

CASE 2792: In the matter of the
hearing called by the OCC to per-

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to [unclear]
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CASE No.
2792

Application,
TRANSCRIPTS,
SMALL Exhibits
ETC.

Memo

From

JAMES M. DURRETT JR.
GENERAL COUNSEL

To T F Burgett 4-1-63

He will call more about wells and will appear before Comm. on 24th of Apr. He does not want to plug wells. Says they are capable of producing.

Memo

From

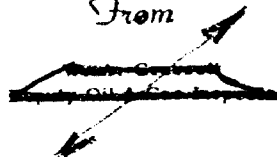
JAMES M. DURRETT JR.
GENERAL COUNSEL

To 6-17-63

T T Lambert, Greiman's land, in Albuq. They will start plugging operations immediately. want formal demand letter on them.

Memo

From



To

Everett D. Burgett

1 Myers Union

19805-660 @ sec 11-23-27

10-16-61: Pit not filled - junk + drilling line scattered around. Well is open at surface - 10" csg. about 2' above ground level. Water level on outside of casing about 6' from surface. Location in edge of Cotton field.

Nothing has been done since first visit on 6-23-61

Burgett said the well was plugged up to the base of 10" csg @ about 320 + he would finish plugging around the first of Sept.

OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

November 1, 1961

Mr. Everett D. Burgett
102 South Canal
Carlsbad, New Mexico

Re: The Meyers Union Well No. 1,
Section 11, Township 23 South,
Range 27 East, Eddy County,
New Mexico

Dear Mr. Burgett:

Mr. M. L. Armstrong, District Supervisor of the Oil Conservation Commission in Artesia, New Mexico, has informed me that you had advised him that the subject well had been plugged up to the base of the ten-inch casing at approximately a depth of 320 feet and that you would finish the plugging of the well around September 1, 1961. Mr. Armstrong has further advised that an inspection of the well site on October 15, 1961, revealed the pit had not been filled, the well was open at the surface and that the ten-inch casing extended approximately two feet above the ground.

In view of the above facts, we must now demand that the plugging operation on the subject well be completed by December 1, 1961.

You should contact Mr. Armstrong for an appropriate plugging program for the well; he should also be given an opportunity to witness the plugging of the well as it is being accomplished.

Very truly yours,

RICHARD S. MORRIS
Special Assistant
Attorney General

RSM/JEW/ear

OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

-2-

November 1, 1961

Mr. Everett D. Burgett
102 South Canal
Carlsbad, New Mexico

cc: Mr. M. L. Armstrong
District Supervisor
Oil Conservation Commission
Drawer DD
Artesia, New Mexico

Mr. Edwin L. Dunagan
Resident Agent
Fireman's Fund Insurance Company
Carlsbad, New Mexico

OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

December 8, 1961

Mr. Everett D. Burgett
102 South Canal
Carlsbad, New Mexico

Mr. Edwin L. Dunagan
Resident Agent
Fireman's Fund Insurance Company
Carlsbad, New Mexico

Re: The Meyers Well No. 1, Section 11, Township 23 South, Range 27 East, Eddy County, New Mexico

Gentlemen:

Reference is made to my letter to Mr. Burgett dated November 1, 1961, regarding the plugging of the subject well by December 1, 1961, in accordance with a plugging program approved by Mr. M. L. Armstrong, District Supervisor of the Oil Conservation Commission in Artesia, New Mexico.

I have been informed that Mr. Burgett has not contacted Mr. Armstrong regarding the plugging of the subject well. We hereby make firm demand that plugging operation of the subject well be completed by January 1, 1962.

Inasmuch as Fireman's Fund Insurance Company, as surety, has a primary obligation under its bond, the Commission intends to hold the surety as well as the principal responsible for the plugging of the well within the prescribed period.

C
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OIL CONSERVATION COMMISSION

P. O. BOX 871
SANTA FE, NEW MEXICO

December 8, 1961

-2-

Mr. Everett D. Burgett
102 South Canal
Carlsbad, New Mexico

Mr. Edwin L. Dunagan
Resident Agent
Fireman's Fund Insurance Company
Carlsbad, New Mexico

Mr. Armstrong must be contacted for an appropriate plugging program for the well; he must also be given an opportunity to witness the plugging of the well as it is being accomplished.

Very truly yours,

RICHARD S. MORRIS
Special Assistant
Attorney General

RSM/JEW/esr

cc: Mr. M. L. Armstrong
District Supervisor
Oil Conservation Commission
Drawer 33
Artesia, New Mexico

OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

January 3, 1962

Mr. M. L. Armstrong
District Supervisor
Oil Conservation Commission
Drawer DD
Artesia, New Mexico

Dear Mose:

Please give me the current status of the following wells
so that appropriate action may be taken:

CADMAN EXPLORATION CORPORATION,
Crawford Well No. 1 - Sec. 9, T 24, R 27

EVERETT BURGITT,
Myers Well No. 1 - Sec. 11, T 23, R 27

TAFT MCGEE,
Sharp Well No. 1 - Sec. 13, T 17, R 26

WAYNE J. SPRARS
State Well No. 1 - Sec. 21, T 19, R 29
State Well No. 1 - Sec. 28, T 11, R 27
State Well No. 2 - Sec. 28, T 11, R 27
State Well No. 3 - Sec. 28, T 11, R 27
State Well No. 4 - Sec. 28, T 11, R 27
State Well No. 5 - Sec. 28, T 11, R 27
Levick State Well No. 1 - Sec. 26, T 11, R 27
Union State Well No. 1 - Sec. 26, T 19, R 29
Elk Well No. 1 - Sec. 22, T 10, R 25
Grace McCoy Well No. 1 - Sec. 34, T 10, R 25

I would like to have this information at your earliest
convenience so that we may institute the appropriate remedial

OIL CONSERVATION COMMISSION

P. O. BOX 871
SANTA FE, NEW MEXICO

-2-

January 3, 1962

Mr. M. L. Armstrong
District Supervisor
Oil Conservation Commission
Drawer DD
Artesia, New Mexico

action to get the wells plugged if they have not already been
plugged according to your specifications.

Thank you very much.

Very truly yours,

J. E. WHITFIELD
Legal Assistant

JEW/esr

C
O
P
Y

GOVERNOR
EDWIN L. MECHEM
CHAIRMAN

State of New Mexico
Oil Conservation Commission



LAND COMMISSIONER
E. S. JOHNNY WALKER
MEMBER

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

DRAWER DD
ARTESIA

October 18, 1962

Mr. James M. Durrett, Jr.
P. O. Box 871
Santa Fe, New Mexico

Dear Sir:

The Everett D. Burgett Well #1 in unit H of section 5, Township 25 South, Range 28 East, to our knowledge has not been plugged. He was to notify us when this work was done, so we could witness the plugging, as it is in the water area. And another thing we do not consider him a prudent operator.

Very truly yours,

OIL CONSERVATION COMMISSION

M. L. Armstrong
M. L. Armstrong

Supervisor, District No. 2

MLA/jw

OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

October 11, 1962

C
O
P
Y

Puretex Oil Company
107 Robertson Building
Wichita Falls, Texas

Attention: Mr. J. P. Kiel

Re: Everett D. Burgett Richardson-Bass State
Well No. 1, Unit H, Section 5, Township
25 South, Range 28 East, Eddy County,
New Mexico

Gentlemen:

Pursuant to your telephone conversation today, we have searched our well file concerning a plugging report on the above well, however, we cannot locate a plugging report for this well.

It is possible that this plugging report may not yet have been forwarded from our Artesia office. We are, by a copy of this letter, requesting our Artesia office to forward a copy of the plugging report to you if they have it on file.

Please advise if we can be of further assistance to you.

Very truly yours,

JAMES M. DURRETT, Jr.,
Attorney

JMD/esr

cc: Oil Conservation Commission
Drawer DD
Artesia, New Mexico

POST OFFICE DEPARTMENT
OFFICIAL BUSINESS
PENALTY FOR PRIVATE USE TO AVOID
PAYMENT OF POSTAGE, \$300

Fireman's Fund Ins. Co.
3333 California Street
San Francisco 20, California

INSTRUCTIONS: Fill in items below and copy
plate #1 on other side, when applicable. Moisten
gummed ends and attach to back of article. Print
on front of article RETURN RECEIPT REQUESTED.

REGISTERED NO. NAME OF SENDER
OIL Conservation Commission

CERTIFIED NO. STREET AND NO. OR P. O. BOX
859048 P. O. Box 871

INSURED NO. CITY, ZONE AND STATE
Santa Fe, New Mexico

letter - 2-23-63

POST OFFICE DEPARTMENT
OFFICIAL BUSINESS
PENALTY FOR PRIVATE USE TO AVOID
PAYMENT OF POSTAGE, \$300

Mr. Everett D. Burgett
102 South Canal Street
Carlsbad, New Mexico

INSTRUCTIONS: Fill in items below and copy
plate #1 on other side, when applicable. Moisten
gummed ends and attach to back of article. Print
on front of article RETURN RECEIPT REQUESTED.

REGISTERED NO. NAME OF SENDER
OIL Conservation Commission

CERTIFIED NO. STREET AND NO. OR P. O. BOX
859046 P. O. Box 871

INSURED NO. CITY, ZONE AND STATE
Santa Fe, New Mexico

Letters - 2-28-63

No. 859048

RECEIPT FOR CERTIFIED MAIL—20¢

SENT TO
Fireman's Fund Ins. Co.
STREET AND NO.
3333 California Street
CITY AND STATE
San Francisco 20, California

POSTMARK
OR DATE
3-1-63

If you want a return receipt, check which
☐ 10¢ shows to whom and when delivered
☐ 25¢ shows to whom, when, and address where delivered
☐ 50¢ fee

FEES ADDITIONAL TO 20¢ FEE

POD Form 3550
Apr 1959

SEE OTHER SIDE

No. 859046

RECEIPT FOR CERTIFIED MAIL—20¢

SENT TO
Mr. Everett D. Burgett
STREET AND NO.
102 South Canal Street
CITY AND STATE
Carlsbad, New Mexico

POSTMARK
OR DATE
3-1-63

If you want a return receipt, check which
☐ 10¢ shows to whom and when delivered
☐ 25¢ shows to whom, when, and address where delivered
☐ 50¢ fee

FEES ADDITIONAL TO 20¢ FEE

POD Form 3550
Apr 1959

SEE OTHER SIDE

1-INSTRUCTIONS TO DELIVERING EMPLOYEE

☐ Deliver ONLY to addressee ☐ Show address where delivered

(Additional charges required for these services)

RETURN RECEIPT

Received the numbered article described on other side.

