Mexico Oil Conservation Commission concerning the abandonment and plugging of three (3) wells on the above mentioned property.

On an inspection trip to the property at 11:00 A.M. on September 1, 1971 it was obvious that Burscan Oil Company has not complied with terms of their lease or New Mexico Oil Conservation Commission's Rule 202 "Method of Plugging".

All three (3) holes are standing open at the surface and have not been properly marked nor have they filled the pits and levelled the locations.*

cc: Mr. Emery C. Arnold, Supervisor
New Mexico Oil Conservation Comm.
1000 Rio Brazos Road
Aztec, New Mexico 87410

L. G. Fuller
L.G. Fuller



BEFORE EXAMINER UTZ
OIL CONSERVATION COMMISSION

EXHIBIT NO. 3

CASE NO. 4661

Submitted by acc

Hearing Date _____



OIL CONSERVATION COMMISSION

STATE OF NEW MEXICO
1000 RIO BRAZOS ROAD - AZTEC
87410

GOVERNOR
DAVID F. CARGO
CHAIRMAN
LAND COMMISSIONER
ALEX ARMijo
MEMBER
STATE GEOLOGIST
A. L. PORTER, JR.
SECRETARY - DIRECTOR

September 9, 1971

Burwinkle & Scanlon
124 Jackson N. E.
Albuquerque, New Mexico

Re: Burwinkle & Scanlon
Santa Fe Lease
Section 21, Township 20 North, Range 9 West
McKinley County, New Mexico

Gentlemen:

The attached letter is self explanatory.

Please cause this work to be accomplished in the immediate future so that we will not be forced to call a public hearing to ask your surety company to perform the job.

Advise this office when the job is completed.

If there are questions, please contact us.

Yours very truly,

A. R. Kendrick
A. R. Kendrick
Engineer, District #3

ARK:mc

Attachment

cc: With attachment
Mr. L. G. Fuller
Santa Fe Pacific Railroad Co.
La Pasada Building
Winslow, Arizona 86047

Mr. D. J. Walsh
Santa Fe Pacific Railroad Co.
Office of the Land Commission
4549 Produce Plaza
Los Angeles, California 90058

Mr. George Hatch
General Counsel
Oil Conservation Commission
Box 2088
Santa Fe, New Mexico 87501

BEFORE EXAMINER UTZ
OIL CONSERVATION COMMISSION
EXHIBIT NO. 4
CASE NO. 4661
Submitted by OCC
Hearing Date _____

Santa Fe Pacific Railroad Company

OFFICE OF LAND COMMISSIONER

4549 Produce Plaza

Los Angeles, California 90058

D. J. WALSH
LAND COMMISSIONER

November 12, 1971

Oil & Gas Lease with the
Burscan Oil Company - SW/4 of
Section 21, T20N, R9W, McKinley
County, New Mexico containing 160 Acres

Secretary's No. SFP-9791

Mr. A. R. Kendrick
Engineer, District #3
Oil Conservation Commission
1000 Rio Brazos Road
Aztec, New Mexico 87410

Dear Mr. Kendrick:

We refer to your letter dated September 9, 1971
addressed to Burwinkle & Scanlon concerning the Oil and Gas
Lease noted in the above caption.

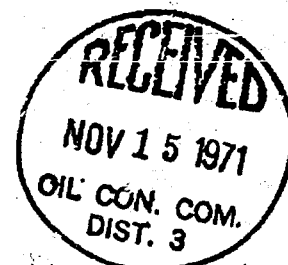
At your convenience, we would appreciate your
advising if that company complied with your request, and if
not, whether or not your Commission is planning to call a
possible hearing on the matter.

Yours truly,

D. J. Walsh

cc: Burscan Oil Company
P. O. Box 1491
Farmington, New Mexico 87401

BEFORE EXAMINER UTZ	
OIL CONSERVATION COMMISSION	
EXHIBIT NO.	5
CASE NO.	4661
Submitted by	DC
Hearing Date	





OIL CONSERVATION COMMISSION

STATE OF NEW MEXICO
1000 RIO BRAZOS ROAD - AZTEC

87410
November 19, 1971

GOVERNOR
DAVID F. CARGO
CHAIRMAN

LAND COMMISSIONER
ALEX ARMijo
MEMBER

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

Burwinkle & Scanlon
124 Jackson N. E.
Albuquerque, New Mexico

Gentlemen:

Downhole plugs were placed in your Santa Fe wells #1, #2 and #3 several months ago.

The surface plugs and markers had not been set on November 18, 1971. The pits had not been filled.

Another field inspection will be made on or about December 3, 1971. If the plugging operations are not completed by that date we shall request the bonding company to do the work.

If there are questions, please contact us.

