

CASE 4997: PLUGGING CASE (LEA)  
JAL FISHING TOOL CO. - H. WHITTEN  
WELL NO. 1

CASE No.

4997

---

Application,

Transcripts,

Small Exhibits

ETC.

dearnley, meier & associates

209 SIMMS BLDG., P.O. BOX 1092, PHONE 243-6601, ALBUQUERQUE, NEW MEXICO 87103  
1210 FIRST NATIONAL BANK BLDG. EAST, ALBUQUERQUE, NEW MEXICO 87106

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

June 20, 1973

IN THE MATTER OF:

The hearing called by the Oil  
Conservation Commission on its own  
motion to permit Jal Fishing Tool  
Company and United States Fidelity  
and Guarantee Company and all other  
interested parties to appear and  
show cause why the H. Whitten Well  
No. 1 located in Unit C of Section  
4, Township 24 South, Range 36  
East, Lea County, New Mexico,  
should not be plugged and abandoned  
in accordance with a Commission-  
approved plugging program.

Case No. 4997

BEFORE: State Geologist, A. L. Porter, Jr.,  
Secretary-Director

I. R. Trujillo,  
Member

TRANSCRIPT OF HEARING

1 MR. PORTER: Case 4997.

2 MR. CARR: Case 4997: In the matter of the hearing  
3 called by the Oil Conservation Commission on its own motion  
4 to permit Jal Fishing Tool Company and United State Fidelity  
5 and Guarantee Company and all other interested parties to  
6 appear and show cause why the H. Whitten Well No. 1 located  
7 in Unit C of Section 4, Township 24 South, Range 36 East,  
8 Lea County, New Mexico, should not be plugged and abandoned  
9 in accordance with a Commission-approved plugging program.

10 We have one witness.

11 MR. PORTER: Let the record show that Mr. Ramey  
12 has previously been sworn.

13 \* \* \* \*

14 JOSEPH D. RAMEY,  
15 was called as a witness, and having been already duly sworn  
16 according to law, testified as follows:

17 MR. PORTER: Are there other appearances in this  
18 case?

19 (No response)

20 DIRECT EXAMINATION

21 BY MR. CARR:

22 Q Will you state your name and position for the record,  
23 please?

24 A J. D. Ramey, supervisor of the Commission's District  
25 One Office in Hobbs, New Mexico.

1 Q Does District One include Lea County?

2 A Yes, it is primarily made up of Lea County.

3 Q Let the record show that Lea County is in District One.

4 Do your duties as District supervisor include  
5 making recommendations to the Commission as to whether  
6 wells should be plugged and abandoned?

7 A Yes, I feel that is one of my minor duties.

8 Q Would the Commission instruct the witness-- Are you  
9 familiar with the subject matter of Case 4997?

10 A Yes, sir, I am. This is a case to permit the Jal Fishing  
11 Tool Company to show cause why their H. Whitten Well  
12 No. 1 should not be plugged and abandoned.

13 Q Have you reviewed all the records filed with the  
14 Commission concerning this well?

15 A Yes, sir.

16 Q Have you, or one of your staff, visited the site of  
17 this well?

18 A Yes, I visited the site last week.

19 Q Would you please refer to the records and give the  
20 Commission a history of the well as reflected by the  
21 official records of the Commission?

22 A This well's Notice of Intent to Drill was approved  
23 November 17th, 1937. It was drilled at a location  
24 330 feet from the north line and 2,310 feet from the  
25 west line of Section 4, Township 24 South, Range 36

1 East, Lea County, New Mexico.

2 The well was drilled to a total depth of 3,669  
3 and 13 and 3/8 inch casing was set at 317 feet with  
4 185 sacks of cement circulated through a 9 and 5/8  
5 inch casing at 1,520 feet and 475 sacks circulated  
6 through a 7 inch casing at 3,518 feet.

7 It was completed from 3,518 to 3,669 feet on  
8 January 9th, 1938 for 500 barrels of oil. The original  
9 owner and Sunray merged on July 1st, 1950, and Sunray  
10 turned out to be the operator of this well. The well  
11 was subsequently sold to Sooner Pipe and Supply for  
12 plugging purposes on 5/1/61. Before it could be  
13 plugged, it was sold to Leonard Pito on 6/20/64. It  
14 was then purchased by Jal Fishing and Tool Company  
15 on 5/1/65.

16 The well has had accumulative production of  
17 57,588 barrels, and the last production was in March,  
18 1965 when the monthly production was 2 barrels of oil.

19 The well was worked over starting in June, 1965,  
20 and was deepened from 3,669 to 3,761, a total of 92  
21 feet. They attempted pumping, and the pump sanded  
22 up. It was cleaned out, and they attempted to pump  
23 it again, and it sanded up again, so the well was  
24 temporarily abandoned by a report which was approved  
25 by the Hobbs Office on September 17th, 1965. That

1 was the last report we received.

2 Q Have you had communication with the operator of this  
3 well?

4 A Yes, I wrote letters to Jal Fishing and Tool Company  
5 at their last address that we had, which was in care  
6 of Oil Reports and Gas Services in Hobbs, New Mexico,  
7 on June 6th, 1972, August 4th, 1972, and May 1st, 1973.

8 The letter of May 1st, 1973 was sent certified,  
9 and was returned as non-deliverable.

10 MR. PORTER: When was the letter sent?

11 THE WITNESS: May 1st, 1973.

12 A (Continuing) It was returned non-deliverable, and we  
13 sent it again on May 23rd to another address, an old  
14 address that we ran down, Post Office Box 270, Jal,  
15 New Mexico. And once again, it was returned.