SIGNATURE OR NAME OF ADDRESSEE (must always be filled in)

SIGNATURE OF ADDRESSEE'S AGENT, IF ANY

DATE DELIVERED

ADDRESS WHERE DELIVERED (only if requested in item # 1)

CSS-16-71848-4 GPO

1-INSTRUCTIONS TO DELIVERING EMPLOYEE

☐ Deliver ONLY to addressee ☐ Show address where delivered

(Additional charges required for these services)

RETURN RECEIPT

Received the numbered article described on other side.

SIGNATURE OR NAME OF ADDRESSEE (must always be filled in)

SIGNATURE OF ADDRESSEE'S AGENT, IF ANY

DATE DELIVERED

ADDRESS WHERE DELIVERED (only if requested in item # 1)

CSS-16-71848-4 GPO

1. Stick postage stamps to your article to pay:
2nd certified mail fee
First-class or airmail postage
When not no receipt fee—10¢ or 35¢ (optional)
Restricted delivery fee—5¢ (optional)
Special delivery fee (optional)
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 to a postal employee.
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 3817, and attach it to the back of the article by means of the gummed ends. Indorse front of article RETURN RECEIPT REQUESTED.
5. If you want the article delivered only to the addressee, endorse it on the front DELIVER TO ADDRESSEE ONLY. Use the same endorsement in line 2 of the return receipt card.
6. Save this receipt and present it if you make inquiries.

28-72077-4 21.000

1. Stick postage stamps to your article to pay:
2nd certified mail fee
First-class or airmail postage
When not no receipt fee—10¢ or 35¢ (optional)
Restricted delivery fee—5¢ (optional)
Special delivery fee (optional)
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 to a postal employee.
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 3817, and attach it to the back of the article by means of the gummed ends. Indorse front of article RETURN RECEIPT REQUESTED.
5. If you want the article delivered only to the addressee, endorse it on the front DELIVER TO ADDRESSEE ONLY. Use the same endorsement in line 2 of the return receipt card.
6. Save this receipt and present it if you make inquiries.

28-72077-4 21.000

OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

February 28, 1963

CERTIFIED MAIL - RETURN
RECEIPT REQUESTED

Mr. Everett D. Burgett
102 South Canal Street
Carlsbad, New Mexico

Fireman's Fund Insurance Company
3333 California Street
San Francisco 20, California

Re: Well Plugging - Eddy
County, New Mexico

Gentlemen:

Pursuant to information furnished us by Mr. M. L. Armstrong, Supervisor, District No. II, Oil Conservation Commission, Artesia, New Mexico, we hereby make demand that you plug the following-described wells in accordance with a Commission-approved plugging program:

- (1) Everett D. Burgett Myers Union Well No. 1, located in Unit I, 660 feet from the East line and 1980 feet from the South line of Section 11, Township 23 South, Range 27 East, NMPM, Eddy County, New Mexico.
- (2) Everett D. Burgett Richardson-Bass State Well No. 1, located in Unit H, 660 feet from the East line and 1980 feet from the North line of Section 5, Township 25 South, Range 28 East, NMPM, Eddy County, New Mexico.

The above wells must be plugged on or before April 1, 1963.
Mr. Armstrong must be contacted for an appropriate plugging program

OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEX.CO

-2-

February 28, 1963

Mr. Everett D. Burgett
102 South Canal Street
Carlsbad, New Mexico

Fireman's Fund Insurance Company
3333 California Street
San Francisco 20, California

C
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and must be given an opportunity to witness the plugging of each well as it is being accomplished.

Very truly yours,

JAMES M. DURRETT, Jr.,
Special Assistant Attorney General

JMD/ear

cc: Mr. M. L. Armstrong
Supervisor, District No. II
Oil Conservation Commission
Drawer DD
Artesia, New Mexico

OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

October 25, 1962

C
O
P
Y

Puretex Oil Company
107 Robertson Building
Wichita Falls, Texas

Attention: Mr. J. P. Kiel

Re: Everett D. Burgett Richardson-Bass State
Well No. 1, Unit H, Section 5, Township
25 South, Range 28 East, Eddy County,
New Mexico

Gentlemen:

Please refer to my letter of October 11, 1962.

Mr. M. L. Armstrong, Supervisor, District No. II, Artesia, New Mexico, has now advised me that his office has not received a plugging report on the above well, although he was to be notified when the work was done in order to witness the plugging. He also advises me that this well is in the Artesian Water Area and that it will be necessary for the Commission to docket a case to force the operator to plug the well if it is not properly plugged in the immediate future.

Please advise me if we can be of further assistance to you.

Very truly yours,

JAMES M. DURRETT, Jr.,
Attorney

JMD/esr



The
FUND
Insurance Companies

FIREMAN'S FUND INSURANCE COMPANY • HOME FIRE & MARINE INSURANCE COMPANY • NATIONAL SURETY CORPORATION
3333 CALIFORNIA STREET • SAN FRANCISCO 20, CALIFORNIA • JOrdon 7-5000
MAIL ADDRESS: LOCK BOX 3395

Pacific Department Group Claims

1963 MAR 14 AM 13

March 8, 1963

file

Oil Conservation Commission
State of New Mexico
Post Office Box 871
Santa Fe, New Mexico

Attention: Mr. James M. Durrett, Jr.
Special Assistant Attorney General

Gentlemen:

BOND NO. 16048166
PRINCIPAL: EVERETT BURGETT
OBLIGEE: STATE OF NEW MEXICO
CLAIM UNDER WELL PLUGGING BOND

We have your letter of February 28, 1963, advising us of two wells in Eddy County which require action on the part of our Principal.

Please be advised that this matter is being sent to our Albuquerque Claim Division for direct handling, thus they might find it necessary to contact you again relative to this matter.

Very truly yours,

Tom Martin

N. Thomas Martin
Bond Claim Superintendent
Claims Department

NEM:mh

cc: Albuquerque Claims

THE FUND INSURANCE COMPANIES

☐ FILE ☐ SUSPENSE ☐ SPECIAL AGENT
☐ COPY ☐ OTHERCERTIFIED LETTER
RETURN RECEIPT REQUESTED

March 26, 1963

Mr. Everett D. Burgett
102 South Canal Street
Carlsbad, New MexicoIn Re: File: F 106 S 7613
Well Plugging Bond No. L6048166

Dear Mr. Burgett:

On February 28, 1963 Mr. Durrett of the New Mexico Oil Conservation Commission wrote to you making demand that the wells known as Everett Burgett Myers Union Well No. 1 and Everett D. Burgett Richardson-Bass State Well No. 1 be plugged on or before April 1, 1963 in accordance with Commission-approved plugging program.

The Oil Conservation Commission has put us on notice of this demand.

The purpose of this letter is to call your attention to the indemnity provisions of your bond and to make formal demand upon you to comply with the request of the Oil Conservation Commission.

In the event we should become liable to the State of New Mexico for the plugging of these wells we shall look to you and your coindemnitor, E. B. Burgett for reimbursement for all our loss, costs, and expense incurred as a result of your failure to plug these wells as prescribed by the Oil Conservation Commission.

Very truly yours,

George R. Lambert

GL:ph

cc: Mr. Martin - PDO Claims

Carter Insurance Agency - Carlsbad, N.M.

Attn: Ed Dunnigan

Oil Conservation Commission

Attn: James M. Durrett, Jr.

Special Assistant Attorney General

Santa Fe, New Mexico

OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

April 2, 1963

Mr. M. L. Armstrong
Supervisor, District No. II
Oil Conservation Commission
Drawer DD
Artesia, New Mexico

Re: Everett D. Burgett, Well Plugging,
Eddy County, New Mexico

Dear Mose:

Mr. Burgett called me today concerning the seven wells in Eddy County that we have demanded that he plug on or before April 1, 1963. He said that these wells are not plugged, but that he would contact you in the immediate future concerning disposition of the wells. He said that he does not want to plug them as they are capable of producing, although they have not produced in the last year or two.

I informed Mr. Burgett that I could not give him an extension of time concerning the wells but that I was tentatively planning to docket a case on April 24, 1963, and that he could appear before the Commission at that time if he so desired. Therefore, I tentatively am placing the case on the docket for the April 24, 1963, Examiner Hearing.

Very truly yours,

J. M. DURRETT, Jr.,
Attorney

JMD/esr

100-100-100
100-100-100

file

CERTIFIED LETTER
RETURN RECEIPT REQUESTED

April 9, 1963

E. B. Burgett
Mayhill, New Mexico

Dear Mr. Burgett:

On April 22, 1959 you signed with Everett D. Burgett the Indemnity Agreement taken in connection with Everett Burgett's application for a Blanket Plugging Bond in the amount of \$10,000 with the State of New Mexico as Oblige.

We have been notified by the New Mexico Oil Conservation Commission that they have made demand upon Evert Burgett to plug the following described wells:

- (1) Everett D. Burgett Myers Union Well No. 1, located in Unit 1, 660 feet from the East line and 1980 feet from the South line of Section 11, Township 23 South, Range 27 East, NMPM, Eddy County, New Mexico.
- (2) Everett D. Burgett Richardson-Bass State Well No. , located in Unit H, 660 feet from the East line and 1980 feet from the North line of Section 5, Township 25 South, Range 28 East, NMPM, Eddy County, New Mexico.

We call this matter to your attention for the reason that we shall look to you for reimbursement of all of our loss, costs, and expense which might be incurred by us in the event Mr. Everett D. Burgett fails to comply with the demands of the New Mexico Oil Conservation Commission.

Perhaps you will be able to prevail upon Mr. Everett D Burgett to plug these wells in accordance with the plugging program of the State of New Mexico.

Very truly yours,

George R. Lambert

GEL:ph

cc: Tom Martin - FDO Claims
Carter Insurance Agency, Carlsbad, N.M.
Oil Conservation Commission, Attn: J.M. Durrett, Jr.
Special Assistant Attorney General, Santa Fe, N.M.

131-1-11

April 14, 1963

file
JPM

Mr. Everett D. BURGOTT
102 South Canal Street
Carlsbad, New Mexico

In Re: FIRM F 100 S 7413
Hole No. 303-0917

Dear Mr. BURGOTT:

I am enclosing a copy of the notice from the Oil Conservation Commission setting a hearing on this case on April 24, 1963. The hearing is to begin at 9:00 A.M. in the Oil Conservation Commission Conference Room, State Land Office, Santa Fe, New Mexico. The hearing is to give you the opportunity to appear and show cause why Hyatt Union Well No. 1 and the Richardson-Bass State Well No. 1 should not be plugged in accordance with the Commission-approved plugging program. If there are any legitimate reasons why these wells should not be plugged, you should certainly make them known to the Oil Conservation Commission on the date set forth above.

