

CASE 4885: PLUGGING CASE FOR
JOHN LEMLEY, JUANITA FRANKS AND
AETNA CASUALTY - RIO ARRIBA CO.

-ase Number

4885

Application

Transcripts.

Small Exhibits

ETC.

dearnley, meier & mc cormick reporting services, inc.

209 SIMMS BLDG., P.O. BOX 1092 • PHONE 243-6691 • ALBUQUERQUE, NEW MEXICO 87103
1215 FIRST NATIONAL BANK BLDG. EAST • ALBUQUERQUE, NEW MEXICO 87106

BEFORE THE
NEW MEXICO OIL CONSERVATION COMMISSION
OIL CONSERVATION COMMISSION CONFERENCE ROOM
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO
Wednesday, May 9, 1973

EXAMINER HEARING

IN THE MATTER OF:

In the matter of the hearing called by
the Oil Conservation Commission on its
own motion to permit John Lemley and
Juanita Franks and Aetna Casualty and
Surety Company and all other interested
parties to appear and show cause why
the Lemley and Franks Greathouse Well
No. 1, located in Unit F of Section
10, Township 23 North, Range 1 West,
Rio Arriba County, New Mexico, should
not be plugged and abandoned in accordance
with a Commission-approved plugging
program.

) Case No. 4885

BEFORE: Daniel S. Nutter,
Examiner

TRANSCRIPT OF HEARING

1 MR. NUTTER: Call next Case 4885.

2 MR. CARR: Case 4885, in the matter of the hearing
3 called by the Oil Conservation Commission on its own motion
4 to permit John Lemley and Juanita Franks and Aetna Casualty
5 and Surety Company and all other interested parties to appear
6 and show cause why the Lemley and Franks Greathouse Well Number
7 1, located in Unit F of Section 10, Township 23 North, Range 1
8 West, Rio Arriba County, New Mexico, should not be plugged and
9 abandoned in accordance with a Commission-approved plugging
10 program.

11 EMERY ARNOLD,

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

14 DIRECT EXAMINATION

15 BY MR. CARR:

16 Q Will you state your name and occupation for the record?

17 A Emery Arnold, Supervisor of District III of the Oil
18 Commission.

19 Q Mr. Arnold, are you aware of the subject matter of this
20 case?

21 A Yes.

22 Q Would you give us a history of the well in question?

23 A The well is the John Lemley and the Juanita Franks
24 Greathouse Number 1 Well, located 2,352 feet from the
25 north line and 1,704 feet from the west line of Section

dearnley, meier & mc cormick reporting services, inc.

209 SIMMS BLDG., P.O. BOX 1092, PHONE 243-6691, ALBUQUERQUE, NEW MEXICO 87103.
1216 FIRST NATIONAL BANK BLDG., EAST ALBUQUERQUE, NEW MEXICO 87108

1 10, Township 23 North, Range 1 West, Rio Arriba County.
2 The well was spudded on March 19, 1970. 10 3/4-inch
3 casing was cemented at 206 feet; 7-inch casing was set
4 at 1,077 feet. In regard to the 7-inch casing, the
5 operator stated on the telephone that the 7-inch was
6 cemented. However, the C-103 submitted doesn't indicate
7 that it was cemented. A 4 1/2-inch casing was cemented
8 at 3,019 feet with 175 sacks of cement. The well was
9 perforated at 2,972 to 78, and the test had no gas. A
10 bridge plug was set at 2,961.

11 The well was perforated at 2,850 to 66 and these
12 perforations were water fraced with 1,000 barrels of
13 water and 35,000 pounds of sand. There was no reported
14 production.

15 At some later date, the operator decided to pull the
16 4 1/2-inch casing, as I understand it, and they pulled
17 the casing in at 805 feet, so they recovered 805 feet of
18 4 1/2-inch casing.