16 MR. PORTER: Do you have knowledge that the  
17 company still exists?

18 THE WITNESS: No, the company does not exist.

19 Since the advertisement for this case, I have had many calls  
20 from pluggers in the area suggesting that perhaps they could  
21 help us out, which I would be glad to let them do, but one  
22 of the pluggers advised me that he did run down a Mrs. W.  
23 P. Jackson, who is overseer of the estate of William P.  
24 Jackson, Box 1097, Kermit, Texas. We did send copies of  
25 all the correspondence we had with Jal Fishing and Tool

1 Company on June 12th, 1973. This particular plugger did  
2 state that Mrs. Jackson was interested in getting the well  
3 plugged, but he didn't think she had the money to do it.

4 So I have visited the well, and the well's pumping  
5 unit, rods, and tubing have been removed from the well site.  
6 All that remains at the well site is the casing sticking  
7 up with a bucket over it.

8 Q (By Mr. Carr) The letters you refer to are the letters  
9 marked as Exhibit One in this case?

10 A Yes, they are.

11 Q Why is it in the interest of the Commission to plug and  
12 abandon the subject well?

13 A It certainly appears that this well is no longer  
14 economical to operate, and that the operator has walked  
15 off and left it.

16 Q Will the plugging of this well tend to prevent waste?

17 A Yes, it will. The well is open to the atmosphere, and  
18 any gases or any pressure on the well can leak out to  
19 the atmosphere.

20 Q Do you have any specific plugging program to recommend  
21 to the Commission at this time?

22 A No, I do not. I think this is something that should  
23 be done when the actual plugging of the well is ready  
24 to commence.

25 MR. CARR: At this time, we offer Oil Conservation



1 Commission Exhibit Number One in Case 4997 into evidence.

2 MR. PORTER: Without objection, the exhibit will  
3 be admitted.

4 (Whereupon Oil Conservation Commission Exhibit  
5 One was admitted in evidence.)

6 MR. CARR: I have no further questions.

7 MR. PORTER: Are there any questions of Mr. Ramey?  
8 (No response)

9 MR. PORTER: He may be excused.

10 (Witness excused.)

11 (Whereupon the Commission conferred.)

12 (Hearing continues.)

13 MR. PORTER: The Commission will order this well  
14 plugged, and we will allow the District supervisor for the  
15 Hobbs District to prescribe the plugging program.

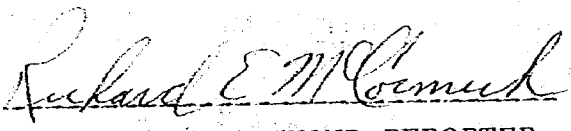
16 \* \* \* \*

dearnley, meier & associates

209 SIMMS BLDG., P.O. BOX 1092, PHONE 243-6631 • 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  
12   
13 CERTIFIED SHORTHAND REPORTER  
14  
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dearnley, meier & associates

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

I N D E X

WITNESS

PAGE

JOSEPH D. RAMEY

Direct Examination by Mr. Carr

3

E X H I B I T S

EXHIBIT

ADMITTED

OFFERED

OCC Exhibit #1

Letters

8

7

*Oil Reports and Gas Services, Inc.*

P. O. Box 763  
HOBBS, NEW MEXICO 88240

July 3, 1973

Phone Numbers  
393-2727 - 393-2017

Jal Fishing Tool Company  
P. O. Box 270  
Jal, New Mexico 88252

Gentlemen:

Enclosed is a copy of Order No. R-4572 which was addressed to you  
in our care.

If we can be of assistance, please let us know.

Yours very truly,

OIL REPORTS AND GAS SERVICES, INC.

  
(Mrs.) Donna Holler

DH/lr

cc: Oil Conservation Commission  
Box 2088  
Santa Fe, New Mexico 87501

BEFORE THE OIL CONSERVATION COMMISSION  
OF THE STATE OF NEW MEXICO

CASE NO. 4997  
Order No. R-4572

IN THE MATTER OF THE HEARING CALLED BY  
THE OIL CONSERVATION COMMISSION ON ITS OWN  
MOTION TO PERMIT JAL FISHING TOOL COMPANY  
AND UNITED STATES FIDELITY & GUARANTY COM -  
PANY AND ALL OTHER INTERESTED PARTIES TO  
APPEAR AND SHOW CAUSE WHY THE H. WHITTEN  
WELL NO. 1 LOCATED IN UNIT C OF SECTION 4,  
TOWNSHIP 24 SOUTH, RANGE 36 EAST, LEA COUNTY,  
NEW MEXICO, SHOULD NOT BE PLUGGED AND ABAND-  
ONED 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 June 20, 1973,  
at Santa Fe, New Mexico, before the Oil Conservation Commission  
of New Mexico, hereinafter referred to as the "Commission."

NOW, on this 28th day of June, 1973, the Commission, a  
quorum being present, having considered the testimony presented  
and the exhibits received at said hearing, and being fully ad-  
vised 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 Jal Fishing Tool Company is the owner and oper-  
ator of the H. Whitten Well No. 1, located in Unit C of Section  
4, Township 24 South, Range 36 East, NMPM, Lea County, New  
Mexico.

(3) That in order to prevent waste and protect correlative  
rights said H. Whitten Well No. 1 should be plugged and aband-  
oned in accordance with a program approved by the Hobbs District  
Office of the New Mexico Oil Conservation Commission on or  
before August 1, 1973.

