

Pl CASE 6167: PLUGGING CASE - OCC *Oil Co.)*
SAGUARO OIL COMPANY AND ALL OTHER
INTERESTED PARTIES

Case NO.

6167

Application

Transcripts

Small Exhibits

ETC.

NEW MEXICO OIL CONSERVATION COMMISSION

EXAMINER HEARING

SANTA FE

, NEW MEXICO

6167

Hearing Date

MARCH 8, 1978

TIME: 9:00 A.M.

NAME	REPRESENTING	LOCATION
Wm. P. Aycock	Read & Stevens, Inc.	Case 6176
Donald G. Stevens	Read & Stevens, Inc.	605 & 6176
AR Kendrick	OCC	Cytec
Bill Shessett	OCC	Artesia
Tom Kellahan	Kellahan Fox	Santa Fe.
Joel Carson	Loose & Carson PA	Artesia
Andrew LATTU	Harvey E Yates	Midland.
Robert H. Straut	Harvey E. Yates Co.	Roswell
Mike Williams	OCC	Artesia
C.W. Renshaw	PCH	Carlsbad

BEFORE THE
NEW MEXICO OIL CONSERVATION COMMISSION
Santa Fe, New Mexico
March 8, 1978

EXAMINER HEARING

IN THE MATTER OF:

Application of the Oil Conservation) CASE
Commission on its own motion to permit) 6167
Saguaro Oil Company and others to appear)
and show cause on the Tenneco Santa Fe)
Well No. 1, McKinley County, New Mexico.)

BEFORE: Daniel S. Nutter, Examiner.

TRANSCRIPT OF HEARING

For the New Mexico Oil	Lynn Teschendorf, Esq.
Conservation Commission:	Legal Counsel for the Commission
	State Land Office Building
	Santa Fe, New Mexico

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General Court Reporting Service
825 Calle Mejia, No. 172, Santa Fe, New Mexico 87501
Phone (505) 912-9212

I N D E X1
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 Phone (505) 982-9212

1 MR. NUTTER: The hearing will come to order. The
2 first case this morning will be Case 6167, which is in the
3 matter of the hearing called by the Oil Conservation
4 Commission on its own motion to permit Saguaro Oil Company
5 and all other interested parties to appear and show cause
6 why the Tenneco Santa Fe No. 1 Well located in Unit D of
7 Section 31, Township 18 North, Range 8 West, McKinley County,
8 New Mexico, should not be plugged and abandoned in accordance
9 with a Commission-approved plugging program.

10 Call for appearances?

11 MS. TESCHENDORF: Lynn Teschendorf appearing on
12 behalf of the Commission and I have one witness.

13 (THEREUPON, the witness was sworn.)

14
15 A. R. KENDRICK

16 was called as a witness by the Commission, and having been
17 first duly sworn, testified upon his oath as follows, to-wit:

18
19 DIRECT EXAMINATION

20 BY MS. TESCHENDORF:

21 Q Would you state your name, position and place of
22 residence for the record, please?

23 A. A. R. Kendrick, District Supervisor for the Oil
24 Conservation Commission. I live at Aztec, New Mexico.

25 Q How long have you held that position?

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1 A. Two and a half years, approximately.

2 Q. Have you testified before the Commission previously
3 and are your credentials a matter of record?

4 A. I have and they are.

5 MS. TESCHENDORF: Is the witness qualified?

6 MR. NUTTER: Yes.

7 Q. (Ms. Teschendorf continuing.) Does District Three
8 include that part of McKinley County involved in this case?

9 A. Yes.

10 Q. And do your duties as the District Supervisor
11 include making recommendations to the Commission as to when
12 wells should be plugged and abandoned?

13 A. Yes.

14 Q. Are you familiar with the subject matter of Case
15 6167?

16 A. I am.

17 Q. What is the purpose of this case?

18 A. The purpose of this case is to cause the well drilled
19 by Saguaro Oil Company, namely the Tenneco Santa Fe No. 1,
20 located nine ninety from the north line and three hundred
21 thirty feet from the west line of Section 31, Township 16
22 North, Range 8 West, to be plugged and abandoned in accordance
23 with the Commission-approved plugging program.

24 Q. Have any reports been filed with the Commission
25 concerning this well?

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1 A. Yes.