19 The case was brought on, I believe, in December,
20 due to the fact that we hadn't had information filed by
21 the operator; and at that time the operator appeared in
22 Santa Fe and did file the information pretty much as I
23 have reviewed it, and stated that the weather was bad
24 and that by May 1, he thought he could either complete
25 the well as a producing well or convert it to a water

1 well. As a landowner, Greathouse stated he'd like to
2 have the well for a water well. Nothing was filed by
3 the operator in the interim except that I did hear from
4 him yesterday, from Mr. Taylor Franks, and he states that
5 what they would like to do is to cement the well at 805
6 feet, the stub of the 4 1/2-inch casing within the well,
7 and perforate a water zone between 700 and 800 feet, and
8 turn the well over to Mr. Greathouse. I have no objection
9 to it being done this way. However, I would recommend in
10 this case that the order be entered,

11 Giving the operator some period of time, I would
12 estimate or suggest 30 days in which to properly dispose
13 of the matter by plugging abandonment or by converting to
14 a water well as he has stated that he wants to do.

15 At the end of that time, if it's not taken care of,
16 if we have an order entered, we could call on the bonding
17 company to take care of the problem.

18 CROSS-EXAMINATION

19 BY MR. NUTTER:

20 Q In other words, you are suggesting that an order be
21 entered in this particular case today and that this order
22 give some period of time, maybe 30 days, in which to
23 complete the work on the well?

24 A Right.

25 Q And if it's not done by that time, to institute the

dearnley, meier & mc cormick reporting services

206 SIMMS BLDG., P.O. BOX 1092, PHONE 243-6691, ALBUQUERQUE, NEW MEXICO 87103
1216 FIRST NATIONAL BANK BLDG. EAST ALBUQUERQUE, NEW MEXICO 87106

1 proceedings for the plugging of the well by the bonding
2 company?
3 A Right.
4 Q Are you suggesting a plugging program at this time, Mr.
5 Arnold?
6 A Not at this time. I would prefer to work it out with
7 the operator based upon -- one reason I don't want to
8 set out a plan at this time is some of the mechanical
9 equipment in the well, I am not absolutely certain about.
10 I want to confirm a few facts before I set out a
11 plugging plan.
12 Q Do you want to be notified prior to any plugging
13 operations on the well?
14 A Yes, I think maybe the order should specify this.
15 Q So that you would have an opportunity to discuss the
16 method and means of plugging and prescribe a program and
17 possibly witness the plugging program?
18 A Right. I think that that's a good idea. I also think
19 that it might be a very good idea to specify in the
20 order that the order will not have been complied with
21 until Form C-105 has been filed in conformance with the
22 rules and that also a completed affidavit be filed for
23 conversion of the water well, if he takes that route.
24 Q And accepted by the landowner?
25 A Right.

1 Q Is this a fee well?

2 A Right, belongs to Mr. Greathouse.

3 MR. NUTTER: Are there any other questions of the
4 witness?

5 (No response.)

6 MR. NUTTER: He may be excused. Do you have anything
7 further, Mr. Carr, in Case 4885?

8 MR. CARR: No, sir, I do not.

9 MR. NUTTER: Does anyone have anything they wish to
10 offer in Case 4885?

11 (No response.)

12 MR. NUTTER: We will take the case under advisement
13 and the hearing is adjourned.

14 R E P O R T E R ' S C E R T I F I C A T E

15 I, JOHN DE LA ROSA, a Court Reporter, do hereby certify
16 that the foregoing and attached Transcript of Hearing before
17 the New Mexico Oil Conservation Commission was reported by me;
18 and that the same is a true and correct record of the said
19 proceedings to the best of my knowledge, skill and ability.

20 
COURT REPORTER

21 WITNESS I N D E X PAGE

22 EMERY ARNOLD

23 Direct Examination by Mr. Carr
24 Cross-Examination by Mr. Nutter
25

I do hereby certify that the foregoing is
a complete record of the proceedings in
the Examiner hearing of Case No. 4885
by me on 5/9 5, 1973

 Examiner
New Mexico Oil Conservation Commission

dearnley, meier & mc cormick reporting service, inc.

209 SIMMS BLDG., P.O. BOX 1092, PHONE 243-6691 • ALBUQUERQUE, NEW MEXICO 87103
1216 FIRST NATIONAL BANK BLDG. EAST • ALBUQUERQUE, NEW MEXICO 87108

BEFORE THE
NEW MEXICO OIL CONSERVATION COMMISSION
CONFERENCE ROOM, STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO

December 19, 1972

EXAMINER HEARING

IN THE MATTER OF:

Hearing called by the Oil
Conservation Commission on its
own motion to permit John Lemley
and Juanita Franks and Aetna
Casualty and Surety Company and
all other interest parties to appear
and show cause why the Lemley and
Franks Greathouse Well No. 1,
located in Unit F of Section 10,
Township 23 North, Range 1 West,
Rio Arriba County, New Mexico,
should not be plugged and
abandoned in accordance with a
Commission-approved plugging
program.

