

CASE 6190: PLUGGING CASE
Peter Siemens, Fidelity &
Casualty Co. - Wright Well No. 1

Case NO.

6190

Application

Transcripts

Small Exhibits

ETC.

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

CASE NO. 6190
Order No. R-5704

IN THE MATTER OF THE HEARING CALLED BY THE
OIL CONSERVATION DIVISION ON ITS OWN MOTION
TO PERMIT PETER SIEMENS, FIDELITY & CASUALTY CO.
OF NEW YORK, AND ALL OTHER INTERESTED PARTIES
TO APPEAR AND SHOW CAUSE WHY THE WRIGHT WELL NO.
1 LOCATED IN UNIT F OF SECTION 12, TOWNSHIP 10
NORTH, RANGE 5 EAST, BERNALILLO COUNTY, NEW MEXICO,
SHOULD NOT BE PLUGGED AND ABANDONED IN ACCORDANCE
WITH A DIVISION-APPROVED PLUGGING PROGRAM.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on April 5, 1978, at Santa Fe, New Mexico, before Examiner, Daniel S. Nutter.

NOW, on this 11th day of April, 1978, the Division Director, 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 Division has jurisdiction of this cause and the subject matter thereof.

(2) That Peter Siemens is the owner and operator of the Wright Well No. 1, located in Unit F of Section 12, Township 10 North, Range 5 East, NMPM, Bernalillo County, New Mexico.

(3) That Fidelity & Casualty Co. of New York is the surety on the Oil Conservation Division plugging bond on which Peter Siemens is principal.

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

(5) That in order to prevent waste and protect correlative rights said Wright Well No. 1 should be plugged and abandoned in accordance with a program approved by the Santa Fe Office of the Division on or before June 15, 1978, or the well should be returned to active drilling status or placed on production.

-2-

Case No. 6190

Order No. R-5704

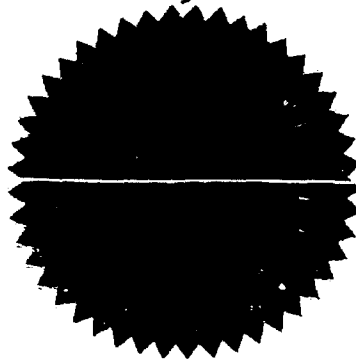
IT IS THEREFORE ORDERED:

(1) That Peter Siemens is hereby ordered to plug and abandon the Wright Well No. 1, located in Unit F of Section 12, Township 10 North, Range 5 East, NMPM, Bernalillo 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 15, 1973.

(2) That Peter Siemens, prior to plugging and abandoning the above-described well, shall obtain from the Santa Fe office of the Division, a Division-approved program for said plugging and abandoning, and shall notify said Santa Fe 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 DIVISION

Joe D. Ramey
JOE D. RAMEY
Director

S E A L

jx/

NEW MEXICO OIL CONSERVATION COMMISSION

EXAMINER HEARING

SANTA FE, NEW MEXICO

Hearing Date APRIL 5, 1978 TIME: 9:00 A.M.

NAME	REPRESENTING	LOCATION
Farris Nelson	Zio Energy, Inc.	Hobbs
Joel M. Carson	Losee & Carson P.A.	Albuquerque
Gilbert E. Miller	Amerada Hess Corp.	Tulsa
Wayne Wills	Amerada Hess Corp.	Seminole
Toni Kellahan	Kellahan + Foss	SANTA FE
Ray Beck	Yates	Albuquerque
Ray Graham	Land Office	SF
R L Bayless	MERRION & BAYLESS	Farlington

BEFORE THE
NEW MEXICO OIL CONSERVATION DIVISION
SANTA FE, NEW MEXICO
April 5, 1978

EXAMINER HEARING

IN THE MATTER OF:)
)
)

Motion to permit Peter Siemens,) Case 6190
Fidelity & Casualty Co. of)
New York, and all other interested)
parties to appear and show cause)
why Wright Well No. 1 should not)
be plugged and abandoned.)
)

BEFORE: Daniel S. Nutter, Examiner.