Our file does not reflect any activity on your part to respond to the demands of the Oil Conservation Commission nor any effort to minimize this claim against you. We suggest that your problems will only be complicated if you persist in this attitude and hope that you will see the wisdom of working with the Oil Conservation Commission in an effort to bring this matter to an amicable and satisfactory conclusion.

Very truly yours,

L

George Lambert

GL/lal

cc/ Tom Martin - PEO Claims
cc/ Carter Insurance Agency
Carlsbad, New Mexico
cc/ J. H. Durrett, Jr., Special Assistant
Attorney General
Santa Fe, New Mexico
cc/ E. D. BURGOTT
Mayhill, New Mexico

POST OFFICE DEPARTMENT
OFFICIAL BUSINESS

Mr. Everett D. Burgett
102 South Canal Street
Carlsbad, New Mexico

INSTRUCTIONS: Fill in items below and complete #1 on other side, when applicable. Moisten gummed ends and attach to back of article. Print on front of article RETURN RECEIPT REQUESTED.

REGISTERED NO.

CERTIFIED NO.

INSURED NO.

NAME OF SENDER

STREET AND NO. OR P. O. BOX

CITY, ZONE AND STATE

OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

POSTMARK OF DELIVERING OFFICE

RETURN TO

NOTICES - Cases 2792 & 2793

No. 859299

RECEIPT FOR CERTIFIED MAIL-206

SENT TO

STREET AND NO.

CITY AND STATE

Fireman's Fund Insurance Company - Claims Dept.

117 Montclair Drive, S.E.

Albuquerque, New Mexico

4-9-63

POSTMARK OR DATE

POST OFFICE DEPARTMENT
OFFICIAL BUSINESS

Fireman's Fund Insurance Co
3333 California Street
San Francisco 20, California
Attn: Mr. N. Thomas Martin
Bond Claim Superintendent
Claims Department

INSTRUCTIONS: Fill in items below and complete #1 on other side, when applicable. Moisten gummed ends and attach to back of article. Print on front of article RETURN RECEIPT REQUESTED.

REGISTERED NO.

CERTIFIED NO.

INSURED NO.

NAME OF SENDER

STREET AND NO. OR P. O. BOX

CITY, ZONE AND STATE

OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

POSTMARK OF DELIVERING OFFICE

RETURN TO

NOTICE - Case 2792 (Burgett)

No. 859296

RECEIPT FOR CERTIFIED MAIL-206

SENT TO

STREET AND NO.

CITY AND STATE

Mr. Everett D. Burgett

102 South Canal Street

Carlsbad, New Mexico

4-9-63

POSTMARK OR DATE

POST OFFICE DEPARTMENT
OFFICIAL BUSINESS

Fireman's Fund Insurance Company - Claims Dept.
117 Montclair Drive, S.E.
Albuquerque, New Mexico

INSTRUCTIONS: Fill in items below and complete #1 on other side, when applicable. Moisten gummed ends and attach to back of article. Print on front of article RETURN RECEIPT REQUESTED.

REGISTERED NO.

CERTIFIED NO.

INSURED NO.

NAME OF SENDER

STREET AND NO. OR P. O. BOX

CITY, ZONE AND STATE

OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

POSTMARK OF DELIVERING OFFICE

RETURN TO

NOTICE - Case 2792 (Burgett)

No. 859297

RECEIPT FOR CERTIFIED MAIL-206

SENT TO

STREET AND NO.

CITY AND STATE

Fireman's Fund Insurance Company

3333 California Street

San Francisco 20, California

4-9-63

POSTMARK OR DATE

#1-INSTRUCTIONS TO DELIVERING EMPLOYEE
☐ Deliver ONLY to addressee ☐ Show address where delivered
 (Additional charges required for these services)

RETURN RECEIPT
 Received the numbered article described on other side.

SIGNATURE OR NAME OF ADDRESSEE (must always be filled in)
Everett D. Burgett

SIGNATURE OF ADDRESSEE'S AGENT, IF ANY
Mrs E. D. Burgett

DATE DELIVERED
 4-11-63

ADDRESS WHERE DELIVERED (only if requested in item #1)

CSG-16-71548-4 GPO

No. 859299

RECEIPT FOR CERTIFIED MAIL--20¢

SENT TO
 Fireman's Fund Insurance Company - Claims Dept.

STREET AND NO.
 117 Montclair Drive, S.E.

CITY AND STATE
 Albuquerque, New Mexico

POSTMARK OR DATE
 4-9-63

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 restricted delivery, check here
☐ 50¢ fee

FEES ADDITIONAL TO 20¢ FEE
 See OTHER SIDE

Notice, Case 2792

#1-INSTRUCTIONS TO DELIVERING EMPLOYEE
☐ Deliver ONLY to addressee ☐ Show address where delivered
 (Additional charges required for these services)

RETURN RECEIPT
 Received the numbered article described on other side.

SIGNATURE OR NAME OF ADDRESSEE (must always be filled in)
Fireman's Fund Ins. Co.

SIGNATURE OF ADDRESSEE'S AGENT, IF ANY
Mrs. W. Davis

DATE DELIVERED
 4-11

ADDRESS WHERE DELIVERED (only if requested in item #1)

CSG-16-71548-4 GPO

No. 859296

RECEIPT FOR CERTIFIED MAIL--20¢

SENT TO
 Mr. Everett D. Burgett

STREET AND NO.
 102 South Canal Street

CITY AND STATE
 Carlsbad, New Mexico

POSTMARK OR DATE
 4-9-63

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 restricted delivery, check here
☐ 50¢ fee

FEES ADDITIONAL TO 20¢ FEE
 See OTHER SIDE

Notice, Case 2792, 2793

No. 859297

#1-INSTRUCTIONS TO DELIVERING EMPLOYEE
☐ Deliver ONLY to addressee ☐ Show address where delivered
 (Additional charges required for these services)

RETURN RECEIPT
 Received the numbered article described on other side.

SIGNATURE OR NAME OF ADDRESSEE (must always be filled in)

SIGNATURE OF ADDRESSEE'S AGENT, IF ANY

DATE DELIVERED
 4-10

ADDRESS WHERE DELIVERED (only if requested in item #1)

CSG-16-71544-4 GPO

RECEIPT FOR CERTIFIED MAIL--20¢

SENT TO
 Fireman's Fund Insurance Company

STREET AND NO.
 3333 California Street

CITY AND STATE
 San Francisco 20, California

POSTMARK OR DATE
 4-9-63

Attn: Mr. N. Thomas Martin

Bond Claim Superintendent, Claims Department

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 restricted delivery, check here
☐ 50¢ fee

FEES ADDITIONAL TO 20¢ FEE
 See OTHER SIDE

Notice, Case 2792

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION
SANTA FE - NEW MEXICO

CASE No. 2792

In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit Everett D. Burgett and all other interested parties to appear and show cause why the Mayers Union Well No. 1, located in Unit I of Section 11, Township 23 South, Range 27 East, and the Richardson-Bass State Well No. 1, located in Unit H of Section 5, Township 25 South, Range 28 East, both in Eddy County, New Mexico, should not be plugged in accordance with a Commission-approved plugging program.

To: Mr. Everett D. Burgett
102 South Canal Street
Carlsbad, New Mexico


DOCKET MAILED 4/11/63
Fireman's Fund Insurance Company
3333 California Street
San Francisco 20, California

Attention: Mr. N. Thomas Martin
Bond Claim Superintendent
Claims Department

Fireman's Fund Insurance
Company - Claims Dept.
117 Montclair Drive, S.E.
Albuquerque, New Mexico

NOTICE

PLEASE TAKE NOTICE THAT THE ABOVE ENTITLED AND NUMBERED CAUSE WILL COME BEFORE THE OIL CONSERVATION COMMISSION AT THE APRIL 24, 1963, EXAMINER HEARING, AT 9 O'CLOCK A.M., OIL CONSERVATION COMMISSION CONFERENCE ROOM, STATE LAND OFFICE BUILDING, SANTA FE, NEW MEXICO.


A. L. PORTER, Jr.,
Secretary-Director

I hereby certify that I have mailed a copy of this Notice to the above-named parties on this 9th day of April, 1963.


G. M. DURRETT, Jr.,
General Counsel

Ask Burgett when wells were last produced

Pure State lease

June 1958

Magnolia

June 1959

July 8, 1958 (letter in Peter's file) Bill
Gressett was on lease + 2 wells pumping
directly into pit and running down flat
land.

DOCKET: EXAMINER HEARING - WEDNESDAY - APRIL 24, 1963

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

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

- CASE 2792: In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit Everett D. Burgett and all other interested parties to appear and show cause why the Meyers Union Well No. 1, located in Unit I of Section 11, Township 23 South, Range 27 East, and the Richardson-Bass State Well No. 1, located in Unit B of Section 5, Township 25 South, Range 28 East, both in Eddy County, New Mexico, should not be plugged in accordance with a Commission-approved plugging program.
- CASE 2793: In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit Everett D. Burgett and all other interested parties to appear and show cause why the Pure State Wells Nos. 1, 2, 3, and 7, located in Units 3 and 0 of Section 15, and the Magnolia State Well No. 1, located in Unit E of Section 14, all in Township 21 South, Range 27 East, Eddy County, New Mexico, should not be plugged in accordance with a Commission-approved plugging program.
- CASE 2794: Application of Ambassador Oil Corporation for a unit agreement, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval of the Grayburg-Jackson Unit Area comprising 1600 acres of Federal and State lands in Township 17 South, Range 30 East, Eddy County, New Mexico.
- CASE 2795: Application of Marathon Oil Company for a multiple completion, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order authorizing the triple completion (conventional) of its State McCallister Well No. 5, located in Unit M of Section 25, Township 17 South, Range 34 East, Lea County, New Mexico, to produce oil from the North Vacuum Abo, the Vacuum-Wolfcamp, and the Vacuum-Devonian Pools through parallel strings of tubing.
- CASE 2796: Application of Texaco Inc. for an unorthodox well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority to drill its L. R. Manning Federal "B" Well No. 4 at an unorthodox location 330 feet from the South line and 1491 feet from the East line of Section 28, Township 18 South, Range 30 East, North Benson Queen-Grayburg Pool, Eddy County, New Mexico.