Case No. 4885

BEFORE: Daniel S. Nutter,
Examiner.

TRANSCRIPT OF HEARING

1 MR. NUTTER: Case 4885: In the matter of the
2 hearing called by the Oil Conservation Commission on its own
3 motion to permit John Lemley and Juanita Franks and Aetna
4 Casualty and Surety Company and all other interested parties
5 to appear and show cause why the Lemley and Franks Greathouse
6 Well Number 1, located in Unit F of Section 10, Township
7 23 North, Range 1 West, Rio Arriba County, New Mexico, should
8 not be plugged and abandoned in accordance with a
9 Commission-approved plugging program.

10 At the recommendation of the Commission staff,
11 this case will be continued to May 1st, 1973, to give the
12 operator an opportunity to complete his well.

13 Case 4885 will be continued to the Examiner Hearing
14 scheduled for the first week of May, 1973.
15
16
17
18
19
20
21
22
23
24
25

dearnley, meier & mc cormick reporting services, inc.

209 SIMMS BLDG., P.O. BOX 1002, PHONE 243-6601, ALBUQUERQUE, NEW MEXICO 87103
1216 FIRST NATIONAL BANK BLDG. EAST ALBUQUERQUE, NEW MEXICO 87108

1 STATE OF NEW MEXICO)
2 COUNTY OF BERNALILLO } SS
3

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

11 *Richard E. McCormick*
12 CERTIFIED SHORTHAND REPORTER
13
14
15
16
17
18
19
20
21
22
23
24
25

12/19 4885-72
[Signature]

EMERY

Hamley + Franks,
- converted to water
well by June 22, 1973

Emery has approved this
and requests
that we close
this file

Wk
12/12/73

No. 011405

RECEIPT FOR CERTIFIED MAIL—30¢

SENT TO Aetna Casualty & Surety Co.		POSTMARK OR DATE
STREET AND NO. 1418 First Natl Bank Bldg		
P. O., STATE, AND ZIP CODE Albuquerque, N.M.		
EXTRA SERVICES FOR ADDITIONAL FEES		
Shows to whom and date delivered <input type="checkbox"/> 10¢ fee	Shows to whom, date, and where delivered <input type="checkbox"/> 35¢ fee	Deliver to Addressee Only <input type="checkbox"/> 50¢ fee
POD Form 3800 Mar. 1966		

NO INSURANCE COVERAGE PROVIDED—
NOT FOR INTERNATIONAL MAIL (See other side)

PLEASE FURNISH SERVICE(S) INDICATED BY CHECKED BLOCK(S).
REQUIRED FEE(S) PAID.

☐ Show to whom, date and address
where delivered ☐ Deliver ONLY
to addressee

RECEIPT

Received the numbered article described below.

REGISTERED NO.	SIGNATURE OR NAME OF ADDRESSEE (Must always be filed in)
CERTIFIED NO. 011405	
INSURED NO.	
DATE DELIVERED 9-28-73	SIGNATURE OF ADDRESSEE'S AGENT, IF ANY
	SHOW WHERE DELIVERED (only if requested)

POST OFFICE DEPARTMENT
OFFICIAL BUSINESS

POSTMARK OR DELIVERING OFFICE

Print your name and address below. If you want to receive delivery, or to have the address of delivery shown on this receipt, check block (a) on other side. Motion gummed ends and attach this card to back of article.

(a)

OIL CONSERVATION COMMISSION
P. O. Box 2088
Santa Fe, New Mexico 87501
Legal Dept.