Yours very truly,

A. R. Kendrick

A. R. Kendrick
Engineer, District #3

ARK:mc

cc: Oil Conservation Commission
Santa Fe, New Mexico
Attn: Mr. George Hatch

Santa Fe Pacific Railroad Co.
4549 Produce Plaza
Los Angeles, California 90058
Attn: Mr. D. J. Walsh

BEFORE EXAMINER UTZ	
OIL CONSERVATION COMMISSION	
EXHIBIT NO.	6
CASE NO.	4661
Submitted by	OCC
Hearing Date	

Santa Fe Pacific Railroad Company

OFFICE OF LAND COMMISSIONER

4549 Produce Plaza

Los Angeles, California 90058

D. J. WALSH
LAND COMMISSIONER

January 12, 1972

Oil & Gas Lease with the
Burscan Oil Company - SW/4
of Section 21, T20N, R9W,
McKinley County, New Mexico
containing 160 Acres

Secretary's No. SFP-9791

Mr. A. R. Kendrick
Engineer, District #3
Oil Conservation Commission
1000 Rio Brazos Road
Aztec, New Mexico 87410

Dear Mr. Kendrick:

We refer to your letter dated November 19, 1971,
addressed to Burwinkle & Scanlon, Albuquerque, New Mexico,
concerning the abandonment of wells No. 1, 2, and 3.

At that time you stated that your office would con-
duct another field inspection on or about December 3, 1971.
At your convenience, we would appreciate your advising if there
have been any further developments.

Yours truly,

DJ Walsh

BEFORE EXAMINER UTZ	
OIL CONSERVATION COMMISSION	
EXHIBIT NO.	7
CASE NO.	4661
Submitted by	OCC
Hearing Date	





OIL CONSERVATION COMMISSION

STATE OF NEW MEXICO
1000 RIO BRAZOS ROAD - AZTEC
87410

GOVERNOR
BRUCE KING
CHAIRMAN

LAND COMMISSIONER
ALEX J. ARMUJO
MEMBER

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

January 28, 1972

Mr. D. J. Walsh
Santa Fe Pacific Railroad Company
Office of the Land Commission
4549 Produce Plaza
Los Angeles, California 90058

Re: Secretary's No. SFP-9791
Burscan Oil Company
SW/4 Section 21, Township 20 North, Range 9 West
McKinley County, New Mexico

Dear Mr. Walsh:

Case No. 4661 has been placed on the docket to be heard February 16, 1972, in Santa Fe to allow Burwinkle and Scanlon to appear and show cause why pits located at their wells on the subject acreage should not be properly filled and levelled in accordance with Commission Rules and Regulations.

Hopefully, they will complete the work and file their subsequent report of abandonment for each well immediately so that we can inspect the locations prior to the hearing so that the case can be dismissed.

Please contact us if further information is needed.

Yours very truly,

A. R. Kendrick
A. R. Kendrick
Engineer, District #3

ARK:mc

cc: Burwinkle and Scanlon
124 Jackson N. E.
Albuquerque, New Mexico

BEFORE EXAMINER UTZ	
OIL CONSERVATION COMMISSION	
EXHIBIT NO.	<i>2</i>
CASE NO.	<i>4661</i>
Submitted by	<i>oac</i>
Hearing Date	

DRAFT

GMH/dr

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

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

CASE No. 4661

Order No. R-4265

IN THE MATTER OF THE HEARING CALLED
BY THE OIL CONSERVATION COMMISSION ON
ITS OWN MOTION TO PERMIT BURWINKLE &
SCANLON OR BURSCAN OIL COMPANY TO APPEAR
AND SHOW CAUSE WHY PITS LOCATED AT ITS SANTA FE
RAILROAD WELLS NOS. 1, 2, AND 3 IN UNIT N OF
SECTION 21, TOWNSHIP 20 NORTH, RANGE 9 WEST,
MCKINLEY COUNTY, NEW MEXICO, SHOULD NOT BE FILLED AND
LEVELLED IN ACCORDANCE WITH COMMISSION RULES AND REGULATIONS.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on February 16, 19 72
at Santa Fe, New Mexico, before Examiner Elvis A. Utz.

NOW, on this March day of February, 19 72, 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 Burwinkle & Scanlon drilled or caused to be drilled
its Santa Fe Railroad Wells Nos. 1, 2, and 3, located in Unit N
of Section 21, Township 29 North, Range 9 West, NMPM, McKinley
County, New Mexico.

(3) That Burwinkle & Scanlon constructed or caused to be constructed a pit or pits in the vicinity of each of said wells.

(4) That Burwinkle & Scanlon has plugged or caused to be plugged the subject wells as the wells were dry.

(5) That said plugging has not been completed in compliance with Rule 202 (a) of the Commission Rules and Regulations.

(6) That the subject pits have not been filled and the locations levelled, and cleared of junk in compliance with Rule 202(a) of the Commission Rules and Regulations.