- CASE 2797: Application of Texaco Inc. for a non-standard gas proration unit, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of a 360-acre non-standard gas proration unit comprising the SW/4, N/2 SE/4, and SE/4 SE/4 of Section 31, and the S/2 SW/4 of Section 32, Township 23 South, Range 37 East, Jalmat Gas Pool, Lea County, New Mexico, to be dedicated to its E. E. Blinebry "A" Well No. 2, located in Unit I of said Section 31.
- CASE 2798: Application of Pan American Petroleum Corporation for a salt water disposal dual completion, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks authority to dually complete its Navajo "C" Well No. 1, located in Unit D of Section 1, Township 29 North, Range 17 West, San Juan County, New Mexico, to produce hydrocarbons from the Pennsylvanian-Paradox formation and to dispose of produced salt water through the intermediate casing annulus into the open hole interval from 2300 feet to approximately 5000 feet.
- CASE 2784: (Continued from April 10, 1963 Examiner Hearing)
Application of Continental Oil Company for authority to conduct interference tests, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to shut-in all wells in the Oil Center-Blinebry Pool, Lea County, New Mexico, for approximately 7 days to achieve stabilization, to leave one well shut-in for a period not to exceed 90 days to observe pressure behavior, and to transfer the allowables and make-up underproduction from the shut-in wells.
- CASE 2799: Application of Phillips Petroleum Company 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 Grayburg-San Andres formations, Maljamar Pool, Lea County, New Mexico, through one well in Unit J, Section 2, Township 17 South, Range 32 East.
- CASE 2800: Application of Olen F. Featherstone for a special allowable, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order authorizing the assignment of a special allowable to his Valentine Well No. 1, located in Unit M of Section 27, Township 16 South, Range 31 East, Eddy County, New Mexico. Said well offsets and has received a response from Newmont's East Square Lake Waterflood Project.

-3-

Docket No. 13-63

CASE 2801:

Application of Socony Mobil Oil Company, Inc. for a multiple completion, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of the triple completion (conventional) of its State Bridges Well No. 96, located in Unit H of Section 26, Township 17 South, Range 34 East, Lea County, New Mexico, to produce oil from the Vacuum-Pennsylvanian, Vacuum-Wolfcamp, and North Vacuum-Abo Pools through parallel strings of tubing.

iqg/

OK

DRAFT

JMD/esr
April 29, 1963

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. 2792

Order No. R-2482

IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION COMMISSION ON ITS OWN MOTION TO PERMIT EVERETT D. BURGETT AND ALL OTHER INTERESTED PARTIES TO APPEAR AND SHOW CAUSE WHY THE MEYERS UNION WELL NO. 1, LOCATED IN UNIT I OF SECTION 11, TOWNSHIP 23 SOUTH, RANGE 27 EAST, AND THE RICHARDSON-BASS STATE WELL NO. 1, LOCATED IN UNIT H OF SECTION 5, TOWNSHIP 25 SOUTH, RANGE 28 EAST, BOTH IN EDDY COUNTY, NEW MEXICO, SHOULD NOT BE PLUGGED IN ACCORDANCE WITH A COMMISSION-APPROVED PLUGGING PROGRAM.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on April 24, 1963, at Santa Fe, New Mexico, before Elvis A. Utz, Examiner duly appointed by the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission," in accordance with Rule 1214 of the Commission Rules and Regulations.

NOW, on this _____ day of May, 1963, the Commission, a quorum being present, having considered the application, the evidence adduced, and the recommendations of the Examiner, Elvis A. Utz, 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 Everett D. Burgett appeared at the hearing in this case and stipulated as follows:

(1) That the Meyers Union Well No. 1, located in Unit I of Section 11, Township 23 South, Range 27 East, NMPM, Eddy County, New Mexico, was partially plugged, and that he would complete the plugging by setting a cement 5-sack/surface plug, and placing a regulation steel marker in the surface plug.

(2) That he would plug the Richardson-Bass State Well No. 1, located in Unit H of Section 5, Township 25 South, Range 28 East, NMPM, Eddy County, New Mexico,

less than 10 pounds per gallon

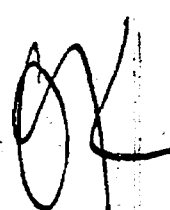
in accordance with the following minimum plugging requirements:

- 
1. Set a 25-sack cement plug at total depth.
 2. Set a 20-sack cement plug just below the fresh water zone.
 3. Set a 5-sack cement surface plug.
 4. Fill intervals between cement plugs with mud weighing not less than 10 pounds per gallon.
 5. Set in the surface plug a regulation steel marker.

IT IS THEREFORE ORDERED:

(1) That Everett D. Burgett is hereby ordered to complete the plugging of his Myers Union Well No. 1, located in Unit I of Section 11, Township 23 South, Range 27 East, NMPM, Eddy County, New Mexico, by filling the existing hole with mud weighing not less than 10 pounds per gallon to just below the surface plug, setting a 5-sack cement surface plug, and placing a regulation steel marker in the surface plug.

(2) That Everett D. Burgett is hereby ordered to plug his Richardson-Bass State Well No. 1, located in Unit H of Section 5, Township 25 South, Range 28 East, NMPM, Eddy County, New Mexico, in accordance with the following minimum plugging requirements:

- 
1. Set a 25-sack cement plug at total depth.
 2. Set a 20-sack cement plug just below the fresh water zone.
 3. Set a 5-sack cement surface plug.
 4. Fill intervals between cement plugs with mud weighing not less than 10 pounds per gallon.
 5. Set in the surface plug a regulation steel marker.

(3) That the plugging of the two subject wells shall be completed on or before June 1, 1963, and that Everett D. Burgett shall notify the District Supervisor, District II, Oil Conservation Commission, Artesia, New Mexico, of the exact time and date plugging operations on each well are to commence.

(4) 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

JACK M. CAMPBELL, Chairman

E. S. WALKER, Member

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

Case 2792

Recd 4-24-63

Rec. 4-25-63

1. Order Bengett to finish plugging the Meyers Union #1, 1980/5, 660 E line sec. 11-23-27 E. putting a 5 st plug in top of well & a 4' x 4" steel marker. The balance of this plugging job must be satisfactory with the company of Electric #7.

Also order him to plug the Richardson & Bass. St. #1, 1980/5 & 660/E line of sec. 5-25 & 28 E. This well shall be plugged with a 25 st plug on T.D., a 20 st plug just below the fresh water zone, a 5 st plug in surface with a 4' x 4" steel marker, 10 # mud between cement plugs.

W. A. H.

POST OFFICE DEPARTMENT
OFFICIAL BUSINESS

Fireman's Fund Insurance Co.
Attn: Claims Dept.
117 Montclair Drive, S.E.
Albuquerque, New Mexico

INSTRUCTIONS: Fill in items below and complete #1 on other side, when applicable. Moisten gummed ends and attach to back of article. Print on front of article RETURN RECEIPT REQUESTED.

REGISTERED NO. CERTIFIED NO. 859320 INSURED NO.

NAME OF SENDER
OIL CONSERVATION COMMISSION
STREET AND NO. OR P. O. BOX JMD
P. O. BOX 871
CITY, ZONE AND STATE
SANTA FE, N.M. MEXICO

Letter dated 5-9-63, Order R-2482 (Burgett)

RECEIPT FOR CERTIFIED MAIL—20¢

SENT TO Fireman's Fund Insurance Co.
Attn: Claims Department

STREET AND NO.
117 Montclair Drive, S.E.

CITY AND STATE
Albuquerque, New Mexico

POSTMARK OR DATE
10
5-9-63

FEES ADDITIONAL TO 20¢ PER LETTER DATED 5-9-63 - Order R-2482 (Burgett)

RECEIPT FOR CERTIFIED MAIL—20¢

SENT TO Mr. Everett D. Burgett

STREET AND NO.
102 South Canal Street

CITY AND STATE
Carlsbad, New Mexico

POSTMARK OR DATE
10
5-9-63

FEES ADDITIONAL TO 20¢ PER TWO LETTERS DATED 5-9-63 - ORDER R-2482, R-2483

#1-INSTRUCTIONS TO DELIVERING EMPLOYEE

☐ Deliver **ONLY** to addressee ☐ Show address where delivered
(Additional charges required for these services)

RETURN RECEIPT
Received the numbered article described on other side.

SIGNATURE OR NAME OF ADDRESSEE (must always be filled in)
Neville Stadel

SIGNATURE OF ADDRESSEE'S AGENT, IF ANY

DATE DELIVERED *5-13-63* ADDRESS WHERE DELIVERED (only if requested in item #1)

CSS-16-71548-4 GPO

RECEIPT FOR CERTIFIED MAIL--20¢

SENT TO **Fireman's Fund Insurance** **Attn: Claims Department** **POSTMARK OR DATE**
10
5-9-63

STREET AND NO.
117 Montclair Drive, S.E.

CITY AND STATE
Albuquerque, New Mexico

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 restricted delivery, check here ☐ 50¢ fee

FEE ADDITIONAL TO 20¢ FEE

LETTER DATED 5-9-63 - Order R-2482 (Burgett)

RECEIPT FOR CERTIFIED MAIL--20¢

SENT TO **Mr. Everett D. Burgett** **POSTMARK OR DATE**
10
5-9-63

STREET AND NO.
102 South Canal Street

CITY AND STATE
Carlsbad, New Mexico

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 restricted delivery, check here ☐ 50¢ fee

FEE ADDITIONAL TO 20¢ FEE

TWO LETTERS DATED 5-9-63 SEE OTHER SIDE ORDERS R-2482

OIL CONSERVATION COMMISSION

P. O. BOX 871
SANTA FE, NEW MEXICO

May 9, 1963

CERTIFIED - RETURN
RECEIPT REQUESTED

Mr. Everett D. Burgett
102 South Canal Street
Carlsbad, New Mexico

Fireman's Fund Insurance Company
117 Montclair Drive, S.E.
Albuquerque, New Mexico
Attention: Claims Department

Re: CASE No. 2792
Order No. R-2482

Gentlemen:

I am enclosing herewith certified copies of Order No. R-2482 entered by the Commission on May 8, 1963, in Case No. 2792.

Please note that Paragraph (3) on Page 2 of the order requires that the District Supervisor, District II, Oil Conservation Commission, Artesia, New Mexico, be notified of the exact time and date plugging operations on each well are to commence and that the plugging of both wells must be completed on or before June 1, 1963.

If the provisions of Order No. R-2482 are not fully complied with, the Commission will be forced to file suit against the principal and surety on the plugging bond.

Very truly yours,

J. M. DURRETT, Jr.,
Special Assistant
Attorney General

JMD/esr
Enclosures

cc: Mr. M. L. Armstrong
Supervisor, District II
Oil Conservation Commission
Drawer DD - Artesia, New Mexico

TF

5-18-63

George Al-5 8636
Lambert, Fremont Island, Albuq.

Curtis Burgett wells

Call Lambert in Albuq. Al 58636 if
Burgett has not plugged by 6-1-63.
They will make arrangements to plug
wells if Burgett doesn't do so.