TRANSCRIPT OF HEARING

A P P E A R A N C E S

For the New Mexico Oil Conservation Division:

Lynn Teschendorf, Esq.
Legal Counsel for the Division
State Land Office Building
Santa Fe, New Mexico

LANPHERE REPORTING SERVICE

P. O. BOX 449
58 SOUTH FEDERAL PLACE
SANTA FE, NEW MEXICO 87501

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MR. NUTTER: The hearing will come to order please. The first case this morning will be Case No. 6190 which is in the matter of the hearing called by the Oil Conservation Commission on its own motion to permit Peter Siemens, Fidelity & Casualty Company of New York, and all other interested parties to appear and show cause why the Wright Well No. 1 located in Unit F of Section 12, Township 10 North, Range 5 East, Bernalillo County, New Mexico, should not be plugged and abandoned in accordance with a Commission-approved plugging program.

I call for appearances please.

MS. TESCHENDORF: Lynn Teschendorf appearing for the Commission. I have one witness.

(WHEREUPON, the witness was sworn.)

MS. TESCHENDORF: Mr. Examiner, before we start I would like to point out for the record that because of government reorganization the Oil Conservation Commission has, for practical purposes become the Oil Conservation Division and that all witnesses previously qualified to testify before the Commission should also be qualified to testify before the Division.

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MR. NUTTER: And the plugging programs which would issue from this case would be a Division approved plugging program rather than a Commission plugging approved program.

MS. TESCHENDORF: That is right.

MR. NUTTER: Would you proceed please?

CARL ULVOG

the witness herein, having been duly sworn, was examined and testified as follows:

DIRECT EXAMINATION

BY MS. TESCHENDORF:

Q Would you state your name, position and place of residence?

A Carl Ulvog, Senior Geologist for the Oil Conservation Commission and I'm based here in Santa Fe.

Q Commission or Division?

A Division, I beg your pardon.

Q How long have you held this position?

A Approximately four years.

Q Have you previously testified before the Examiner of the Commission or Division and are your credentials a matter of the record?

A That is correct, they are.

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Q Do your duties as Senior Geologist include making recommendations to the Director of the Division as to when wells should be plugged and abandoned?

A That is correct.

Q Are you familiar with the subject matter of Case No. 6190?

A Yes, I am.

Q What is the purpose of this case?

A The purpose of the case is to determine whether or not this well should be plugged in accordance with the regulations of the Division.

Q Have you reviewed all the reports filed with the Division concerning this well?

A Yes, I have.

Q Would you please summarize the history of the well contained in those records?

A Yes. This well, known as the Siemens and Boyd No. 1 Wright located in Section 8, Township 9 North, Range 1 West, Bernalillo County--

Q Excuse me, Mr. Ulvog, we have advertised for the No. 1 in Section 12 of Township 10 North, Range 5 East.

A I'm sorry. That's right. It is in

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Section 12, Township 10 North, Range 5 East.

The notice of the intention to drill this well or application for the permit to drill or form C101 was filed with this office on October 21 of 1940. It was proposed to be located 3630 feet from the south line and 1650 feet from the west line of the section and it's supposed to go to 2000 feet. There were no other official forms filed with the Commission.

However, we have a report prepared by a representative of the then Oil Conservation Commission on this well which reports that the well was started May 2, 1941. Then continuing over a great period of time it's a progress report showing how the drilling progressed and the problems they had and so on, that report continues on through June 24, 1946 at which time the well was reported to be at a depth of 1641 feet.

There were obviously problems involved which I will not elaborate on with the exception of the mention that water was encountered a number of times. They had to change the program from what was originally proposed until finally there were 148 feet at ten inch casings set. There was 400--well, eight and a quarter inch casing was set at 408, how much casing is in the well I don't know.

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Six and five-eighths inch casing was set at a depth of 480 feet and to the best of my knowledge that's all the casing that is in the well.

We have a number of confusing reports in the file. I have put together the best I can and this is how I find that the well, the condition of the well is now in would be the casing that I have just given you with the total depth being at 1641 feet, which means there is open hole from that point on up to 480 feet.

We have reports from various sources, somewhat conflicting but this would be essentially the condition the well is in as I see it.

Q Is there a bond on file with the Division for this well?

A Yes, there is.

Q Do you have any other communications relative to this case which should be called to the Examiner's attention?

A Yes. I would say that an attempt was made to reach the operator of this well in--I visited that location on July 23, 1974 and at a short time after that I attempted to contact the operator but wasn't able to do so and on March 14 of 1978 our legal department

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again made an attempt to contact operator and could not do it and then notified the bond company of this hearing today and that the well was going to be ordered plugged unless we had evidence that it should not be.