RETURN TO

PERALTY FOR PRIVATE USE TO AVOID PAYMENT OF POSTAGE, 100¢

1. Stick postage stamps to your article to pay:
BASIC CHARGES
Certified fee—30¢
Postage (first-class or airmail)

OPTIONAL SERVICES

Return receipt (10¢ or 35¢)
Deliver to addressee only—50¢
Special delivery

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. (no extra 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 ends. Endorse front of article RETURN RECEIPT REQUESTED. (Fees—10¢ or 35¢.)
5. If you want the article delivered only to the addressee, endorse it on the front DELIVER TO ADDRESSEE ONLY. (Fee—50¢). Place the same endorsement in line 2 of the return receipt card.
6. Save this receipt and present it if you make inquiry.



OIL CONSERVATION COMMISSION

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

May 18, 1973

GOVERNOR
BRUCE KING
CHAIRMAN

LAND COMMISSIONER
ALEX J. ARMIJO
MEMBER

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

Mr. Frank Lemley — *Returned 5/23/73*
P. O. Box 276
Willington, Colorado

Ms. Juanita Franks
P. O. Box 124
Briggsdale, Colorado

Aetna Casualty & Surety Co.
First National Bank Bldg. East
Albuquerque, New Mexico

Re: Lemley and Franks Greathouse Well
No. 1, Unit F, Section 19, Town=
ship 23 North, Range 1 West,
Rio Arriba County, New Mexico
Aetna Casualty & Surety Co.
\$5,000 One-Well Plugging and
Indemnity Bond No. 19S 24643
Order No. R-4533

Gentlemen:

Your attention is hereby called to Page 2, Paragraph 1, of the enclosed order where it is stated that the Lemley & Franks Greathouse Well No. 1 is to be plugged on or before June 22, 1973, unless the conditions in that paragraph are met.

Sincerely,

WILLIAM F. CARR
Special Assistant Attorney General
Oil Conservation Commission

WFC/dr
enclosure

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 JOHN LEMLEY AND JUANITA
FRANKS AND AETNA CASUALTY AND SURETY COMPANY
AND ALL OTHER INTERESTED PARTIES TO APPEAR AND
SHOW CAUSE WHY THE LEMLEY AND FRANKS GREATHOUSE
WELL NO. 1, LOCATED IN UNIT F OF SECTION 10,
TOWNSHIP 23 NORTH, RANGE 1 WEST, RIO ARRIBA
COUNTY, NEW MEXICO, SHOULD NOT BE PLUGGED AND
ABANDONED IN ACCORDANCE WITH A COMMISSION
APPROVED PLUGGING PROGRAM.

CASE NO. 4885
Order No. R-4533

ORDER OF THE COMMISSION

BY THE COMMISSION:

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

NOW, on this 17th day of May, 1973, 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 John Lemley and Juanita Franks are the owners
and operators of the Lemley and Franks Greathouse Well No. 1,
located in Unit F of Section 10, Township 23 North, Range 1
West, NMPM, Rio Arriba County, New Mexico.

(3) That in order to prevent waste and protect correlative
rights said Lemley and Franks Greathouse Well No. 1 should be
completed as a producing oil or gas well, accepted by the land-
owner for conversion to a water well, or plugged and abandoned
in accordance with a program approved by the Aztec District
Office of the New Mexico Oil Conservation Commission on or
before June 22, 1973.

IT IS THEREFORE ORDERED:

(1) That John Lemley and Juanita Franks and Aetna Casualty
and Surety Company are hereby ordered to plug and abandon the
Lemley and Franks Greathouse Well No. 1 located in Unit F of
Section 10, Township 23 North, Range 1 West, NMPM, Rio Arriba
County, New Mexico, on or before June 22, 1973, unless by that

-2-

Case No. 4885
Order No. R-4533

date said well has been completed as a producing oil or gas well, or has been accepted by the landowner for conversion to a water well, and an executed affidavit of such acceptance on a form provided by the Commission has been furnished to the Commission.

(2) That John Lemley and Juanita Franks and Aetna Casualty and Surety Company, prior to plugging and abandoning the above-described well, shall obtain from the Aztec Office of the Commission a Commission-approved program for said plugging and abandoning, and shall notify said Aztec Office of the date and hour said work is to be commenced whereupon the Commission may, at its option, witness such work.