2 Q Do you have these records with you?

3 A I have a copy of all of the information in our
4 files regarding this well.

5 Q Would you please summarize it?

6 A Yes. The intent to drill was filed, that is the
7 form C-101 and C-102, was filed in the Aztec office on April
8 18th, 1975, with a cover letter wherein it was stated that
9 the state plugging bond has been obtained by the operator
10 and if another is needed let me know and I will make sure that
11 you have it shortly.

12 We have not yet received that bond for this well.
13 A copy of an induction electric log was received in the
14 Aztec office on July 21st, 1975, and the only other information
15 in our well file is the letter from my office to them asking
16 for information dated October 21st, 1977.

17 The well has been drilled and a well marker has
18 been erected and we have no information as to how deep the
19 hole is or what type of casing was run in the hole, if any,
20 or what the plugging program used by the operator was.

21 Q Do you have any other communications relative to
22 this case?

23 A I received a telephone call here yesterday stating
24 that forms were delivered to my office yesterday afternoon
25 regarding this well.

1 It is the opinion of the persons on my staff that
2 insufficient reports have been filed -- and what was delivered
3 yesterday.

4 Not having seen those I don't know whether or not
5 sufficient reports were filed.

6 Q In your opinion could the failure to plug this
7 well in accordance with a Commission-approved plugging program
8 cause waste?

9 A I could.

10 Q Would you elaborate on who waste could be caused?

11 A This well is on the edge of the Hawpau upper
12 sand pool in McKinley County and could possibly be leaking
13 petroleum products into the water sands or leaking the water
14 into the oil sands.

15 Q Because no reports have been filed you don't know
16 whether they have properly plugged these zones or not?

17 A That's true.

18 Q Do you have any exhibits?

19 A Yes. I have a copy of the information that I
20 referred to to be submitted as an exhibit and I have a
21 photograph of a marker. The photograph is not distinct
22 enough to identify it as the marker in that hole but it was
23 taken by Charles Gossen who is a field man in my office on
24 February 15, 1978.

25 Q Which is Exhibit One and which is Exhibit Two?

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1 A I have marked the photograph as Exhibit One, and
2 I will mark the copies of the well file as Exhibit Two.

3 Q Are you prepared to recommend a plugging program
4 at this time or would you prefer to describe the plan at the
5 time of the plugging?

6 A I would recommend that this well have all the plugs
7 that are in it drilled out to a total depth as certified
8 by the operator and then plugs replaced at that time.

9 Q Do you have anything further?

10 A No.

11 MS. TESCHENDORF: At this time I will offer Exhibits
12 One and Two.

13 MR. NUTTER: Exhibits One and Two will be admitted
14 in this case.

15
16 CROSS EXAMINATION

17 BY MR. NUTTER:

18 Q Mr. Kendrick, the log there indicates the well had
19 been drilled to what depth at that time?

20 A The driller's total depth as shown on the log was
21 eighteen hundred fifty-three feet. The logger's total depth
22 was eighteen hundred and thirty-seven feet.

23 Q What was the well projected as originally on the
24 101, to what formation and to what depth?

25 A Estimated proposed depth depth eighteen hundred

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1 feet to the Hawpau Gallup formation.

2 Q Is this in an area where there is Hawpau drilling?

3 A Yes, it is within the pool.

4 Q So, the chances are that the well doesn't exceed
5 that depth, then?

6 A Well, I doubt that it would exceed eighteen hundred
7 and fifty feet by an appreciable amount.

8 Q Now, Mr. Kendrick, you stated in your direct
9 testimony that you would recommend that the existing plugs,
10 if any, be drilled out and the well replugged.

11 If it can be substantiated that the well has been
12 properly plugged that would not be necessary would it?

13 A Not if it can ben substantiated. This operator is
14 not in the habit of hiring commercial service companies to
15 perform those services for them. They do their own servicing.

16 Q So, there might not be any public service company's
17 records to substantiate these plugs, is that correct?

18 A That's correct. In fact, if I may elaborate on that
19 they are doing the plugging on a well, thirteen hundred feet
20 from this one, or thirteen hundred twenty feet from this
21 one, at the present time.

22 I use the term doing the plugging loosely because
23 the rig has been on that hole since last October and they
24 have not finished plugging the well yet.

25 Q On the nearby well?

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1 A. On the offset well.