(7) That there is a danger, as to each of the subject wells and locations, that injury will occur to neighboring leases or properties or that the safety of humans and animals will be endangered if the subject wells, pits, and locations are left in the present condition.

(8) That in order to prevent injury to neighboring leases or properties and to protect the safety of ~~humans and to protect the safety~~ of humans and animals, the plugging of each of the above-described wells should be completed in compliance with Rule 202(a) of the Commission Rules and Regulations.

(9) That in order to prevent injury to neighboring leases or properties and to protect the safety of humans and animals, each of the above-described pits should be filled and the locations levelled and cleared of junk in compliance with Rule 202(a) of the Commission Rules and Regulations.

IT IS THEREFORE ORDERED:

(1) That Burwinkle & Scanlon are hereby ordered to complete the plugging of its Santa Fe Railroad Wells Nos. 1, 2, and 3, located in Unit N of Section 21, Township 29 North, Range 9 West, NMPM, McKinley County, New Mexico, in compliance with the requirements of Rule 202(a) of the New Mexico Oil Conservation Commission Rules and Regulations, on or before March 31, 1972, 1972.

(2) That Burwinkle & Scanlon are hereby ordered to fill each of the pits associated with the above-described wells, and to level and clear of junk the locations of each of the above-described wells on or before March 31, 1972.

(4) That jurisdiction of this cause is retained for such further orders as the Commission may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

(3) That Burwinkle & Scanlon are hereby ordered to file Forms C-103 and C-105 for each of the above-described wells in accordance with Rules 201, 202, 1103, and 1105 on or before April 30, 1972.

Al,

Please make any
corrections or suggestions that
you feel are necessary and
return.

George

Don't say anything
about filing reports?

you or before Mar 21, 1972.





DRAFT

GMH/dr

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

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

CASE No. 4661

Order No. R-

IN THE MATTER OF THE HEARING CALLED
BY THE OIL CONSERVATION COMMISSION ON
ITS OWN MOTION TO PERMIT BURWINKLE &
SCANLON OR BURSCAN OIL COMPANY TO APPEAR
AND SHOW CAUSE WHY PITS LOCATED AT ITS SANTA FE
RAILROAD WELLS NOS. 1, 2, AND 3 IN UNIT N OF
SECTION 21, TOWNSHIP 20 NORTH, RANGE 9 WEST,
MCKINLEY COUNTY, NEW MEXICO, SHOULD NOT BE FILLED AND
LEVELLED IN ACCORDANCE WITH COMMISSION RULES AND REGULATIONS.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on February 16, 19 72
at Santa Fe, New Mexico, before Examiner Elvis A. Utz.

NOW, on this 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 Burwinkle & Scanlon drilled or caused to be drilled
its Santa Fe Railroad Wells Nos. 1, 2, and 3, located in Unit N
of Section 21, Township 29 North, Range 9 West, NMPM, McKinley
County, New Mexico.

CASE NO. 4661
Order No. R-

(3) That Burwinkle & Scanlon constructed or caused to be constructed a pit or pits in the vicinity of each of said wells.

(4) That Burwinkle & Scanlon has plugged or caused to be plugged the subject wells as the wells were dry.

(5) That said plugging has not been completed in compliance with Rule 202 (a) of the Commission Rules and Regulations.

(6) That the subject pits have not been filled and the locations levelled, and cleared of junk in compliance with Rule 202(a) of the Commission Rules and Regulations.

(7) That there is a danger, as to each of the subject wells and locations, that injury will occur to neighboring leases or properties or that the safety of humans and animals will be endangered if the subject wells, pits, and locations are left in the present condition.

(8) That in order to prevent injury to neighboring leases or properties and to protect the safety of humans and to protect the safety of humans and animals the plugging of each of the above-described wells should be completed in compliance with Rule 202(a) of the Commission Rules and Regulations.

(9) That in order to prevent injury to neighboring leases or properties and to protect the safety of humans and animals each of the above-described pits should be filled and the locations levelled and cleared of junk in compliance with Rule 202(a) of the Commission Rules and Regulations.

IT IS THEREFORE ORDERED:

-3-

CASE NO. 4661

Order No. R-

(1) That Burwinkle & Scanlon are hereby ordered to complete the plugging of its Santa Fe Railroad Wells Nos. 1, 2, and 3, located in Unit N of Section 21, Township 29 North, Range 9 West, NMPM, McKinley County, New Mexico, in compliance with the requirements of Rule 202(a) of the New Mexico Oil Conservation Commission Rules and Regulations, on or before _____, 1972.

(2) That Burwinkle & Scanlon are hereby ordered to fill each of the pits associated with the above-described wells, and to level and clear of junk the locations of each of the above-described wells on or before _____, 1972.

(3) That jurisdiction of this cause is retained for such further orders as the Commission may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.