-2-

Case No. 4997  
Order No. R-4572

IT IS THEREFORE ORDERED:

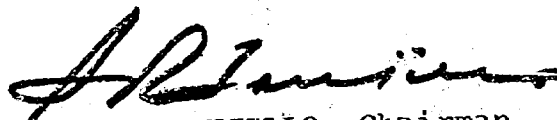
(1) That Jal Fishing Tool Company and United States Fidelity & Guaranty Company are hereby ordered to plug and abandon the H. Whitten Well No. 1, located in Unit C of Section 4, Township 24 South, Range 36 East, NMPM, Lea County, New Mexico, on or before August 1, 1973.

(2) That Jal Fishing Tool Company and United States Fidelity & Guaranty Company, prior to plugging and abandoning the above-described well, shall obtain from the Hobbs Office of the Commission, a Commission-approved program for said plugging and abandoning, and shall notify said Hobbs Office of the date and hour said work is to be commenced whereupon the Commission may at its option, witness such work.

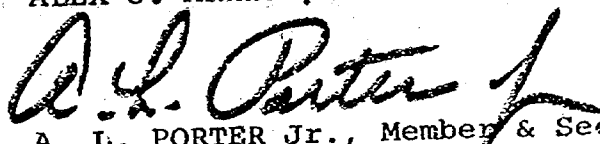
(3) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

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

SEAL

ac/



# OIL CONSERVATION COMMISSION

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

June 7, 1973

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

Jal Fishing Tool Co.  
c/o Oil Reports & Gas Services  
P. O. Box 763  
Hobbs, New Mexico

United States Fidelity & Guarantee Company  
c/o Pete DiGangi, State Manager  
301 San Mateo Blvd., S. E.  
Albuquerque, New Mexico

CERTIFIED - RETURN  
RECEIPT REQUESTED

Re: H. Whitten Well No. 1, Unit C,  
Section 4, Township 24 South, Range  
36 East, Lea County, New Mexico,  
United States Fidelity & Guarantee  
Company \$10,000 Blanket Bond Form  
39-A1

Gentlemen:

Enclosed is a copy of the docket of the Examiner Hearing  
to be held on Wednesday, June 20, 1973, at 9:00 a.m. in the  
Oil Conservation Commission Conference Room, State Land Office  
Building, Santa Fe, New Mexico. Case No. 4997 concerns the  
subject matter.

Very truly yours,

*William F. Carr*

WILLIAM F. CARR  
Special Assistant Attorney General  
Oil Conservation Commission

WFC/ac  
enclosure

cc: Oil Conservation Commission - Hobbs

DOCKET: REGULAR HEARING - WEDNESDAY - JUNE 20, 1973

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

CASE 4990: In the matter of the hearing called by the Oil Conservation Commission of New Mexico upon its own motion to consider the application of Thriftway Company, operator of a petroleum refinery in Bloomfield, New Mexico, for certification to the Commissioner of Public Lands as a small business enterprise within the state not having an adequate supply of charge stocks and eligible to be granted a preference, pursuant to Chapter 34, New Mexico Laws of 1967, for the purchase of state royalty oil. The Commission will consider the application and such pertinent evidence as may be submitted concerning the capacity of the refinery, the source and grade of all refinery charge stocks currently available to the applicant, the minimum amount and grade of additional refinery charge stocks needed to meet existing refinery commitments or existing refinery capacity, and the efforts made by applicant to purchase refinery charge stocks on the open market.

CASE 4991: Application of El Paso Natural Gas Company for the amendment of the prorated gas pool rules promulgated by Order No. R-1670, as amended.

Applicant, in the above-styled cause, seeks the amendment of the General Rules and Regulations for the Prorated Gas Pools of Northwest New Mexico and Southeast New Mexico, as promulgated by Commission Order No. R-1670, as amended. Applicant proposes:

1. That Rule 9 (B) of the Northwest New Mexico Gas Proration Rules and 10 (A) of the Southeast New Mexico Gas Proration Rules each be amended to provide that the monthly allowable assigned to a marginal well would be equal to its latest available monthly production.

2. That Rule 13 of the Northwest New Mexico and Southeast New Mexico Gas Proration Rules be amended to provide that the proration period would be the 12-month period from 7:00 a.m. April 1 of each year to 7:00 a.m. April 1 of the following year. (The current proration period, due to terminate at 7:00 a.m. January 1, 1974, would be extended to 7:00 a.m. April 1, 1974).

3. That Rule 16 (A) of the Northwest New Mexico and Southeast New Mexico Gas Proration Rules be amended to provide that each proration period consist of four classification periods for the purpose of classifying wells marginal, each such classification period being of three months duration; and to provide that after production data is available for the last month of each such classification period, any well which had an underproduced status at the beginning of the gas proration period would be classified marginal



(Case 4991 continued from Page 1)

if its highest single month's production during the classification period is less than its average monthly allowable for the classification period, unless within 15 days after receipt of notice of classification of a well as marginal, the operator of the well or other interested person presents satisfactory evidence to the Commission showing that the well is not of marginal character and should not be so classified.

Applicant, in addition to the above-requested specific rule changes, further requests such additional word changes in other orders and/or Rules of the Commission (including but not limited to Order No. R-333-F-1) as may be necessary to effectuate the substantive rule changes proposed herein.