2 MR. NUTTER: Are there any further questions of
3 Mr. Kendrick? He may be excused.

4 Do you have anything further, Ms. Teschendorf?

5 MS. TESCHENDORF: No, sir.

6 MR. NUTTER: Does anyone have anything to offer in
7 Case 6167? Take the case under advisement.

8 (THEREUPON, the case was concluded.)
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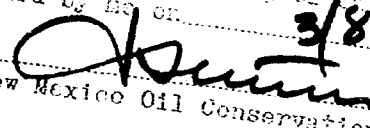
REPORTER'S CERTIFICATE

I, SIDNEY F. MORRISH, a Certified Shorthand Reporter,
do hereby certify that the foregoing and attached Transcript
of Hearing before the New Mexico Oil Conservation Commission
was reported by me, and the same is a true and correct record
of the said proceedings to the best of my knowledge, skill and
ability.


Sidney F. Morrish, C.S.R.

sid morrish reporting service

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Phone (505) 982-9212

I do hereby certify that the foregoing is
a complete record of the proceedings in
the Examiner hearing of Case No. 6167
heard by me on 3/8 1978

Examiner
New Mexico Oil Conservation Commission



OIL CONSERVATION COMMISSION

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



DIRECTOR
JOE D. RAMEY

LAND COMMISSIONER
PHIL R. LUCERO
April 12, 1978

STATE GEOLOGIST
EMERY C. ARNOLD

Saguaro Oil Company
Box 51
Farmington, New Mexico 87401

Re: CASE NO. 6167
ORDER NO. R-5694

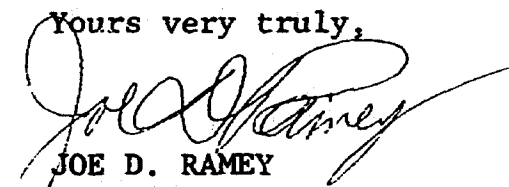
Applicant:

~~OCC (Saguaro Oil Company)~~

Dear Sir:

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

Yours very truly,


JOE D. RAMEY
Director

JDR/fd

Copy of order also sent to:

Hobbs OCC	<u>x</u>
Artesia OCC	<u>x</u>
Aztec OCC	<u>x</u>

Other _____

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

CASE NO. 6167
Order No. R-5694

IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION COMMISSION ON ITS OWN MOTION TO PERMIT SAGUARO OIL COMPANY AND ALL OTHER INTERESTED PARTIES TO APPEAR AND SHOW CAUSE WHY THE TENNECO SANTA FE WELL NO. 1 LOCATED IN UNIT D OF SECTION 31, TOWNSHIP 18 NORTH, RANGE 8 WEST, MCKINLEY COUNTY, NEW MEXICO, SHOULD NOT BE PLUGGED AND ABANDONED IN ACCORDANCE WITH A COMMISSION-APPROVED PLUGGING PROGRAM.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on March 8, 1978, at Santa Fe, New Mexico, before Examiner, Daniel S. Nutter.

NOW, on this 11th day of April, 1978, the Commission, a quorum being present, having considered the testimony, the record, and the recommendations of the Examiner, and being fully advised in the premises,

FINDS:

(1) That due public notice having been given as required by law, the Commission has jurisdiction of this cause and the subject matter thereof.

(2) That Saguaro Oil Company is the owner and operator of the Tenneco Santa Fe Well No. 1, located in Unit D of Section 31, Township 18 North, Range 8 West, NMPM, McKinley County, New Mexico.

(3) That in order to prevent waste and protect correlative rights said Tenneco Santa Fe Well No. 1 should be plugged and abandoned in accordance with a program approved by the Aztec District Office of the Oil Conservation Division of the New Mexico Energy and Minerals Department on or before June 1, 1978, or the well should be returned to active drilling status or placed on production.

IT IS THEREFORE ORDERED:

(1) That Saguaro Oil Company is hereby ordered to plug and abandon the Tenneco Santa Fe Well No. 1, located in Unit D of Section 31, Township 18 North, Range 8 West, NMPM, McKinley County, New Mexico, or in the alternative, to return the well to active drilling status or place the well on production on or before June 1, 1978.