Al-5 8636
Curtis Burgett
wells

OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

June 7, 1963

C
O
P
Y

Mr. W. A. Gressett
Deputy Oil & Gas Inspector
District No. 2
Oil Conservation Commission
Drawer DD
Artesia, New Mexico

Re: Cases Nos. 2792 and 2793, Orders
Nos. R-2482 and R-2483

Dear Bill:

I am enclosing herewith two certified copies of each order issued in the above cases. Please take these orders to Carlsbad, New Mexico, and serve them in person upon Everett D. Burgett. His address is 102 South Canal Street, Carlsbad, New Mexico.

If Burgett is not at home and you cannot locate him, then you may serve the orders by delivering them to any other person over 15 years of age who resides at his residence. If no one at his residence will accept the orders, then post them on the door with a thumb tack. If you contact Burgett in person and he will not accept the orders and will not allow you to read them to him, state, "You have been served," throw the orders on the ground, and walk off. If Burgett will not accept them at his residence, read them to him, if he refuses, stick them on the door with a thumb tack. If he attempts to stop you, throw them on the ground and state, "You have been served."

If convenient take Dick or someone with you as a witness. Make a note of the time of day you served the orders and the date, and advise me and I will prepare an Affidavit of Service for your signature.

Call me if you have any trouble.

Very truly yours,

J. M. DURRETT, Jr.,
Attorney

JMD/esr
Enclosures

OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

June 7, 1963

C
O
P
Y

Postmaster
U. S. Post Office
Carlsbad, New Mexico

Dear Sir:

On May 10, 1963, this office dispatched a letter addressed to Mr. Everett D. Burgett, 102 South Canal Street, Carlsbad, New Mexico, by Certified Mail No. 859319.

On May 28, 1963, the letter was returned to this office marked "Unclaimed." The letter had been opened and stapled shut. It also contains a circular stamp indicating it was mailed from Carlsbad on May 22nd at 3:30 p.m., but was not received by this office until May 28, 1963. The addressee's address had been stricken and "Box 940" written beneath the address. With different colored ink an "X" has been stricken through the entire address and an arrow indicates our return address along with your stamp "Return to Writer." Another discrepancy exists on this letter. It is stamped "1st Notice May 28, 1963" and "2nd Notice May 16, 1963." This letter was received by this office on May 28, 1963. Also, POD Form 3811 has not been returned to this office.

We call this matter to your attention as this letter contained correspondence pertaining to official Oil Conservation Commission orders and certified copies of the orders.

If this letter has been handled in due course by the Post Office Department, we would appreciate your so advising us. We are particularly interested to know if a certified mail letter returned marked "Unclaimed" may in any way be opened without tampering with the United States mails.

Thank you for your assistance.

Very truly yours,

J. E. DURRETT, Jr.,
Attorney

JMD/esr

OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

June 18, 1963

C
O
P
Y

Mr. W. A. Gressett
Deputy Oil & Gas Inspector
District No. 2
Oil Conservation Commission
Drawer DD
Artesia, New Mexico

Dear Bill:

I am enclosing herewith an original and two copies of Affidavit of Service of Process in Case No. 2792 and Case No. 2793.

If you have access to a Notary Public, please sign all three copies of each affidavit before the notary and keep one copy of each for your files, returning the rest to me. If you do not have access to a Notary Public, bring them with you to the next hearing, or sign the affidavits and mail them back to me and I will have Ida notarize them.

Thanks for your assistance.

Very truly yours,

J. M. DURRETT, Jr.,
Attorney

JMD/esr
Enclosures

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 EVERETT D. BURGETT AND ALL OTHER INTERESTED PARTIES TO APPEAR AND SHOW CAUSE WHY THE PURE STATE WELLS NOS. 1, 2, 3, AND 7, LOCATED IN UNITS J AND O OF SECTION 15, AND THE MAGNOLIA STATE WELL NO. 1, LOCATED IN UNIT E OF SECTION 14, ALL IN TOWNSHIP 21 SOUTH, RANGE 27 EAST, EDDY COUNTY, NEW MEXICO, SHOULD NOT BE PLUGGED IN ACCORDANCE WITH A COMMISSION-APPROVED PLUGGING PROGRAM.

CASE No. 2793

AFFIDAVIT OF SERVICE OF PROCESS

W. A. GRESSETT, being duly sworn, upon his oath says, I am over the age of eighteen years, I served a certified copy of Order No. R-2483 on June 10, 1963, by delivering a copy thereof to Everett D. Burgett's daughter, a person over fifteen years of age residing at 1001 Birch Lane, Carlsbad, New Mexico, the usual place of abode of Everett D. Burgett, who at the time of such service was absent therefrom.

W. A. Gressett
W. A. Gressett

Subscribed and sworn to before me this 30th day of June, 1963.

Juanita Wright
Notary Public

My Commission Expires:

9-9-64

file

July 18, 1963

Stanley Sakin
7 Hobbs Pipe & Supply Company
814 West Marland
Hobbs, New Mexico

In Re: File: F 106 S 7613
Principal: Everett D. Burgett
Obligee: State of New Mexico

Dear Mr. Sakin:

You will recall our telephone conversation of June 21st when you called this office asking if we would be interested in receiving your bid for the plugging of Richardson-Bass State Well #1, and Myers Union Well #1, both in Eddy County New Mexico. At that time we advised that we would be very interested in receiving your bid and my recollection is that I talked to one other bidder at about that time but I have heard from neither of you to date and I am wondering if you are interested in supplying us with the estimate of the cost involved.

The New Mexico Oil Conservation Commission is very interested in seeing that these wells are plugged immediately and we would appreciate hearing from you one way or another at your early convenience.

Very truly yours,

[Signature]
George R. Lambert

GRL/db

cc/ J.M. Durrett, Jr.
Special Assistant Attorney General
Oil Conservation Commission
P.O. Box 871
Santa Fe, New Mexico

Mr. M. L. Armstrong
Supervisor, District II
Oil Conservation Commission
Drawer DD - Artesia, New Mexico

Mr. Tom Martin
Bond Claims
PDO - San Francisco

~~Don't know what to do~~
7-1-63 T F more

Richardson - Bass No 1 5-25-28
3 Contractors more contacted for Lambert
{ Hobbs Pipe & Supply - Hobbs
{ Chase Well Service - Artesia
{ Cays Fulton, Artesia

Burgess contacted Bill Gressett about
plugging R-B No 1 last week &
went out to well but lost slippage
in hole & did not plug.

7-1-63

T T Lambert re above. He will
contact Burgess and proceed with
plugging



Albuquerque Office

FIREMAN'S FUND INSURANCE COMPANY • HOME LIFE & MARINE INSURANCE COMPANY • NATIONAL SURETY CORPORATION

117 MONTCLAIRE DR., S.E. • ALBUQUERQUE, NEW MEXICO • Alpine 5-8636
MAIL ADDRESS: P. O. BOX 8266

July 31, 1963

J. M. Durrett, Jr.
Special Assistant Attorney General
Oil Conservation Commission
State of New Mexico
P. O. Box 871
Santa Fe, New Mexico

Re: File: F 106 S 7613
Insd: Everett D. Burgett
Our file: 2792 - order # R - 2482

Dear Mr. Durrett:

We have been advised by the Hobbs Pipe and Supply Company that the Richardson-Bass well number one and the Myers - Union well number one both in Lee County New Mexico have been plugged. Mr. Saikin of that organization tells us that Mr. Armstrong of the Oil Conservation Commission has inspected the wells. We would appreciate it if you would release our bond and return the original to us since it appears that our obligation there under is now terminated. Thank you for your assistance.

Very truly yours,

George R. Lambert
George R. Lambert

GRL/dl

OIL CONSERVATION COMMISSION
P. O. BOX 871
SANTA FE, NEW MEXICO

August 2, 1963

C
O
P
Y

Fireman's Fund Insurance Company
117 Montclair Drive, S.E.
P. O. Box 8266
Albuquerque, New Mexico

Attention: Mr. George R. Lambert

Re: Case No. 2792, Order No. R-2482
Your File: F 106 S 7613
Principal: Everett D. Burgett
Obligee: State of New Mexico

Gentlemen:

We have today received your letter of July 31, 1963, advising that the Richardson-Bass State Well No. 1 and the Myers Union Well No. 1 have been plugged by the Hobbs Pipe and Supply Company. Please disregard my letter of August 1, 1963.

We will immediately contact Mr. M. L. Armstrong, Supervisor, District No. 2, Artesia, New Mexico, and request that he forward the necessary plugging reports to this office. Upon receipt of the plugging reports, we will begin processing the release of your bond.

Thank you for your cooperation.

Very truly yours,

J. M. DURRETT, Jr.
Special Assistant
Attorney General

JMD/esr

OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

August 2, 1963

C
O
P
Y

Mr. M. L. Armstrong
Supervisor, District No. 2
Oil Conservation Commission
Drawer DD
Artesia, New Mexico

Re: Case No. 2792
Order No. R-2482

Dear Mose:

We have today received a letter from Mr. George R. Lambert, Fireman's Fund Insurance Company, advising that the Richardson-Bass State Well No. 1 and the Myers Union Well No. 1 have been plugged by Hobbs Pipe and Supply Company and the plugging approved. If so, please forward C-103 forms in order that we may begin procedure to release the Fireman's Fund bond.

Very truly yours,

J. M. DURRETT, Jr.
Attorney

JMD/esr

GOVERNOR
JACK M. CAMPBELL
CHAIRMAN

State of New Mexico
Oil Conservation Commission



LAND COMMISSIONER
E. B. JOHNNY WALKER
MEMBER

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

P. O. BOX 871
SANTA FE

August 8, 1963

MEMORANDUM

TO: FILES IN CASE NO. 2793 AND CASE NO. 2792
SUBJECT: FIREMAN'S FUND INSURANCE COMPANY, \$10,000 BLANKET
WELL PLUGGING BOND

The Fireman's Fund Insurance Company \$10,000 Blanket Well Plugging Bond should not be cancelled until all wells involved in Case 2793, Order No. R-2483, have been satisfactorily plugged. The Pure State wells involved in case 2792 were drilled or acquired by Everett D. Burgett under a \$10,000 Blanket Well Plugging Bond from Great American Indemnity Company, who have subsequently merged with Great American Insurance Company. However, all of the Pure State wells were owned and operated by Everett D. Burgett when the Fireman's Fund Insurance Company bond was issued and approved by the Commission. Therefore, it may be necessary to look to Fireman's Fund Insurance Company concerning these wells and their bond should not be released until all of the wells have been satisfactorily plugged.

J. M. DURRETT, Jr.
Attorney

DEARNLEY-MEIER REPORTING SERVICE, Inc.