CASE 4992: In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit Corinne Grace and the Travelers Indemnity Company and all other interested parties to appear and show cause why the Ranger Lake Wells Nos. 1 and 3 located in Unit N of Section 11, Township 12 South, Range 34 East, Lea County, New Mexico should not be plugged and abandoned in accordance with a Commission-approved plugging program.

CASE 4993: In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit Corinne Grace and the Travelers Indemnity Company and all other interested parties to appear and show cause why the T. P. State Well No. 1 located in Unit A of Section 17, Township 10 South, Range 33 East, Lea County, New Mexico, should not be plugged and abandoned in accordance with a Commission-approved plugging program.

CASE 4994: In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit Glenn Petroleum Corporation and United States Fire Insurance Company and all other interested parties to appear and show cause why the Crosby Well No. 1 located in Unit O of Section 26, Township 7 South, Range 30 East, Chaves County, New Mexico, should not be plugged and abandoned in accordance with a Commission-approved plugging program.

CASE 4995: In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit Glenn Petroleum Corporation and United States Fire Insurance Company and all other interested parties to appear and show cause why the Sanders Well No. 1 located in Unit N of Section 25, Township 7 South, Range 30 East, Chaves County, New Mexico, should not be plugged and abandoned in accordance with a Commission-approved plugging program.

CASE 4996: In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit C. H. Brockett Inc. and the Indemnity Company and all other interested parties to appear and show cause why the Lazy J State "A" Well No. 1 located in Unit A of Section 3, Township 14 South, Range 33 East, Lea County, New Mexico, should not be plugged and abandoned in accordance with a Commission-approved plugging program.

CASE 4997: In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit Jal Fishing Tool Company and United States Fidelity & Guarantee Company and all other interested parties to appear and show cause why the H. Whitten Well No. 1 located in Unit C of Section 4, Township 24 South, Range 36 East, Lea County, New Mexico, should not be plugged and abandoned in accordance with a Commission-approved plugging program.

CASE 4998: In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit E. P. Campbell and Aetna Casualty and Surety Company and all other interested parties to appear and show cause why the E. P. Campbell Christmas Well No. 1 located in Unit C of Section 6, Township 23 South, Range 36 East, Lea County, New Mexico, should not be plugged and abandoned in accordance with a Commission-approved plugging program.

CASE 4999: In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit Standard Production Company and Aetna Life & Casualty and all other interested parties to appear and show cause why the Brown Lease Wells Nos. 1, 2, 3, 4, 5, and 5-A, located in Units F, D, C, F, E, and E, respectively, of Section 25, Township 25 South, Range 36 East, Lea County, New Mexico, should not be plugged and abandoned in accordance with a Commission-approved plugging program, and why the location of Well No. 6 in Unit I and No. 7 in Unit M of said Section 25 should not be cleaned and levelled.

CASE 5000: In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit Aztec Oil and Gas Company and United States Fidelity and Guaranty Company and all other interested parties to appear and show cause why the Aztec Totah Unit Wells Nos. 17 and 18, located in Unit E of Section 20, and Unit H of Section 19, respectively, Township 29 North, Range 13 West, San Juan County, New Mexico, should not be plugged and abandoned in accordance with a Commission-approved plugging program.

CASE 5001: In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit Tamanaco Oil Corporation and Continental Casualty Company and all other interested parties to appear and show cause why the El Poso Ranch "N" Well No. 11 located in Unit N of Section 11, Township 28 North, Range 1 East, Rio Arriba County, New Mexico, should not be plugged and abandoned in accordance with a Commission-approved plugging program.

- CASE 5002: In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit Tamanaco Oil Corporation and Continental Casualty Company and all other interested parties to appear and show cause why the Pound Ranch "B" Well No. 27 located in Unit B of Section 27, Township 28 North, Range 1 East, Rio Arriba County, New Mexico, should not be plugged and abandoned in accordance with a Commission-approved plugging program.
- CASE 5003: In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit Dan M. Lockie and Hartford Fire Insurance Company Group and all other interested parties to appear and show cause why the Dan M. Lockie, Gersbach Com #1 located in Unit J of Section 3, Township 29 North, Range 16 West, San Juan County, New Mexico, should not be plugged and abandoned in accordance with a Commission-approved plugging program.
- CASE 5004: In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit Pettus and Associates and United States Fidelity and Guaranty Company and all other interested parties to appear and show cause why the Pettus and Associates, Hunt Well No. 1 located in Unit K of Section 3, Township 29 North, Range 16 West, San Juan County, New Mexico, should not be plugged and abandoned in accordance with a Commission-approved plugging program.
- CASE 5005: In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit Pettus and Associates and United States Fidelity and Guaranty Company and all other interested parties to appear and show cause why the Pettus and Associates, Don Stock Well No. 1 located in Unit E of Section 3, Township 29 North, Range 16 West, San Juan County, New Mexico, should not be plugged and abandoned in accordance with a Commission-approved plugging program.
- CASE 5006: In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit Aztec Oil and Gas Company and United States Fidelity and Guaranty Company and all other interested parties to appear and show cause why the Southeast Cha Cha Unit Well No. 1 located in Unit M of Section 32, Township 29 North, Range 13 West, San Juan County, New Mexico, should not be plugged and abandoned in accordance with a Commission-approved plugging program.

CASE 4989: (Continued from the June 6, 1973, Examiner Hearing)

In the matter of the hearing called by the Oil Conservation Commission upon its own motion to consider the amendment of the general rules governing prorated gas pools in Northwest and Southeast New Mexico as promulgated by Order No. R-1670, as amended.