-2-

Case No. 6167

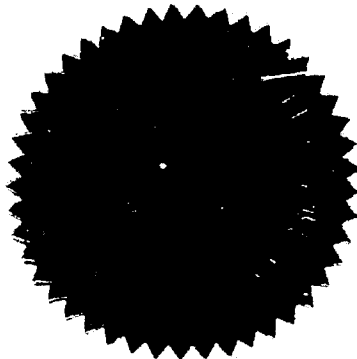
Order No. R-5694

(2) That Saguaro Oil Company, prior to plugging and abandoning the above-described well, shall obtain from the Aztec office of the Division, a Division-approved program for said plugging and abandoning, and shall notify said Aztec office of the date and hour said work is to be commenced whereupon the Division may, at its option, witness such work.

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

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION



PHIL R. LUCERO, Chairman

Emery C. Arnold
EMERY C. ARNOLD, Member

Joe D. Ramey
JOE D. RAMEY, Member & Division Director

S E A L

jr/

No. 705685

RECEIPT FOR CERTIFIED MAIL

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

SENT TO
Saguaro Oil Company
STREET AND NO.
Box 51
P.O. STATE AND ZIP CODE
Farmington, N. M. 87401

POSTAGE \$

CONSULT POSTMASTER FOR FEES		
OPTIONAL SERVICES	CERTIFIED FEE	c
	SPECIAL DELIVERY	c
	RESTRICTED DELIVERY	c
	SHOW TO WHOM AND DATE DELIVERED	c
	SHOW TO WHOM, DATE, AND ADDRESS OF DELIVERY	c
RETURN RECEIPT SERVICE	SHOW TO WHOM AND DATE DELIVERED WITH RESTRICTED DELIVERY	c
	SHOW TO WHOM, DATE AND ADDRESS OF DELIVERY WITH RESTRICTED DELIVERY	c

TOTAL POSTAGE AND FEES \$

POSTMARK OR DATE

PS Form 3800, Apr. 1976

PS Form 3811, Nov. 1976

● SENDER: Complete items 1, 2, and 3. Add your address in the "RETURN TO" space on reverse.

1. The following service is requested (check one).
☐ Show to whom and date delivered25¢
☐ Show to whom, date, & address of delivery45¢
☐ RESTRICTED DELIVERY.
Show to whom and date delivered85¢
☐ RESTRICTED DELIVERY.
Show to whom, date, and address of delivery ..\$1.05
(Fees shown are in addition to postage charges and other fees).

2. ARTICLE ADDRESSED TO:
Saguaro Oil Company
Box 51
Farmington, New Mexico 87401

3. ARTICLE DESCRIPTION:
REGISTERED NO. CERTIFIED NO. INSURED NO.
705685

(Always obtain signature of addressee or agent)

I have received the article described above.
SIGNATURE ☐ Addressee ☒ Authorized agent
[Signature]

4. DATE OF DELIVERY
2-28-78

5. ADDRESS (Complete only if requested)

6. UNABLE TO DELIVER BECAUSE:

CLERK'S INITIALS
Mr

★ GPO : 1976-O-203-456

**STICK POSTAGE STAMPS TO ARTICLE TO COVER FIRST CLASS POSTAGE,
CERTIFIED MAIL FEE, AND CHARGES FOR ANY SELECTED OPTIONAL SERVICES. (see front)**

1. If you want this receipt postmarked, stick the gummed stub on the left portion of the address side of the article, leaving the receipt attached, and present the article at a post office service window or hand it to your rural carrier. (no extra charge)
2. If you do not want this receipt postmarked, stick the gummed stub on the left portion of the address side of the article, date, detach and retain the receipt, and mail the article.
3. If you want a return receipt, write the certified-mail number and your name and address on a return receipt card, Form 3811, and attach it to the front of the article by means of the gummed ends if space permits. Otherwise, affix to back of article. Endorse front of article **RETURN RECEIPT REQUESTED** adjacent to the number.
4. If you want delivery restricted to the addressee, or to an authorized agent of the addressee, endorse **RESTRICTED DELIVERY** on the front of the article.
5. Enter fees for the services requested in the appropriate spaces on the front of this receipt. If return receipt is requested, check the applicable blocks in Item 1 of Form 3811.
6. Save this receipt and present it if you make inquiry.

**UNITED STATES POSTAL SERVICE
OFFICIAL BUSINESS**

SENDER INSTRUCTIONS

Print your name, address, and ZIP Code in the space below.
• Complete Items 1, 2, and 3 on the reverse.
• Detach gummed ends and attach to front of article.
• If space permits, otherwise affix to back of article.
• Endorse article "Return Receipt Requested" adjacent to number.