FARMINGTON, N. M.
PHONE 325-1182

SANTA FE, N. M.
PHONE 983-3971

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BEFORE THE
OIL CONSERVATION COMMISSION
Santa Fe, New Mexico
April 24, 1963

EXAMINER HEARING

IN THE MATTER OF:

The hearing called by the Oil Conservation Commission on its own motion to permit Everett D. Burgett and all other interested parties to appear and show cause why the Meyers Union Well No. 1, located in Unit J of Section 11, Township 23 South, Range 27 East, and the Richardson-Bass State Well No. 1, located in Unit H of Section 5, Township 25 South, Range 28 East, both in Eddy County, New Mexico, should not be plugged in accordance with a Commission-approved plugging program.

CASE 2792

IN THE MATTER OF:

The hearing called by the Oil Conservation Commission on its own motion to permit Everett D. Burgett and all other interested parties to appear and show cause why the Pure State Wells Nos. 1, 2, 3, and 7, located in Units J and O of Section 15, and the Magnolia State Well No. 1, located in Unit A of Section 14, all in Township 21 South, Range 27 East, Eddy County, New Mexico, should not be plugged in accordance with a Commission-approved plugging program.

CASE 2793

BEFORE: Elvis A. Utz, Examiner

TRANSCRIPT OF HEARING

MR. UTZ: Case 2792.

MR. DURRETT: In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit Everett D. Burgett and all other interested parties to appear and



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show cause why the Meyer Union Well No. 1, located in Unit I of Section 11, Township 23 South, Range 27 East, and the Richardson-Bass State Well No. 1, located in Unit II of Section 9, Township 25 South, Range 28 East, both in Eddy County, New Mexico, should not be plugged in accordance with a Commission-approved plugging program.

If the Examiner please, I have held a conference with Mr. Burgett prior to this hearing, and on that basis I would like to state to the Examiner at this time that he will enter into a stipulation with us; so on that basis I would like to request that Case 2793 be called at this time and be consolidated with this case for the purpose of taking testimony.

MR. UTZ: Case 2793 will be consolidated with Case 2792 for the purposes of testimony. You may proceed on both cases.

MR. DURNETT: Thank you. I believe that the stipulation -- Now, Mr. Burgett is here today. He will appear on his own behalf, and I would like to state for the record that the stipulation that he is willing to enter into with the Commission is that he will plug all wells that are the subject matter of these two cases, with the exception of Pure State Wells Nos. 1, 2, 3, and 7.

Now the Commission proposes to present testimony in evidence concerning the Pure State Wells Nos. 1, 2, 3, and 7, so they would be excluded from this stipulation; but as to all other wells and for the purpose of the record, I will read the



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names of the wells. That's the Meyers Union Well No. 1 located in Unit 1 of Section 11, Township 23 South, Range 27 East, and the Richardson-Bass State Well No. 1 located in Unit II of Section 5, Township 25 South, Range 28 East, both in Eddy County, New Mexico; and the Magnolia State Well No. 1, located in Unit E of Section 14, Township 21 South, Range 27 East, Eddy County, New Mexico. These wells I have just mentioned would be the subject matter of this stipulation.

I believe that Mr. Burgett has stated that this Magnolia State Well No. 1 has been plugged but that he hasn't filed the necessary reports, and I would like to ask him at this time to comment on that well and also upon the stipulation. Is that correct, Mr. Burgett?

MR. BURGETT: That's correct.

MR. DURRETT: That is the Magnolia State Well No. 1 that has been plugged?

MR. BURGETT: It has been plugged. The marker has not been set.

MR. UTZ: Do you intend to put Mr. Burgett on the stand?

MR. DURRETT: I don't intend to put Mr. Burgett on the stand, and I believe he intends to take the stand on his own behalf, and I'll have him sworn later.

MR. UTZ: I see.

MR. DURRETT: If the Examiner please, I would like to have the stipulation that I have just stated made a part of the record,



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and I would like to have Mr. Burgett state for the record that he would accept the stipulation to plug all of the wells that are the subject matter of these two cases, with the exception of the Pure State Wells Nos. 1, 2, 3, and 7. Would you accept that stipulation, Mr. Burgett?

MR. BURGETT: I will.

MR. UTZ: That stipulation includes two wells in Case 2792, the Meyers Union No. 1 and the Richardson-Bass No. 1, and in Case 2793 the Magnolia State No. 1?

MR. DURRETT: Yes, that's correct.

MR. UTZ: Three wells?

MR. DURRETT: Yes. Would thirty days be a reasonable length of time to have them plugged?

MR. BURGETT: That's sufficient.

MR. DURRETT: You will also stipulate to that?

MR. BURGETT: Yes, I will stipulate to that.

MR. DURRETT: Thirty days would be the limit as far as the plugging date. Since the stipulation has been entered, I would now like to call Mr. M. L. Armstrong as my first witness in this matter. I believe he'll be the only witness that the Commission will call. I'll swear him in at this time.

(Witness sworn.)

MR. UTZ: Let me ask for other appearances. Are there other appearances in this case? You intend to make an appearance, do you not, Mr. Burgett?



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MR. BURGETT: Yes.

MR. UTZ: You may proceed.

MR. L. ARMSTRONG

called as a witness, having been first duly sworn on oath, testified as follows:

DIRECT EXAMINATION

BY MR. DURNETT:

Q Please state your name and position?

A M. L. Armstrong, New Mexico Oil Conservation Commission supervisor of District Two.

Q Mr. Armstrong, are you familiar with all of the subject wells in Case No. 2792 and Case No. 2793?

A Yes, sir.

Q You are familiar with the Commission files, the official files of the Commission concerning these two wells?

A Yes, sir.

Q And you were present a moment ago and heard the Commission enter into a stipulation with Mr. Burgett that all of the wells would be plugged, with the exception of the four Pure State Wells in Case No. 2793?

A That is correct.

Q I would like to discuss these wells with you at this time. Do you have your files with you concerning these four Pure State wells?

A Yes, sir.



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Q Please open your file on Pure State Well No. 1.

A Yes, sir.

Q Would you read for the record the location of that well?

A The Pure State Well No. 1, Unit J, 1650 feet from the south line, 1650 feet from the west line of Section 15, 21, 27.

MR. UTZ: That's 21 South, 27 East?

A Right.

Q (By Mr. Durrett) Mr. Armstrong, refer to your official file there of the Commission and tell us in a general way what the status of the Commission file is. What I'm particularly interested in right at this moment, what are the last documents or reports that you have that have been filed with the Commission?

A We received a C-110 July 5th from Pure State. This is for 1 and 27 as they're on the same unit.

Q Is that a C-110?

A That is a C-110. This is asking about some work to be done. You want me to read what he says this is going to be?

Q Was he requesting the dual work on the well at that time? Go ahead and read that into the record.

A He wasn't going to do any work on the well. It's about hauling his oil. This form is being filed to get permission to haul and sell the oily produce to whatever source I can sell the oil at the best price. I think that's all that means anything.

Q What was the date on that form again?



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A It was July 14th, 1987.

Q Is that the last form that you have in the file concerning that well?

A That's the last form I have in my file.

Q Let me ask you this before we proceed to the next well. Did you make an on-site inspection of this well very recently?

A Last Thursday.

Q What was the situation that you found to exist at that time?

A Well, the pits were all emptied, the fences were all down; however, of course, the well hasn't produced in some time, I don't believe. There's oil out around the tank and also a dead cow just out of the pit.

Q That was an on-site inspection last Thursday?

A Last Thursday.

Q Let's proceed on to the next well, which would be the Pure State Well No. 2.

A You want the location?

Q Yes, read the location in the record, please.

A Pure State No. 2 in Unit J, 2310 feet from the east line, 1650 foot from the south line.

Q Did you read the section and township?

A Oh, Section 15, 21 South, 27 East.

Q Refer again to your official file, Mr. Armstrong, and state for the record the date of the last report that you have in



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twenty sacks of cement by Denton Cementing Company.

Q Is that a C-102 or 103, or what?

A That's a 103.

Q Now proceed to the next well, which I believe is the Pure State Well No. 3.

A Yes, sir.

Q Give its location for the record.

A This is Pure State No. 3, Southwest of the Southeast, 15, 21, 27; that's 21 South and 27 East. It's 660 from the south line, 1980 from the east line.

MR. UTZ: 660 from the south and what?

A 1980 from the east.

Q (By Mr. Durrett) Is that also in the same section, township, and range?

A That is right.

Q Refer to your official file, Mr. Armstrong. Please state for the record what the last report, the date of the last report that you have there and what it is.

A That was a C-105 well log.

Q What was the date on it?

A It was received on March 21, 1956.

Q Same date as the Pure State No. 2?

A Yes, I believe that is right.

Q That would be the same day of the last order. Did you also inspect this well site on Thursday last?



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A Yes.

Q What conditions did you find to exist?

A It's about the same as 2, it's all right. There's nothing there, much.

Q But it's all right as far as the surface goes?

A Yes.

Q Proceed to the Well No. 7 of Pure State and give its location.

A Pure State No. 7, Unit O, 990 from the south line, 2310 from the east line of Section 15, 21 South, 27 East.

Q And let's proceed in the same manner as we have been proceeding. What is the last report you have there?

A It's a well log, C-105, received on December 11th in '57.

Q 1957?

A Yes, sir. I said a well log, that's a mistake, excuse me.

Q What is it?

A It's a C-103.

Q What is the purpose of that form; those do have several purposes?

A It's some work that he was doing on the well, pump was being pulled and was hung on top of two joints of casing, so on. It's quite a long -- do you want me to read it all?

Q Just state --



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A Just that he was working on the well.

Q That's in December, 1957?

A December 11, 1957.

Q That was the last communication that you received concerning that well?

A That's right.

Q Did you also make an on-site inspection of this well?

A Yes.

Q No. 7, what was its condition?

A The surface was in good condition on it.

Q Then as far as your testimony, to summarize it more or less concerning the surface, I believe you have testified that only one of these four wells seemed to have a considerable amount of surface damage or at least a surface that would not comply with the Commission regulations?

A That's right. That's where the tank battery for all of them was located.

Q Is that the No. 1 Well?

A That is the No. 1 Well.

Q I believe you testified earlier -- if not, I'll ask you again -- that it is your duty to supervise the plugging of wells in your district and to make recommendations to the Commission concerning plugging wells and the manner in which they should be plugged, is that correct?

A Yes.



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Q In your opinion, Mr. Armstrong, do you feel that these wells, all of the four subject wells we are talking about here, should be plugged in a manner that would prevent crude petroleum oil, natural gas, or water escaping from strata in which they're found to another strata?

A You are talking about different wells now, aren't you?

Q Yes. We will take them one at a time, then.

A No, you don't need to take them one at a time.