Rule 15 of the aforesaid general rules would be amended to provide that if a well is overproduced in an amount exceeding six times its average monthly allowable for the preceding twelve months (or, in the case of a newly connected well or a well in a newly prorated pool, six times its average monthly allowable for the months available), it shall be shut in during that month and each succeeding month until it is overproduced in an amount less than six times its average monthly allowable, as determined above.

Rule 15 would be further amended to permit the Secretary-Director of the Commission to grant a pool-wide moratorium of up to three months on the shutting in of gas wells during periods of high demand emergency if a significant number of the wells in the pool are subject to being shut in.

BEFORE THE OIL CONSERVATION COMMISSION  
OF THE STATE OF NEW MEXICO

CASE NO. 4997  
Order No. R-4572

IN THE MATTER OF THE HEARING CALLED BY  
THE OIL CONSERVATION COMMISSION ON ITS OWN  
MOTION TO PERMIT JAL FISHING TOOL COMPANY  
AND UNITED STATES FIDELITY & GUARANTY COM -  
PANY AND ALL OTHER INTERESTED PARTIES TO  
APPEAR AND SHOW CAUSE WHY THE H. WHITTEN  
WELL NO. 1 LOCATED IN UNIT C OF SECTION 4,  
TOWNSHIP 24 SOUTH, RANGE 36 EAST, LEA COUNTY,  
NEW MEXICO, SHOULD NOT BE PLUGGED AND ABAND-  
ONED 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 June 20, 1973,  
at Santa Fe, New Mexico, before the Oil Conservation Commission  
of New Mexico, hereinafter referred to as the "Commission."

NOW, on this 28th day of June, 1973, the Commission, a  
quorum being present, having considered the testimony presented  
and the exhibits received at said hearing, and being fully ad-  
vised 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 Jal Fishing Tool Company is the owner and oper-  
ator of the H. Whitten Well No. 1, located in Unit C of Section  
4, Township 24 South, Range 36 East, NMPM, Lea County, New  
Mexico.

(3) That in order to prevent waste and protect correlative  
rights said H. Whitten Well No. 1 should be plugged and aband-  
oned in accordance with a program approved by the Hobbs District  
Office of the New Mexico Oil Conservation Commission on or  
before August 1, 1973.

-2-

Case No. 4997  
Order No. R-4572

IT IS THEREFORE ORDERED:

(1) That Jal Fishing Tool Company and United States Fidelity & Guaranty Company are hereby ordered to plug and abandon the H. Whitten Well No. 1, located in Unit C of Section 4, Township 24 South, Range 36 East, NMPM, Lea County, New Mexico, on or before August 1, 1973.

(2) That Jal Fishing Tool Company and United States Fidelity & Guaranty Company, prior to plugging and abandoning the above-described well, shall obtain from the Hobbs Office of the Commission, a Commission-approved program for said plugging and abandoning, and shall notify said Hobbs 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, Member

*A. L. Porter Jr.*

A. L. PORTER Jr., Member & Secretary

S E A L

ac/

DOCKET: REGULAR HEARING - WEDNESDAY - JUNE 20, 1973

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

CASE 4990: In the matter of the hearing called by the Oil Conservation Commission of New Mexico upon its own motion to consider the application of Thriftway Company, operator of a petroleum refinery in Bloomfield, New Mexico, for certification to the Commissioner of Public Lands as a small business enterprise within the state not having an adequate supply of charge stocks and eligible to be granted a preference, pursuant to Chapter 34, New Mexico Laws of 1967, for the purchase of state royalty oil. The Commission will consider the application and such pertinent evidence as may be submitted concerning the capacity of the refinery, the source and grade of all refinery charge stocks currently available to the applicant, the minimum amount and grade of additional refinery charge stocks needed to meet existing refinery commitments or existing refinery capacity, and the efforts made by applicant to purchase refinery charge stocks on the open market.

CASE 4991: Application of El Paso Natural Gas Company for the amendment of the prorated gas pool rules promulgated by Order No. R-1670, as amended.

Applicant, in the above-styled cause, seeks the amendment of the General Rules and Regulations for the Prorated Gas Pools of Northwest New Mexico and Southeast New Mexico, as promulgated by Commission Order No. R-1670, as amended. Applicant proposes:

1. That Rule 9 (B) of the Northwest New Mexico Gas Proration Rules and 10 (A) of the Southeast New Mexico Gas Proration Rules each be amended to provide that the monthly allowable assigned to a marginal well would be equal to its latest available monthly production.

2. That Rule 13 of the Northwest New Mexico and Southeast New Mexico Gas Proration Rules be amended to provide that the proration period would be the 12-month period from 7:00 a.m. April 1 of each year to 7:00 a.m. April 1 of the following year. (The current proration period, due to terminate at 7:00 a.m. January 1, 1974, would be extended to 7:00 a.m. April 1, 1974).

3. That Rule 16 (A) of the Northwest New Mexico and Southeast New Mexico Gas Proration Rules be amended to provide that each proration period consist of four classification periods for the purpose of classifying wells marginal, each such classification period being of three months duration; and to provide that after production data is available for the last month of each such classification period, any well which had an underproduced status at the beginning of the gas proration period would be classified marginal

(Case 4991 continued from Page 1)

if its highest single month's production during the classification period is less than its average monthly allowable for the classification period, unless within 15 days after receipt of notice of classification of a well as marginal, the operator of the well or other interested person presents satisfactory evidence to the Commission showing that the well is not of marginal character and should not be so classified.