(3) 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

I. R. TRUJILLO, Chairman

ALEX J. ARMIJO, Member

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

S E A L

dr/

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 JOHN LEMLEY AND JUANITA
FRANKS AND AETNA CASUALTY AND SURETY COMPANY
AND ALL OTHER INTERESTED PARTIES TO APPEAR AND
SHOW CAUSE WHY THE LEMLEY AND FRANKS GREATHOUSE
WELL NO. 1, LOCATED IN UNIT F OF SECTION 10,
TOWNSHIP 23 NORTH, RANGE 1 WEST, RIO ARRIBA
COUNTY, NEW MEXICO, SHOULD NOT BE PLUGGED AND
ABANDONED IN ACCORDANCE WITH A COMMISSION
APPROVED PLUGGING PROGRAM.

CASE NO. 4885
Order No. R-4533

ORDER OF THE COMMISSION

BY THE COMMISSION:

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

NOW, on this 17th day of May, 1973, 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 John Lemley and Juanita Franks are the owners
and operators of the Lemley and Franks Greathouse Well No. 1,
located in Unit F of Section 10, Township 23 North, Range 1
West, NMPM, Rio Arriba County, New Mexico.

(3) That in order to prevent waste and protect correlative
rights said Lemley and Franks Greathouse Well No. 1 should be
completed as a producing oil or gas well, accepted by the land-
owner for conversion to a water well, or plugged and abandoned
in accordance with a program approved by the Aztec District
Office of the New Mexico Oil Conservation Commission on or
before June 22, 1973.

IT IS THEREFORE ORDERED:

(1) That John Lemley and Juanita Franks and Aetna Casualty
and Surety Company are hereby ordered to plug and abandon the
Lemley and Franks Greathouse Well No. 1 located in Unit F of
Section 10, Township 23 North, Range 1 West, NMPM, Rio Arriba
County, New Mexico, on or before June 22, 1973, unless by that

-2-

Case No. 4885
Order No. R-4533

date said well has been completed as a producing oil or gas well, or has been accepted by the landowner for conversion to a water well, and an executed affidavit of such acceptance on a form provided by the Commission has been furnished to the Commission.

(2) That John Lemley and Juanita Franks and Aetna Casualty and Surety Company, prior to plugging and abandoning the above-described well, shall obtain from the Aztec Office of the Commission a Commission-approved program for said plugging and abandoning, and shall notify said Aztec Office of the date and hour said work is to be commenced whereupon the Commission may, at its option, witness such work.

(3) 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


I. R. Trujillo
I. R. TRUJILLO, Chairman

Alex J. Armijo
ALEX J. ARMIJO, Member

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

S E A L

dr/

OIL CONSERVATION COMMISSION

P. O. BOX 2088
SANTA FE, NEW MEXICO 87501

May 18, 1973

Mr. Frank Lemley
P. O. Box 276
Willington, Colorado

Ms. Juanita Franks
P. O. Box 124
Briggsdale, Colorado

Aetna Casualty & Surety Co.
First National Bank Bldg. East
Albuquerque, New Mexico

Re: Lemley and Franks Greathouse Well
No. 1, Unit F, Section 19, Town-
ship 23 North, Range 1 West,
Rio Arriba County, New Mexico
Aetna Casualty & Surety Co.
\$5,000 One-Well Plugging and
Indemnity Bond No. 198 24643
Order No. R-4533

Gentlemen:

Your attention is hereby called to Page 2, Para-
graph 1, of the enclosed order where it is stated
that the Lemley & Franks Greathouse Well No. 1 is to
be plugged on or before June 22, 1973, unless the
conditions in that paragraph are met.

Sincerely,

WILLIAM F. CARR
Special Assistant Attorney General
Oil Conservation Commission

WFC/dr
enclosure

DOCKET: EXAMINER HEARING - WEDNESDAY - MAY 9, 1973

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

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

- ALLOWABLE: (1) Consideration of the allowable production of gas for June, 1973, from seventeen 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 June, 1973.

CASE 4943: (Continued from the April 11, 1973 Examiner Hearing)

Application of M. W. Staples for an unorthodox oil well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority to produce oil from his Vanderverter Well No. 2 located 1310 feet from the North line and 1330 feet from the East line of Section 20, Township 18 South, Range 28 East, Artesia Pool, Eddy County, New Mexico. Said well was drilled as an injection well at said location pursuant to authority granted by Order No. R-3341.