Q The Pure State Well No. 1, what would be your opinion concerning that well, the four wells that we have just been talking about?

A The four wells you have just been talking about --

Q The Pure State Well No. 1.

A You want me to give the plugging program?

Q First I would like for you to state for the record as to whether or not you feel it should be plugged in a manner that will confine oil, gas, water, et cetera, in its natural strata.

A I think they should be plugged in that way.

Q Do you have a plugging program that you would recommend?

A I believe I gave it to Mr. Burgett, but it was 25 sacks at the bottom and a 20-sack at the bottom of the surface water, and a regulation marker.

MR. UTZ: 25 sacks where?

A At the bottom of the hole, and a 20-sack just below



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wherever the water, the fresh water is.

Q (By Mr. Durrett) What about surface plug?

A They need a surface plug good enough to hold the marker, usually five sacks.

Q On the Pure State Well No. 2, would you have an opinion concerning whether or not this well should be plugged in a manner that would prevent crude oil, gas, or water escaping from the strata in which they're originally found into another strata?

A I think it should be, and the plugging program will be the same as on the first, the No. 1.

Q What about the Pure State Well No. 3, would you have an opinion concerning the plugging of this well as to whether or not it should be plugged in the manner that will confine oil, gas, water, and other deposits therein in the strata in which they are originally found?

A I think it should be plugged in that manner.

Q Give us the program on it, please.

A Make it the same as the others.

Q Now the last well, which is Pure State Well No. 7, what would be your recommendation concerning the plugging of this well?

A It's my opinion it should be plugged just like the others.

Q For the same reason?

A For the same reason.



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Q What would be your plugging program?

A The same as on the others.

Q Would you have a recommendation to make concerning the surface on the Pure State Well No. 1?

A The surface should be cleaned and leveled, as there are pits there and there's oil around the tanks, oil and water, and that should all be cleaned up.

MR. DURRETT: Thank you, Mr. Armstrong. Mr. Examiner, that will conclude my examination of Mr. Armstrong. I would like to advise Mr. Burgett if he would like to ask Mr. Armstrong questions, it would be proper for him to do so at this time. If he would like to take the stand, we will rest our case after I dismiss Mr. Armstrong, and he would then have the opportunity to take the stand and be sworn in and present a statement or whatever he would like. You may ask Mr. Armstrong questions now, if you like.

MR. BURGETT: I don't believe so.

MR. DURRETT: If there are no questions, that concludes our questioning of Mr. Armstrong and that concludes our case.

MR. UTZ: Does anyone have any questions of Mr. Armstrong?

CROSS EXAMINATION

BY MR. UTZ:

Q Mr. Armstrong, are either of these four Pure wells producing at this time?



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A No, sir. I don't think so.

Q Do you have any idea as to when they last produced?

A I believe in June of '58.

Q The Commission records show this?

A The Commission records, at that time I didn't get the C-115's, but the engineering statistical, that's the last production that they show on it.

Q The production on these wells when they were producing, was the production reported in accordance with the Commission rules?

A I suppose it was. See, at that time we didn't get the C-115's at that office. They went to the Hobbs office but not to us.

Q The New Mexico Engineering Report shows production up to June, '58?

A Yes.

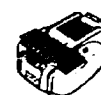
Q Is this consistent of all these wells on the Pure lease?

A I'm not too sure on what wells, on account of I don't have those 115's to see, and it gives it by units. See, there's two wells on each unit in this, and I think both units did produce wells according to the statistical report.

Q But there are other wells on this lease that are still producing?

A No, there isn't any wells that are producing.

Q Are there any other wells still producing on the



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Magnolia lease?

A No, there isn't.

Q And in Case 2792, are there any other wells on the Union lease that are producing?

A No, there isn't. I don't believe there is on the Union. No, on the Union lease, no.

Q You don't know of any producing wells on the leases covered by either Case 2792 or 2793?

A No, sir.

Q Approximately how deep are these wells?

A Well, on the No. 7, the Scout Report gives it 580 on the No. 7.

Q Are they all approximately the same?

A They're around close to that, anyhow.

Q How about the Meyers No. 1 and Richardson-Bass State No. 1, and the Magnolia State No. 1, are they all about the same depth?

A The Magnolia is about the same depth. I can give it to you, if you want it.

Q If you have it there, I wish you would give it.

A 538 is the Scout Report on it.

Q Meyers, Richardson-Bass wells, are they deeper or shallower?

A They're deeper. But I can't give you the depths because I haven't read any reports from him at all except the intention



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to drill and the well plug.

Q Do you know what formation they were producing from?

A I don't believe they have ever produced.

Q I see.

A The Richardson-Bass, I'll give you the depth of it. No, won't either. I don't have anything on it.

Q So you have never received any C-105's on either of these wells?

A No, I haven't received anything other than the notice of intention to drill, and the well plug.

MR. UTZ: Are there other questions? If there are no questions, the witness may be excused.

(Witness excused.)

MR. DURRETT: That will conclude our case, Mr. Examiner. Would you like to be sworn in, Mr. Burgett?

MR. BURGETT: Yes.

(Witness sworn.)

EVERETT D. BURGETT

called as a witness, having been first duly sworn on oath, testified as follows:

DIRECT EXAMINATION

BY MR. DURRETT:

Q Do you have a statement or something that you would like to present to the Examiner concerning the four wells? This is your part of the case, so you may go right ahead with it.

A On Pure 1, 2, 3, and 7, I would like to propose that



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these be granted an extension of, say, ninety days, to put them back on production to determine if it's economically feasible to produce them. If not, at the end of that time they will be plugged.

On Magnolia No. 1, which is in Section 14, 21, 27, this well has already been plugged and all that is lacking is the marker and the necessary papers filed. On the Union Meyers, the Meyers Union No. 1, this well has been plugged and marker has been set up. There has been no final reports made on it as yet. With the Richardson-Bass No. 1, this well has not been plugged. My intentions are to plug it within the next thirty days.

Q Mr. Burgett, if the Examiner would feel disposed to grant you the ninety days to put these four wells, the Pure State wells back on production, you would feel or would be willing to agree that if this privilege were granted to you, that the order could read that they would be plugged?

A They'll either be on production or plugged at the end of ninety days.

Q If not producing?

A That's right.

Q Do you feel that these four wells, that's the Pure State Wells No. 1, 2, 3, and 7, can be produced in an economically feasible manner?

A They have produced economically in the past; due to



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the market conditions in '48 they were shut down.

Q But you do feel that you could get them back on within ninety days?

A Right.

Q Or at least there's a good possibility of that?

A Well, I could get a test on them so it would show if they would be economically feasible.

Q And that you would, if they were not producing at the end of ninety days, you would plug them?

A I'll be willing to plug them and move the equipment off. This lease is electrified, I put the electricity in there, the pump jacks are there.

MR. DURRETT: If the Examiner please, in view of Mr. Burgett's statement here today and his testimony as to what he would like to do with these wells, I'd like to recommend to the Examiner that he be granted this ninety-day period of time in which to put these four wells back on production, with the understanding that they would be plugged at the end of that time if not producing.

MR. UTZ: The Examiner will take your recommendation into consideration, Mr. Durrett. That concludes your testimony?

MR. BURGETT: This is all I have.

MR. PORTER: Mr. Examiner, I would like to ask Mr. Burgett a few questions.

MR. UTZ: Certainly.



CROSS EXAMINATION

BY MR. PORTER:

Q Is it four wells that you propose to put back on production?

A Yes, sir.

Q As I recall, at one time when I visited the lease a number of years ago, the tank into which you were producing the wells had not been strapped, there was no way of measuring the oil in the tank, is that correct?

A At the time you visited the locations, this was correct. I was instructed to have this tank measured by certified engineer. This was done and the strapping table is available. I believe I sent the State Land a copy of this strapping table.

Q Where do you propose to sell your oil if the wells are put back on?

A It is my intention now to sell to Continental, if they will buy this asphalt base. I understand the market is up on asphalt oil.

Q It would be trucked?

A Yes. In the event there were other sales for other purposes, such as fuel oil, paving, I've used it for tar coat for paving and I have sold it for that.

Q At the time you last produced the wells, what percentage of water were they making?

A Pure No. 1 was making approximately 75 percent water,

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No. 2 about the same, No. 3 was making about 99 percent water. Now at the time No. 3 was drilled in, the water percentage was about five percent.

Q There was a question here a while ago that wasn't answered definitely. Do you remember what the last month was that you produced anything?

A The wells were shut down July 8, 1958.

Q And they have been shut down ever since?

A This is correct.

MR. UTZ: Is that '58?

A Yes, sir.

MR. PORTER: That's all I have.

MR. DURRETT: I have another question or two, Mr. Examiner, if you please.

REDIRECT EXAMINATION

BY MR. DURRETT:

Q Mr. Burgett, I neglected to ask you this a moment ago when I was asking you a question or two, but on your request to the Examiner that he give you the ninety-day period of time in which to produce these wells, it would, of course, be the understanding that as far as the Pure State Well No. 1, that Mr. Armstrong testified the surface was in very bad condition, that would all be cleaned up to comply with the Commission regulations?

A It is my understanding that the tanks will have to be



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moved. In the past, Mr. Armstrong permitted the tanks to be set within the 150-foot radius of the well; and in accordance with the rules of the Commission we built a fire wall around them. I believe it would be better for all concerned, and I know it would be better for the Oil Conservation Commission to move the tanks in excess of the 150 feet, which is what they call for. I don't know what rule number it is, but I'm aware that it's required, 150 feet away from the nearest well or roadway.

Q So you would comply with the rule on that?

A This is right.

Q I was also thinking about the fences.

A Well, this is also set out in the rules and regulations, that all pits must be fenced, so that they're cattle-proof and so forth.

Q You would be willing to comply with all of the regulations?

A This is right.

MR. DURRETT: Thank you.

MR. UTZ: Are there any other questions of the witness?

The witness may be excused.

(Witness excused.)

MR. UTZ: Any other statements to be made in this case?

Mr. Irby.

MR. IRBY: Frank Irby from the State Engineer's Office.

We are very much concerned with the protection of all the waters



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in the area, and therefore we have an interest in the plugging of these wells. Further, we don't want to interfere with the business of the Oil Commission, but we would like to respectfully request that these wells be plugged in a proper manner as early as possible in order to prevent contamination of the waters that exist in the area.

MR. BURGETT: May I add something to that?

MR. UTZ: Yes, sir.

MR. BURGETT: For the Engineer's information, in this area where the wells are located, Pure 1, 2, 3, and 7, and with the other approximately 15 wells that have been drilled around there, there has been no surface water. The only fluid that was ever encountered was in the Yates formation, which is in the zone that the oil is produced from.