Applicant, in addition to the above-requested specific rule changes, further request: such additional word changes in other orders and/or Rules of the Commission (including but not limited to Order No. R-333-F-1) as may be necessary to effectuate the substantive rule changes proposed herein.

CASE 4992: In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit Corinne Grace and the Travelers Indemnity Company and all other interested parties to appear and show cause why the Ranger Lake Wells Nos. 1 and 3 located in Unit N of Section 11, Township 12 South, Range 34 East, Lea County, New Mexico should not be plugged and abandoned in accordance with a Commission-approved plugging program.

CASE 4993: In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit Corinne Grace and the Travelers Indemnity Company and all other interested parties to appear and show cause why the T. P. State Well No. 1 located in Unit A of Section 17, Township 10 South, Range 33 East, Lea County, New Mexico, should not be plugged and abandoned in accordance with a Commission-approved plugging program.

CASE 4994: In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit Glenn Petroleum Corporation and United States Fire Insurance Company and all other interested parties to appear and show cause why the Crosby Well No. 1 located in Unit O of Section 26, Township 7 South, Range 30 East, Chaves County, New Mexico, should not be plugged and abandoned in accordance with a Commission-approved plugging program.

CASE 4995: In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit Glenn Petroleum Corporation and United States Fire Insurance Company and all other interested parties to appear and show cause why the Sanders Well No. 1 located in Unit N of Section 25, Township 7 South, Range 30 East, Chaves County, New Mexico, should not be plugged and abandoned in accordance with a Commission-approved plugging program.



CASE 4996: In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit C. H. Brockett Inc. and the Indemnity Company and all other interested parties to appear and show cause why the Lazy J State "A" Well No. 1 located in Unit A of Section 3, Township 14 South, Range 33 East, Lea County, New Mexico, should not be plugged and abandoned in accordance with a Commission-approved plugging program.

CASE 4997: In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit Jal Fishing Tool Company and United States Fidelity & Guarantee Company and all other interested parties to appear and show cause why the H. Whitten Well No. 1 located in Unit C of Section 4, Township 24 South, Range 36 East, Lea County, New Mexico, should not be plugged and abandoned in accordance with a Commission-approved plugging program.

CASE 4998: In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit E. P. Campbell and Aetna Casualty and Surety Company and all other interested parties to appear and show cause why the E. P. Campbell Christmas Well No. 1 located in Unit C of Section 6, Township 23 South, Range 36 East, Lea County, New Mexico, should not be plugged and abandoned in accordance with a Commission-approved plugging program.

CASE 4999: In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit Standard Production Company and Aetna Life & Casualty and all other interested parties to appear and show cause why the Brown Lease Wells Nos. 1, 2, 3, 4, 5, and 5-A, located in Units F, D, C, F, E, and E, respectively, of Section 25, Township 25 South, Range 36 East, Lea County, New Mexico, should not be plugged and abandoned in accordance with a Commission-approved plugging program, and why the location of Well No. 6 in Unit L and No. 7 in Unit M of said Section 25 should not be cleaned and levelled.

CASE 5000: In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit Aztec Oil and Gas Company and United States Fidelity and Guaranty Company and all other interested parties to appear and show cause why the Aztec Totah Unit Wells Nos. 17 and 18, located in Unit E of Section 20, and Unit H of Section 19, respectively, Township 29 North, Range 13 West, San Juan County, New Mexico, should not be plugged and abandoned in accordance with a Commission-approved plugging program.

CASE 5001: In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit Tamanaco Oil Corporation and Continental Casualty Company and all other interested parties to appear and show cause why the El Poso Ranch "N" Well No. 11 located in Unit N of Section 11, Township 28 North, Range 1 East, Rio Arriba County, New Mexico, should not be plugged and abandoned in accordance with a Commission-approved plugging program.

- CASE 5002: In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit Tamanaco Oil Corporation and Continental Casualty Company and all other interested parties to appear and show cause why the Pound Ranch "B" Well No. 27 located in Unit B of Section 27, Township 28 North, Range 1 East, Rio Arriba County, New Mexico, should not be plugged and abandoned in accordance with a Commission-approved plugging program.
- CASE 5003: In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit Dan M. Lockie and Hartford Fire Insurance Company Group and all other interested parties to appear and show cause why the Dan M. Lockie, Gersbach Com #1 located in Unit J of Section 3, Township 29 North, Range 16 West, San Juan County, New Mexico, should not be plugged and abandoned in accordance with a Commission-approved plugging program.
- CASE 5004: In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit Pettus and Associates and United States Fidelity and Guaranty Company and all other interested parties to appear and show cause why the Pettus and Associates, Hunt Well No. 1 located in Unit K of Section 3, Township 29 North, Range 16 West, San Juan County, New Mexico, should not be plugged and abandoned in accordance with a Commission-approved plugging program.
- CASE 5005: In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit Pettus and Associates and United States Fidelity and Guaranty Company and all other interested parties to appear and show cause why the Pettus and Associates, Don Stock Well No. 1 located in Unit E of Section 3, Township 29 North, Range 16 West, San Juan County, New Mexico, should not be plugged and abandoned in accordance with a Commission-approved plugging program.
- CASE 5006: In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit Aztec Oil and Gas Company and United States Fidelity and Guaranty Company and all other interested parties to appear and show cause why the Southeast Cha Cha Unit Well No. 1 located in Unit M of Section 32, Township 29 North, Range 13 West, San Juan County, New Mexico, should not be plugged and abandoned in accordance with a Commission-approved plugging program.