**PENALTY FOR PRIVATE
USE TO AVOID PAYMENT
OF POSTAGE, \$300**



**RETURN
TO**

OIL CONSERVATION COMMISSION

(Name of Sender)

P. O. BOX 2088

(Street or P.O. Box)

SANTA FE, NEW MEXICO 87501

(City, State, and ZIP Code)

100-1128

2-15-78

SAGAUR - TENNeco

SANTA FE #1 990N-33N

31-18N-8W P+R

ELEV: 7094'

BEFORE EXAMINER NUTTER

OIL CONSERVATION COMMISSION

OCC EXHIBIT NO. 1

CASE NO. 6167

DISTRIBUTION	
SANTA FE	1
FILE	1
U.S.G.S.	1
LAND OFFICE	1
OPERATOR	2

5A. Indicate Type of Lease
STATE <input type="checkbox"/> FILE <input checked="" type="checkbox"/>

5. State Oil & Gas Lease No.

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. Type of Work DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG BACK <input type="checkbox"/>		7. Unit Agreement Name
b. Type of Well OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/>		8. Form or Lease Name TENNECO-SANTA FE
2. Name of Operator SAGUARO OIL COMPANY		9. Well No. 1
3. Address of Operator PO BOX 51 FARMINGTON, NEW MEXICO 87401		10. Field and Pool, or Well Unit HOSPASH-UPPER SAND
4. Location of Well UNIT LETTER <u>D</u> LOCATED <u>990'</u> FEET FROM THE <u>NORTH</u> LINE AND <u>330'</u> FEET FROM THE <u>WEST</u> LINE OF SEC. <u>31</u> TWP. <u>18N</u> RGE. <u>8W</u> NMPLA		12. County McKinley
19. Proposed Depth 1800'		19A. Formation Hospah Gallup
21. Deviations (Show whether DE, PT, etc.) 7094' Grd		20. Rotary or C.T. Rotary
21A. Kind & Status Plug. Bond * See note below		22. Approx. Date Work will start April 30, 1975
21B. Drilling Contractor Saguaro Oil Company		

23.

PROPOSED CASING AND CEMENT PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	SACKS OF CEMENT	EST. TOP
8 3/4"	7"	20#	60 feet	14 sx	circ.
6 1/4"	4 1/2"	9 1/2#	1800 feet	65 sx	1250'

Plan to drill and test the Gallup - Hospah sandstone at approximately 1800 feet, If productive will set and cement 4 1/2" casing at total depth.

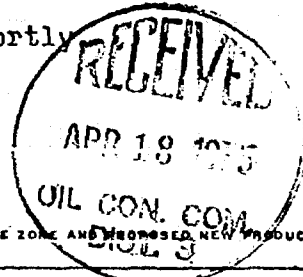
Blowout Preventer will be furnished by drilling contractor as necessary.

* Note: I believe the Operator has a Bond for this well. If not it will be applied for and delivered to your office shortly.

BEFORE EXAMINER NUTTER
OIL CONSERVATION COMMISSION

EXHIBIT NO. 2

APPROVAL VALID
FOR 90 DAYS UNLESS
DRILLING COMMENCED,
7-17-75
EXPIRES



IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: IF DEEPEN OR PLUG BACK, GIVE DATA ON PRESENT PRODUCTION ZONE AND PROPOSED NEW PRODUCTION ZONE. GIVE BLOWOUT PREVENTER PROGRAM, IF ANY.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

Signed Robert E. Lauth Title Geological Consultant Date April 16, 1975

(This space for State Use)

APPROVED BY Barney C. Arnold TITLE SUPERVISOR DIST. #3 DATE APR 18 1975

CONDITIONS OF APPROVAL, IF ANY:

WELL LOCATION AND ACREAGE DEDICATION PLAT

Superseded by Form
Effective 1-1-65

All distances must be from the outer boundaries of the Section.

Operator Saguaro Oil Company			Lessee Tenneco-Santa Fe		Well No. 1
Unit Letter D	Section 21	Township 18 North	Range 6 West	County McKinley	
Actual Footage Location of Well: 990 feet from the North line and 330 feet from the West line					
Ground Level Elev. 7094	Producing Formation UPPER HOSPAH SAND		Pool HOSPAH	Dedicated Acreage: 40 acres	

1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

☐ Yes ☐ No If answer is "yes," type of consolidation _____

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) _____

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.

CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Robert E. Lauth

Name: **Robert E. Lauth**

Position: **Geological Consultant**

Company: **Saguaro Oil Company**

Date: **April 16, 1975**

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

April 4, 1975

Date Surveyed: **Frederick H. Reed**

Registered Professional Engineer and/or Land Surveyor

Frederick H. Reed

Certificate No.



ROBERT E. LAUTH

GEOLOGICAL CONSULTANT

960 East Second Ave. - P.O. Box 776 - Durango, Colorado 81301
AC 303-247-0025

April 16, 1975

Mr. Emery C. Arnold, Supervisor
New Mexico Oil Conservation Commission
1000 Rio Brazos Road
Aztec, New Mexico 87401

Re: Well Location
Saguaro Oil Company
No. 1 Tenneco-Santa Fe
NW1/4 Sec. 31 T18N R8W NMPM
McKinley County, New Mexico

Dear Emery:

Enclosed are six (6) copies of the Application to Drill
plus surveyor's plat for the above captioned well.

A State plugging Bond has been obtained by the operator.
If another is needed let me know and I'll make sure you have it
shortly.

Upon approval would you kindly send an approved copy to the
✓ Operator in Farmington, New Mexico and a copy to me at the above
Letterhead address. ✓



Thank you

Very truly yours,

Robert E. Lauth
Robert E. Lauth CPG

Encl.
copy .Tenneco & Saguaro



OIL CONSERVATION COMMISSION

STATE OF NEW MEXICO
1000 RIO BRAZOS RD. • AZTEC

87410

DIRECTOR
JOE D. RAMEY

LAND COMMISSIONER
PHIL R. LUCERO

October 21, 1977



STATE GEOLOGIST
EMERY C. ARNOLD

Saguaro Oil Co.
Box 51
Farmington, New Mexico

Re: Operator- Saguaro Oil Co.
Well- Tenneco-Santa Fe #1
Location- P-31-18N-SW

Gentlemen:

Our records for the subject well indicate the well to have been drilled.

File reports as indicated:

- (X) C-103 or 9-331, casing
- (X) C-103 or 9-331, Intent to Plug and abandon
- (X) C-105 or 9-330, well record report
- (X) C-103 or 9-331, subsequent report of abandonment
- () One copy of each wire line log run

Rule 202 allows drilling wells to be shut down up to 60 days without temporary abandonment.

Please cause this well be be a useful well or plug and abandon it.

Yours very truly,

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

ARK:mc

xc: Oil Conservation Commission
Santa Fe, New Mexico

No.	One
Driller	1853
Logger	1837
m Logged Interval	1836
Logged Interval	30
g—Driller	7" @ 30
g—Logger	30
Size	6 1/4
Fluid in Hole	Fresh Gel
Density and Viscosity	9.1 60
L and Fluid Loss	---- cc
Source of Sample	Flowline
@ Meas. Temp.	2.5 @ 82 °F
@ Meas. Temp.	2.3 @ 82 °F
@ Meas. Temp.	2.0 @ 82 °F
ce of Rm̄ and Rmc	M C
@ EHT	2.4 @ 80 °F
Since Circ.	30 Min.
Rec. Temp. Deg. F.	80 °F
No. and Location	7008 Farmington
d By	Denton
d By	Lauth

Changes in Mud Type or Additional Samples										Scale Changes			
Date	Sample No.			Type Log	Depth	Scale Up Hole	Scale						
Depth-Driller													
Type Fluid in Hole													
Dens. Visc.													
pH	Fluid Loss												
Source of Sample										Equipment Data			
Rm @ Meas. Temp.	@ °F	@	°F	Run No.	Tool Type	Tool Position	S. O.	Tool No.	Elec. No.	Panel No.			
Rmf @ Meas. Temp.	@ °F	@	°F	One	IES	Free	None	40		40			
Rmc @ Meas. Temp.	@ °F	@	°F										
Source of Rmc													
Rm @ GHT	@ °F	@	°F										
Rmf @ DHT	@ °F	@	°F										
Rmc @ DHT	@ °F	@	°F										

[illegible]

OIL CONSERVATION COMMISSION

P. O. BOX 2088

SANTA FE, NEW MEXICO 87501

February 27, 1978

CERTIFIED - RETURN
RECEIPT REQUESTED

Saguaro Oil Company
Box 51
Farmington, New Mexico 87401

Re: Tenneco Santa Fe Well
No. 1, located in Unit
D of Section 31, Township
18 North, Range 8 West,
McKinley County
Plugging Bond

Gentlemen:

Enclosed is a copy of the docket of the Examiner
Hearing to be held on Wednesday, March 8, 1978, at 9:00
a.m. in the Oil Conservation Commission Conference Room,
State Land Office Building, Santa Fe, New Mexico. Case
6167 concerns the above captioned subject matter.