MR. IRBY: Mr. Examiner, I realize there are many areas in the various oil fields that aren't necessarily productive of water at that point, but an improperly constructed well can permit contaminants to leak out into porous zones which can contaminate water sources. Therefore, the Engineer respectfully requests that they be plugged in the proper manner.

MR. DURRETT: I would like to ask Mr. Irby a question, if I could.

MR. IRBY: Yes, sir.

MR. DURRETT: What would be your opinion concerning the ninety days that has been suggested by Mr. Burgett, would you be



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opposed to that, or how would you feel about that?

MR. IRBY: Well, personally, without more detailed examination in the case, I am reluctant to a time period that long. However, I feel fully confident that the Examiner and the Commission will look after this interest and see that it's done in a reasonable time.

MR. DURRETT: You would feel that they should be plugged either right away or put back on production pretty quick?

MR. IRBY: Yes, sir, that's correct.

MR. UTZ: You heard the proposed plugging program for the Pure State wells as given by Mr. Armstrong. Would such plugging program be satisfactory to the State Engineer's Office?

MR. IRBY: Yes, sir.

MR. UTZ: I would like to put Mr. Burgett back on the record again in regard to the plugging of the Meyers Union and Richardson-Bass and the Magnolia State No. 1.

MR. DURRETT: Would you take the stand, please?

EVERETT D. BURGETT

recalled as a witness, having been previously duly sworn, testified further as follows:

RECROSS EXAMINATION

BY MR. UTZ:

Q It's my understanding, Mr. Burgett, that Magnolia State No. 1 has been plugged?

A This is correct.



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Q How did you effect that plug?

A This was plugged -- of the numerous wells that have been drilled in that area, there has been more of a standard procedure for plugging, at Mr. Armstrong's insistence that the lower formation be plugged off; the normal procedure, 25 sacks, and then in the past it has been 15 sacks at the lower section of the possible water zones down to what we refer to as the top of the lime. This takes in the red bed sections or red shale sections on down off of the structure, is where the windmill water is. These are the zones I'm sure that the State Engineer was interested in protecting. This zone is cased through and cemented.

Again, when these wells are plugged, a plug is set below this section which seals off any contamination that might be possible or would make contamination impossible from the lower zones on up to the surface.

Q So you did set a 25-sack plug on the bottom?

A Yes.

Q And a 15-sack plug just below the lime?

A Right below the top of the lime, this gives it solid.

Q There is mud in between and mud up above the upper plug?

A Since there's no fluid, surface sand was used to plug it and then again was normal procedure out there since there was no fluid.

Q Did you pull the casing on this well?



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A Yes, the casing was pulled.

Q So that the State Magnolia, or Magnolia State No. 1 and the Meyers Union No. 1 were plugged in the same manner?

A Meyers No. 1 -- well, that's a deeper well, that has a different plugging program.

Q Let's go into the plugging program on the Union No. 1.

A As I recall on that there was, I'll have to check my files, but I called Mr. Armstrong and asked him for a plugging program and this was what was used in that. As I recall, there was a plug at the bottom. This is in the Delaware sand at the base of the salt, at the top of the salt. Then at the base of the possible water zone, which in that particular area is around 270, so we set the plug at 300. Again, this was arrived at from Mr. Armstrong's instructions.

Now the Richardson-Bass No. 1 is not plugged. I do have the plugging program, which is the same as the Meyers. They are in generally the same area and have about the same salt sections and so on.

Q So all you have to do, in your opinion, to effectively plug the Union No. 1 and the Magnolia State No. 1 is to put a surface plug in, and a marker?

A Well, Magnolia No. 1 has a surface marker. The Meyers Union is already plugged with a marker.

Q It has a marker on it?

A Yes, sir. I have to make one check. I believe that



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Mr. Gresham with the Commission made the remark that there was a wrong quarter-quarter tank on it. I haven't checked to make sure.

Q How deep is your Richardson-Bass No. 1?

A I believe the log on it was 2480. There was an electric log run on it.

Q You would be willing to plug that well in accordance with Mr. Armstrong's instructions?

A Yes, with the instructions that he gives.

MR. UTZ: I have no further questions. Do you have anything further?

MR. DURRETT: I don't have anything further from Mr. Burgett. I would like to request permission to put Mr. Armstrong back on the stand for one question.

MR. UTZ: All right. Mr. Burgett may be excused then.

(Witness excused.)

M. L. ARMSTRONG

recalled as a witness, having been previously duly sworn, testified further as follows:

REDIRECT EXAMINATION

BY MR. DURRETT:

Q Mr. Armstrong, I would like to go very briefly with you back into the plugging program that you recommended concerning the Pure State Wells No. 1, 2, 3, and 7. I don't believe you made a recommendation when we were on prior direct



examination concerning said.

A That is right. I forgot to put that in.

Q --Do you have such a recommendation to make?

A I do. I think it should be at least ten-pound sand between each one of the cement plugs from top to bottom.

MR. DUKETT: Thank you, Mr. Armstrong. That's all I have.

MR. UTZ: The witness may be excused.

(Witness excused.)

MR. UTZ: Are there any other statements in this case, either of these cases? The cases will be taken under advisement.

* * * *

STATE OF NEW MEXICO)
) ss
COUNTY OF BERNALILLO)

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

WITNESS my Hand and Seal this 3rd day of May, 1963.

Ada Dearnley
NOTARY PUBLIC

My Commission Expires: I do hereby certify that the foregoing is a complete record of the proceedings in the Examiner hearing of Case No. 2792 & 2793 heard by me on Apr. 24, 1963.

June 19, 1963.

James A. [Signature], Examiner
New Mexico Oil Conservation Commission



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NEW MEXICO OIL CONSERVATION COMMISSION

EXAMINER HEARING

SANTA FE, NEW MEXICOREGISTERHEARING DATE APRIL 24, 1963 TIME: 9 A.M.

NAME:	REPRESENTING:	LOCATION:
Jack P. Rice	Mobil Oil Co	Hobbs
Frank Holmgren	Pan American Ref. Corp	Albuquerque
Jale Burgett	J. Burgett	Carlsbad
Richard S. Morris	Seth, Montgomery, Idema & Anderson	Santa Fe
V. T. Lyon	Continental Oil Co.	Kearney
J. F. ...	Continental Oil Co.	Albuquerque
J. E. Harris	Mobil Oil Co.	Albuquerque
Richard Seabury	Mobil Oil Co.	Albuquerque
C. R. Black	Texas Inc.	Midland, Texas
D. B. Messersmith	Texas Inc.	" "
John R. Barber	Marathon Oil Co.	Hobbs
Don L. Ezell	Phillips	Midland Texas

NEW MEXICO OIL CONSERVATION COMMISSION

EXAMINER HEARING

SANTA FE, NEW MEXICO

REGISTER

HEARING DATE APRIL 24, 1963 TIME: 9 A.M.

NAME:	REPRESENTING:	LOCATION:
Chas Malone	Arthur F. Malone	Roswell
R. A. Matigony	McTex Supply Co	Hobbs
Mark S. Ivy	S. H. S. Co	Santa Fe
Leach	...	✓
James Kellhorn	Kellhorn & Fox	Santa Fe
A. L. Carter	O. C. C.	"
M. L. Armstrong	O. C. C.	Artis

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 EVERETT D. BURGETT AND ALL OTHER INTERESTED PARTIES TO APPEAR AND SHOW CAUSE WHY THE MYERS UNION WELL NO. 1, LOCATED IN UNIT I OF SECTION 11, TOWNSHIP 23 SOUTH, RANGE 27 EAST, AND THE RICHARDSON-BASS STATE WELL NO. 1, LOCATED IN UNIT H OF SECTION 5, TOWNSHIP 25 SOUTH, RANGE 28 EAST, BOTH IN EDDY COUNTY, NEW MEXICO, SHOULD NOT BE PLUGGED IN ACCORDANCE WITH A COMMISSION-APPROVED PLUGGING PROGRAM.

CASE No. 2792
Order No. R-2482

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on April 24, 1963, at Santa Fe, New Mexico, before Elvis A. Utz, Examiner duly appointed by the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission," in accordance with Rule 1214 of the Commission Rules and Regulations.

NOW, on this 8th day of May, 1963, the Commission, a quorum being present, having considered the evidence adduced, and the recommendations of the Examiner, Elvis A. Utz, 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 Everett D. Burgett appeared at the hearing in this case and stipulated as follows:

(1) That the Myers Union Well No. 1, located in Unit I of Section 11, Township 23 South, Range 27 East, NMPM, Eddy County, New Mexico, was partially plugged, and that he would complete the plugging by filling the hole with mud weighing not less than 10 pounds per gallon, setting a 5-sack cement surface plug, and placing a regulation steel marker in the surface plug.

(2) That he would plug the Richardson-Bass State Well No. 1, located in Unit H of Section 5, Township 25 South, Range 28 East, NMPM, Eddy County,

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CASE No. 2792
Order No. R-2482

New Mexico, in accordance with the following minimum plugging requirements:

1. Set a 25-sack cement plug at total depth.
2. Set a 20-sack cement plug just below the fresh water zone.
3. Set a 5-sack cement surface plug.
4. Fill intervals between cement plugs with mud weighing not less than 10 pounds per gallon.
5. Set in the surface plug a regulation steel marker.

IT IS THEREFORE ORDERED:

(1) That Everett D. Burgett is hereby ordered to complete the plugging of his Myers Union Well No. 1, located in Unit I of Section 11, Township 23 South, Range 27 East, NMPM, Eddy County, New Mexico, by filling the existing hole with mud weighing not less than 10 pounds per gallon to just below the surface plug, setting a 5-sack cement surface plug, and placing a regulation steel marker in the surface plug.

(2) That Everett D. Burgett is hereby ordered to plug his Richardson-Bass State Well No. 1, located in Unit H of Section 5, Township 25 South, Range 28 East, NMPM, Eddy County, New Mexico, in accordance with the following minimum plugging requirements:

1. Set a 25-sack cement plug at total depth.
2. Set a 20-sack cement plug just below the fresh water zone.
3. Set a 5-sack cement surface plug.
4. Fill intervals between cement plugs with mud weighing not less than 10 pounds per gallon.
5. Set in the surface plug a regulation steel marker.

(3) That the plugging of the two subject wells shall be completed on or before June 1, 1963, and that Everett D. Burgett

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CASE No. 2792
Order No. R-2482

shall notify the District Supervisor, District II, Oil Conservation Commission, Artesia, New Mexico, of the exact time and date plugging operations on each well are to commence.

(4) 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



Jack N. Campbell

JACK N. CAMPBELL, Chairman

E. S. Walker

E. S. WALKER, Member

A. L. Porter, Jr.

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

esr/