Regular Hearing - Wednesday - June 20, 1973  
-5-

Docket No. 16-73

CASE 4989: (Continued from the June 6, 1973, Examiner Hearing)

In the matter of the hearing called by the Oil Conservation Commission upon its own motion to consider the amendment of the general rules governing prorated gas pools in Northwest and Southeast New Mexico as promulgated by Order No. R-1670, as amended. Rule 15 of the aforesaid general rules would be amended to provide that if a well is overproduced in an amount exceeding six times its average monthly allowable for the preceding twelve months (or, in the case of a newly connected well or a well in a newly prorated pool, six times its average monthly allowable for the months available), it shall be shut in during that month and each succeeding month until it is overproduced in an amount less than six times its average monthly allowable, as determined above.

Rule 15 would be further amended to permit the Secretary-Director of the Commission to grant a pool-wide moratorium of up to three months on the shutting in of gas wells during periods of high demand emergency if a significant number of the wells in the pool are subject to being shut in.

POST OFFICE DEPARTMENT  
OFFICIAL BUSINESS

ALBUQUERQUE, NM STA C  
JUN 20 1973  
USPO

POSTMARK OF DELIVERING OFFICE

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

RETURN TO

OIL CONSERVATION COMMISSION  
P. O. Box 2088  
Santa Fe, New Mexico 87501  
Case No. 4997

800 Form 3811 Apr. 1969

RECEIPT FOR CERTIFIED MAIL—20¢

SENT TO  
U.S. Fidelity & Guarantee Co.

STREET AND NO.  
301 San Mateo Blvd., S.E.

CITY, STATE, AND ZIP CODE  
Albuquerque, N. M. 87108  
87050

If you want a return receipt, check which  
☐ 10¢ shows to whom and when delivered  
☐ 35¢ shows to whom, when, and address where delivered

If you want delivery only to addressee, check here  
☐ 50¢ fee

FEES ADDITIONAL TO 20¢ FEE

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

P00 Form 3800  
July 1963

No. 635909

Case 4997 - Joe Fishing Hook

TESTIMONY FOR SHOW CAUSE HEARINGS

Make appearance for Oil Conservation Commission

one witness: Joe Fanning

1. Name, position, place of residence.
2. Does district I include Nea County?
3. Does it include the part of Nea County involved in this case?
4. Would you briefly describe your duties as district supervisor as they relate to this case?  
(recommendations to the Commission as to when wells should be plugged and abandoned)
5. Are you familiar with subject matter of Case No. 4997?
6. What is the purpose of this case?  
(be sure wells are identified)
7. Are you familiar with these wells?
8. Have you reviewed all reports filed with the Commission concerning this/these wells and visited the well site(s)?
9. Do you have these records with you?
10. Please refer to these records and give us the history of the ~~each~~ well as reflected by the official records:
  - A. application to drill and date
  - B. operator
  - C. location and dedicated acreage (C-102)
  - D. well depth
  - E. formation completed in
  - F. information from other forms
11. The date of the last official form.
12. Other communication  
(any which is relative to this case that should be called to the examiner's attention)
13. How recently have you visited these wells?
14. Would you tell us what you found at the site:
  - A. abandoned
  - B. a dry hole
  - C. any sign of present production
15. Would there be any danger in leaving this well in its present condition?
16. Could it be a safety problem?
17. Do you have any opinion as to whether or not the well should be plugged?

18. Do you have a recommended plugging program to submit to the Commission at this time?

(if there is a recommended plugging program:

1. What should be pulled from the well?
2. Where should plugs be set and why?
3. How many sacks of cement needed?)

19. Do you have true and correct copies of all Commission forms for inclusion in the record of this case?

20. Offer forms as exhibits.

**OIL CONSERVATION COMMISSION**

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

June 7, 1973

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

Jal Fishing Tool Co.  
c/o Oil Reports & Gas Services  
P. O. Box 763  
Hobbs, New Mexico

CERTIFIED - RETURN  
RECEIPT REQUESTED

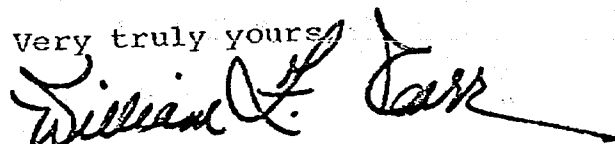
United States Fidelity & Guarantee Company  
c/o Pete DiGangi, State Manager  
301 San Mateo Blvd., S. E.  
Albuquerque, New Mexico

Re: H. Whitten Well No. 1, Unit C,  
Section 4, Township 24 South, Range  
36 East, Lea County, New Mexico,  
United States Fidelity & Guarantee  
Company \$10,000 Blanket Bond Form  
39-A1

Gentlemen:

Enclosed is a copy of the docket of the Examiner Hearing  
to be held on Wednesday, June 20, 1973, at 9:00 a.m. in the  
Oil Conservation Commission Conference Room, State Land Office  
Building, Santa Fe, New Mexico. Case No. 4997 concerns the  
subject matter.

Very truly yours,



WILLIAM F. CARR  
Special Assistant Attorney General  
Oil Conservation Commission

WFC/ac  
enclosure

cc: Oil Conservation Commission - Hobbs

OIL CONSERVATION COMMISSION

HOBBS, NEW MEXICO 88240

June 6, 1972

BEFORE THE	
OIL CONSERVATION COMMISSION	
Santa Fe, New Mexico	
Case No. 4997	Exhibit No. 1
Submitted by	OCC
Hearing Date	6-20-73

Jal Fishing Tool Co.  
% Oil Reports & Gas Services  
Box 763  
Hobbs, New Mexico

Gentlemen:

Your H. Whitten Well No. 1 located in Unit C of Section 4, T-24-S, R-36-E, has been temporarily abandoned since September 1, 1965. From this it is apparent that the well will not be produced, and therefore should be immediately plugged.