CASE 4928: (Continued from the April 11, 1973, Examiner Hearing)

Application of Union Oil Company of California for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Morrow formation underlying all of Section 11, Township 21 South, Range 25 East, Catclaw Draw-Morrow Gas Pool, Eddy County, New Mexico, to be dedicated to the Atlantic Richfield Oil Company Pure-Federal Well No. 11 located in Unit K of said Section 11. Applicant further seeks a provision for the payment of proper costs to be borne by applicant for such well and the related well equipment, a provision for allocation of actual operating costs, and the establishment of charges for supervision of such well and the designation of an operator thereof; and for such other relief as proper. Also to be considered will be the risk involved in drilling the subject well.

CASE 4932: (Continued from the April 11, 1973, Examiner Hearing)

Application of Atlantic Richfield Company for a non-standard proration unit, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for a 340.94-acre non-standard gas proration unit comprising the W/2 of Section 11, Township 21 South, Range 25 East, Catclaw Draw-Morrow Gas Pool, Eddy County, New Mexico, to be dedicated to its Pure Federal Well No. 1 located in Unit K of said Section 11.

CASE 4959: Application of Tamarack Petroleum Company, Inc. for a unit agreement, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of the Bronco Wolfcamp Unit Area, comprising 762 acres, more or less, of fee lands in Section 35, Township 12 South, and Section 2, Township 13 South, both Range 38 East, Lea County, New Mexico.

CASE 4960: Application of Tamarack Petroleum Company, Inc. for a waterflood project, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a waterflood project by the injection of water into the Wolfcamp formation through three wells in its Bronco Wolfcamp Unit Area, Bronco-Wolfcamp Pool, Lea County, New Mexico.

CASE 4961: Application of Amoco Production Company for down-hole commingling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to commingle production from the Blinebry and Drinkard Oil Pools and the Tubb Gas Pool in the well-bore in its Southland Royalty "A" Well No. 4 located in Unit X of Section 4, Township 21 South, Range 37 East, Lea County, New Mexico.

CASE 4962: Application of Amoco Production Company for special pool rules, Roosevelt County, New Mexico. Applicant, in the above-styled cause, seeks the promulgation of special pool rules for the Peterson-Pennsylvanian Pool, Roosevelt County, New Mexico, including a provision for classification of oil wells and gas wells, 160-acre spacing for oil wells, 320-acre spacing for gas wells, and a limiting gas-oil ratio of 4,000 to one.

CASE 4963: Application of Texaco Inc. for a unit agreement, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval of the North Benson Queen Unit Area comprising 1800 acres, more or less, of Federal and State lands in Township 18 South, Range 30 East, Eddy County, New Mexico.

CASE 4964: Application of Texaco Inc. for a waterflood project, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a waterflood project in its North Benson Queen Area, North Benson-Queen Pool, Eddy County, New Mexico, by the injection of water into the Queen formation through 20 wells in said unit area.

CASE 4965: Application of Read & Stevens, Inc. for a dual completion, contraction of vertical limits, creation of a new pool and special pool rules, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks the contraction of the vertical limits of the Buffalo Valley-Pennsylvanian Pool, Chaves County, New Mexico, to exclude the producing interval from 8548 feet to 8578 feet as found in its Langley Com Well No. 1 located in Unit C of Section 13, Township 15 South, Range 27 East, and to redesignate said pool as the Buffalo Valley Lower-Pennsylvanian Gas Pool, and for the creation of a new pool for the

(Case 4965 continued from page 2)

above-described producing interval to be designated Buffalo Valley Upper-Pennsylvanian Gas Pool. Applicant also seeks the adoption of special rules for said proposed new pool similar to the pool rules for the presently existing pool; applicant further seeks approval for the dual completion of the above-described well to produce from both of the aforesaid two pools.