Very truly yours,

LYNN TESCHENDORF
General Counsel

LT/fd
enc.

C
O
P
Y



OIL CONSERVATION COMMISSION

STATE OF NEW MEXICO
1000 RIO BRAZOS RD. - AZTEC



DIRECTOR
JOE D. RAMEY

87410
LAND COMMISSIONER
PHIL R. LUCERO

STATE GEOLOGIST
EMERY C. ARNOLD

January 30, 1978

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

Case 6167

Re: Saguaro Oil Company

Tenneco Santa Fe #1

990/N; 330/W

D-31-18N-8W

M. E. Kinsley Co.

Dear Ms. Teschendorf:

Please docket a case to allow the operator of the subject well and other interested parties to appear and show why the well should not be properly plugged and abandoned.

If there are questions please contact us.

Yours very truly,

A. R. Kendrick

A. R. Kendrick
Supervisor, District #3.

xc: Operator:

m 3-8

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT

~~DIVISION OF~~ OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

THE MATTER OF THE HEARINGS
HELD BY THE JOINT LANTERN SLIDE
COMMISSION OF NEW MEXICO FOR
THE PURPOSE OF CONSIDERING

CASE NO. 6167

Order No. R- 5694

IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION COMMISSION
ON ITS OWN MOTION TO PERMIT SAGUARO OIL COMPANY AND ALL OTHER
INTERESTED PARTIES TO APPEAR AND SHOW CAUSE WHY THE TENNECO SANTA FE
WELL NO. 1 LOCATED IN UNIT D OF SECTION 31, TOWNSHIP 18 NORTH, RANGE
8 WEST, MCKINLEY COUNTY, NEW MEXICO, SHOULD NOT BE PLUGGED AND
ABANDONED IN ACCORDANCE WITH A COMMISSION- APPROVED PLUGGING PROGRAM.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on March 8,
19⁷⁸, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this _____ day of March, 19 78, the Commission, a quorum being present, having considered the testimony, the record, and the recommendations of the Examiner, and being fully advised in the premises,

FINDS:

(1) That due public notice having been given as required by law, the Commission has jurisdiction of this cause and the subject matter thereof.

(2) That Saguaro Oil Company is the owner and operator of the Tenneco Santa Fe Well No. 1, located in Unit D of Section 31, Township 18 North, Range 8 West, NMPM, McKinley County, New Mexico.

(3) ~~That~~ is the surety on the Oil Conservation Commission plugging bond on which is principal.

(4) That the purpose of said bond is to assure the state that the subject well(s) will be properly plugged and abandoned when not capable of commercial production.

(5) That in order to prevent waste and protect correlative rights said Tenneco Santa Fe Well No. 1 should be plugged and abandoned in accordance with a program approved by the Aztec District Office of the ~~New Mexico~~ Oil ^{Division of the New Mexico Energy and Minerals Department} Conservation Commission on or before June 1, 1978, or the well should be returned to active drilling status or placed on production.

IT IS THEREFORE ORDERED:

(1) That Saguaro Oil Company
is ~~xxx~~ hereby ordered to plug and abandon
the Tenneco Santa Fe Well No. 1,
located in Unit D of Section 31, Township 18 North,
Range 8 West, NMPM, McKinley County, New Mexico,
or in the alternative, to return the well to active drilling
status or place the well on production on or before June 1,
19 78.

(2) That Saguaro Oil Company
, prior to plugging and abandoning the above-
described well, shall obtain from the Aztec office of the
~~Division~~ ~~Commission~~ ^{Division}, a ~~Commission~~-approved program for said plugging and
abandoning, and shall notify said Aztec office of the
date and hour said work is to be commenced whereupon the ~~Commission~~ ^{Division}
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~~ ^{Division} may deem necessary.

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

State of New Mexico
Oil Conservation ~~Commission~~ ^{Division}
Lucero Chairman
Arnold Member
Fancy Member and
Division Director