Unless you have plans for reworking the well, you should immediately plug the well. Please either file an intent to work on the well, or advise me of any future plans for the well, or file an intent for immediate plugging and abandoning.

Yours very truly,

OIL CONSERVATION COMMISSION

Joe D. Ramey  
Supervisor, District 1

JDR/mc

C  
O  
P  
Y

OIL CONSERVATION COMMISSION

HOBBS, NEW MEXICO 88240

August 4, 1972

C  
O  
P  
Y  
  
Jal Fishing Tool Co.  
% Oil Reports & Gas Services  
Box 763  
Hobbs, New Mexico

Gentlemen:

On June 6, 1972, I wrote to you requesting information concerning your H. Whitten Well No. 1 located in Unit C of Section 4, T-24-S, R-36-E. To date, I have heard nothing from you on this matter.

A hearing will be set before the Commission in the very near future which will enable you to show cause why this well should not be plugged and abandoned. You will be notified when the hearing date has been determined.

Yours very truly,

OIL CONSERVATION COMMISSION

Joe D. Ramey  
Supervisor, District 1

JDR/mc  
cc-Mr. George Hatch, Attorney  
Oil Conservation Commission  
Santa Fe, New Mexico



No. 543202

RECEIPT FOR CERTIFIED MAIL—30¢ (plus postage)

SENT TO <i>Jal Fishing Tool Co</i>		POSTMARK OR DATE <i>SEP 3 1972</i>
STREET AND NO. <i>Box 270</i>		
P.O., STATE AND ZIP CODE <i>Jal 8852</i>		
OPTIONAL SERVICES FOR ADDITIONAL FEES		
RETURN RECEIPT SERVICES	1. Shows to whom and date delivered ..... 15¢ With delivery to addressee only ..... 65¢ 2. Shows to whom, date and where delivered ..... 35¢ With delivery to addressee only ..... 85¢	
DELIVER TO ADDRESSEE ONLY ..... 50¢		
SPECIAL DELIVERY (extra fee required) .....		

COMMISSION

88240

PS Form 3800 Apr. 1971 NO INSURANCE COVERAGE PROVIDED— (See other side)  
NOT FOR INTERNATIONAL MAIL GPO: 1972 O - 460-743

C  
O  
P  
Y

Jal Fishing Tool Co.  
% Oil Reports & Gas Services  
P. O. Box 763  
Hobbs, New Mexico

Gentlemen:

On August 4, 1972, I wrote advising you that a hearing would be set before the Commission to enable you to show cause why your H. Whitten Well No. 1 located in Unit C of Section 4, T-24-S, R-36-E, should not be plugged and abandoned.

This matter has been turned over to the Commission's attorney, and a hearing will be set in the near future.

Yours very truly,

OIL CONSERVATION COMMISSION

Joe D. Ramey  
Supervisor, District 1

JDR/mc

cc-Mr. William F. Carr, Attorney  
Oil Conservation Commission  
Santa Fe, New Mexico

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 ON ITS OWN MOTION  
TO PERMIT JAL FISHING TOOL COMPANY AND UNITED  
STATES FIDELITY & GUARANTEE COMPANY AND ALL  
OTHER INTERESTED PARTIES TO APPEAR AND SHOW  
CAUSE WHY THE H. WHITTEN WELL NO. 1 LOCATED IN  
UNIT C OF SECTION 4, TOWNSHIP 24 SOUTH, RANGE 36  
EAST, LEA COUNTY, NEW MEXICO, SHOULD NOT BE PLUGGED  
AND ABANDONED IN ACCORDANCE WITH A COMMISSION-APPROVED PLUGGING PROGRAM.

CASE NO. 4997

Order No. R-4572

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on June 20, 1973,  
at Santa Fe, New Mexico, before the Oil Conservation Commission  
of New Mexico, hereinafter referred to as the "Commission."

NOW, on this \_\_\_\_\_ day of June, 1973, the Commission, a  
quorum being present, having considered the testimony presented  
and the exhibits received at said hearing, 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 Jal Fishing Tool Company is the owner and  
operator of the H. Whitten Well No. 1  
located in Unit C of Section 4, Township 24 South, Range  
36 East, NMPM, Lea County, New Mexico.

(3) That in order to prevent waste and protect correlative  
rights said H. Whitten Well No. 1  
should be plugged and abandoned in accordance with a program  
approved by the Hobbs District Office of the New Mexico Oil  
Conservation Commission on or before August 1, 1973.

IT IS THEREFORE ORDERED:

(1) That Jal Fishing Tool Company and United States Fidelity &  
Guarantee Company are hereby ordered to plug and abandon the  
H. Whitten Well No. 1  
located in Unit C of Section 4, Township 24 South,  
Range 36 East, NMPM, Lea County, New Mexico, on or,  
before August 1, 1973.

-2-

Case No.  
Order No. R-

(2) That Jal Fishing Tool Company and United States Fidelity & Guarantee Company, prior to plugging and abandoning the above-described well, shall obtain from the Hobbs Office of the Commission, a Commission-approved program for said plugging and abandoning, and shall notify said Hobbs 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 herein-above designated.