- CASE 4966: Application of Read & Stevens, Inc. for compulsory pooling, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests underlying the N/2 of Section 36, Township 12 South, Range 30 East, Chaves County, New Mexico, to be dedicated to a well to be drilled to the Queen formation in Unit B of said Section 36, in the Southeast Chaves Queen Gas Area. Also to be considered will be the cost of drilling and completing said well and the allocation of such costs as well as actual operating costs and charges for supervision. Also to be considered is the designation of applicant as operator of the well and a 200 percent charge for risk involved in drilling said well.
- CASE 4967: Application of John M. Etcheverry for dissolution of a standard proration unit and the creation of two non-standard proration units, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the dissolution of the standard 160-acre proration unit comprising the SW/4 of Section 29, Township 14 South, Range 34 East, West Tres Papalotes-Pennsylvanian Pool, Lea County, New Mexico, dedicated to the Mark Production Company Etcheverry Well No. 1 located in Unit L of said Section 29, and the creation of two non-standard 80-acre proration units, one comprising the N/2 and the other the S/2 of the SW/4 of said Section 29; the first unit would be dedicated to the aforesaid Etcheverry Well No. 1 and the second unit would be dedicated to a well proposed to be drilled in Unit P of said Section 29.
- CASE 4968: Application of Benjamin K. Horton for the amendment of Order No. R-1814, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks the amendment of Order No. R-1814 to provide for the dissolution of the 344.28-acre non-standard unit approved by paragraph 4 of said order which unit comprises all of partial Section 11 plus Lot 4 and the SW/4 SW/4 of partial Section 12, Township 28 North, Range 13 West, Basin-Dakota Pool, San Juan County, New Mexico. Applicant proposes the creation of a 275.36-acre non-standard unit comprising all of the aforesaid partial Section 11 only to be dedicated to his Federal Well No. 2 located 1190 feet from the South line and 2210 feet from the East line of said Section 11.

CASE 4946: (Continued and Readvertised)

Application of Union Texas Petroleum for special pool rules, Lea County, New Mexico. Applicant, in the above-styled cause, seeks

(Case 4946 continued from page 3)

the promulgation of special pool rules for the Crosby-Fusselman Pool, Lea County, New Mexico, including a provision for classification of oil wells and gas wells, 320-acre spacing for all wells, and a limiting gas-oil ratio of 5000 to one. (This case will be continued to the May 23rd Examiner Hearing.)

CASE 4885: (Continued and Readvertised)

In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit John Lemley and Juanita Franks and Aetna Casualty and Surety Company and all other interested parties to appear and show cause why the Lemley and Franks Greathouse Well No. 1, located in Unit F of Section 10, Township 23 North, Range 1 West, Rio Arriba County, New Mexico, should not be plugged and abandoned in accordance with a Commission-approved plugging program.

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

April 26, 1973

Mr. Frank Lemley
P. O. Box 276
Willington, Colorado

Ms. Juanita Franks
P. O. Box 124
Briggsdale, Colorado

Aetna Casualty & Surety Co.
First National Bank Bldg. East
Albuquerque, New Mexico

Re: Lemley and Franks Greathouse Well
No. 1, Unit F, Section 10, Town-
ship 23 North, Range 1 West,
Rio Arriba County, New Mexico
Aetna Casualty & Surety Co.
\$5,000 One-Well Plugging and
Indemnity Bond No. 196 24643

Gentlemen:

Enclosed is a copy of the docket of the Examiner
Hearing to be held on Wednesday, May 9, 1973, at 9:00
a.m. in the Oil Conservation Commission Conference
Room, State Land Office Building, Santa Fe, New Mexico.
Case No. 4885 concerns the subject matter.

Very truly yours,

WILLIAM F. CARR
Special Assistant Attorney General
Oil Conservation Commission

WFC/dr
enclosure
cc: Oil Conservation Commission - Aztec

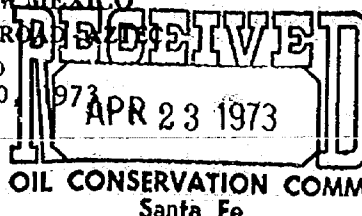
C
O
P
Y



OIL CONSERVATION COMMISSION

STATE OF NEW MEXICO
1000 RIO BRAZOS ROAD, BLDG. 200

87410
April 20, 1973



GOVERNOR
BRUCE KING
CHAIRMAN

LAND COMMISSIONER
ALEX J. ARMIJO
MEMBER

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

Case 4885

Mr. Bernard J. Dangler, President
The D & D Company
743 Rood Ave.
Grand Junction, Colorado 81501

Dear Mr. Dangler,

I have the information which you mailed relative to the Lemley & Franks Greathouse well in Rio Arriba County and your agreement with Mr. Franks concerning the drilling of this well.

Based upon information which has been filed with the Oil Conservation Commission I do not feel that I can give you any assurance of the potential productive capacity of the Greathouse well. I have been to the location since the well was drilled and the rig was still over the well and there was no wellhead installed. So it did not have the appearance of being a producing well. From the area in which the well is located it is possible that gas producing zones might be present in the approximate location claimed. It is also possible that commercial production might not be present.

No additional application of permit to drill has been filed for another well at this location so if you have been told that an additional location has been approved this is untrue. Mr. Franks was given permission by the Commission in December, 1972 to delay completion or plugging of the Greathouse well until May 1, 1973. As this date is now approaching and as I have had no word from Mr. Franks concerning his plans I have instructed our attorney to reset the case for hearing in May so that we may enter an order, if necessary, to require that the matter be resolved one way or another.

I hope that you find the above information helpful.

Yours very truly,

Emery C. Arnold
Emery C. Arnold
Supervisor, District III

cc: Mr. William Carr, Attorney
Oil Conservation Commission, Santa Fe

ECA:ae

Mr. ^{Card} Cathey ^W
Phone 22.265/5861

Aetna in Albany
called 12/15/72.

Gave him full
account of history
of well and the
procedures involved
in setting hearing,
issuing orders etc.
He said Aetna did
not plan to appear
at the hearing.

John

DRAFT

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. 4885

Order No. R-4533

IN THE MATTER OF THE HEARING CALLED BY
THE OIL CONSERVATION COMMISSION ON ITS
OWN MOTION TO PERMIT JOHN LEMLEY AND JUANITA
FRANKS AND AETNA CASUALTY AND SURETY COMPANY
AND ALL OTHER INTERESTED PARTIES TO APPEAR AND
SHOW CAUSE WHY THE LEMLEY AND FRANKS GREATHOUSE WELL
NO. 1, LOCATED IN UNIT F OF SECTION 10, TOWNSHIP 23
NORTH, RANGE 1 WEST, RIO ARRIBA COUNTY, NEW MEXICO,
SHOULD NOT BE PLUGGED AND ABANDONED IN ACCORDANCE WITH A COMMISSION
APPROVED PLUGGING ORDER OF THE COMMISSION PROGRAM.

BY THE COMMISSION:

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

NOW, on this day of December, 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 John Lemley and Juanita Franks are the owners and
operators of the Lemley and Franks Greathouse Well No. 1, located
in Unit F of Section 10, Township 23 North, Range 1 West, Rio
Arriba County, New Mexico, NMP m
Rio Arriba County, New Mexico.

-2-

Case No. 4885
Order No. R-

(3) That in order to prevent waste and protect correlative rights said Lemley and Franks Greathouse Well No. 1 should be *completed as a producing oil or gas well, accepted by the landowner for conversion to a water well,* ~~either plugged and abandoned or closed at the surface~~ in accordance with a program approved by the Aztec District Office of the New Mexico Oil Conservation Commission on or before June 22, 1973

IT IS THEREFORE ORDERED:

(1) That John Lemley and Juanita Franks and Aetna Casualty and Surety Company are hereby ordered to ~~either plug and abandon or effectively close at the surface their~~ ^{the} Lemley and Franks Greathouse Well No. 1 located in Unit F of Section 10, Township 23 North, Range 1 West, NMPM, _____

~~Poel~~, Rio Arriba County, New Mexico, on or before June 22, 1973,

(2) That John Lemley and Juanita Franks and Aetna Casualty and Surety Company, prior to plugging and abandoning, ~~effectively closing, or casing and completing any of~~ the above-described well, shall obtain from the Aztec Office of the Commission, a Commission-approved program for said plugging and abandoning, ~~effectively closing, or casing and completing said well,~~ and shall notify said Aztec Office of the date and hour said work is to be commenced whereupon the Commission may, at its option, witness such work.

(3) 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.

unless by that date said well has been completed as a producing ^{oil or gas} well, or has been accepted by the landowner for conversion to a water well, and an ^{executed} affidavit of such acceptance on a form provided by the Commission has been furnished to the Commission.