Q In your opinion could failure to plug this well cause waste?

A Yes, I believe it could, but not only that but pollution of the ground waters is a potential and so on. It could even be a hazard to the surface.

Q In what way?

A Well, you could have caving. For instance I don't know that there was any cement used to set that ten inch casing. I suspect the plan was to pull the outside strings of casing. There was--because of this, pardon me. I will refer to their plan if I may. They had planned to set ten inch casing at an unspecified depth, eight and a quarter inch casing at an unspecified depth, six and five-eighths inch at total depth.

Well, they obviously did not do this because of the problems they encountered and the only casing that I have indications of being cemented would be the six and five-eighths. That's why I say I'm suspecting that the outer strings are intended to be pulled. Therefore,

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there could be caving around them and so on. They could have, in fact, been pulled.

Q Are you prepared to recommend a plugging program at this time or would you prefer to describe the program at the actual time of plugging?

A I have a plugging program proposed in detail if you would like it.

MR. NUTTER: Is that prepared in such a manner it could be offered as an exhibit in this case?

MR. ULVOG: It could be offered as an exhibit, that's correct.

MR. NUTTER: Now, you really don't know the conditions in the well?

MR. ULVOG: That is correct, I don't.

MR. NUTTER: So this would have to be somewhat flexible?

MR. ULVOG: It is a tentative program.

MR. NUTTER: I see.

MR. ULVOG: And it is based upon the assumption that the information we have is correct and that all of that pipe is in the hole at this time. If we find that is not the case then it's going to have to be modified accordingly.

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MR. NUTTER: Would you like to offer that as an exhibit?

MS. TESCHENDORF: Yes, that is Exhibit 1 and I will offer it in evidence at this time.

MR. NUTTER: What has been identified here as OCD Exhibit 1 in Case No. 6190 is labeled as a tentative plugging program and will be admitted into evidence.

(WHEREUPON, Oil Conservation Division's Exhibit No. 1 admitted into the evidence.)

MS. TESCHENDORF: I have nothing further.

MR. NUTTER: Does anyone have any other questions of Mr. Ulvog? You may be excused. Do you have anything further in this case, Ms. Teschendorf??

MS. TESCHENDORF: No, sir.

MR. NUTTER: If there is nothing further in Case No. 6190 we will take the case under advisement.

(WHEREUPON, the case was concluded.)

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REPORTER'S CERTIFICATE

I, BETTY J. LANPHERE, CSR-RPR with offices in Santa Fe, New Mexico, do hereby certify that the foregoing transcript is a complete and accurate record of said proceedings as the same were recorded by me stenographically and reduced to typewritten transcript by me or under my supervision.

DATED at Santa Fe, New Mexico, this eleventh day of April, 1978.

Betty J. Lanphere
Betty J. Lanphere, Court Reporter

I do hereby certify that the foregoing is a complete record of the proceedings in the Examiner hearing of Case No. 6190 heard by me on 4-5, 19 78.

William, Examiner
New Mexico Oil Conservation Commission

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ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

JERRY APODACA
GOVERNOR

NICK FRANKLIN
SECRETARY

April 11, 1978

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87501
(505) 827-2434

Fidelity & Casualty
Company of New York
P. O. Box 960
Dallas, Texas 75221

Re: CASE NO. 6190
ORDER NO. R-5704

Applicant:

OCC (Peter Siemens)

Dear Sir:

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

Yours very truly,


JOE D. RAMEY
Director

JDR/fd

Copy of order also sent to:

Hobbs OCC x
Artesia OCC x
Aztec OCC x

Other _____

OIL CONSERVATION COMMISSION

P. O. BOX 2088

SANTA FE, NEW MEXICO 87501

March 20, 1978

CERTIFIED - RETURN
RECEIPT REQUESTED

Peter Siemens
c/o Dave H. Boyd
Zamora, New Mexico

Fidelity & Casualty Company
of New York
P. O. Box 960
Dallas, Texas 75221

Re: Wright Well No. 1,
located in Unit F of
Section 12, Township 10
North, Range 5 East,
Bernalillo County
Plugging Bond

Gentlemen:

Enclosed is a copy of the notice of the Examiner
Hearing to be held on Wednesday, April 5, 1978, at 9:00
a.m. in the Oil Conservation Commission Conference Room,
State Land Office Building, Santa Fe, New Mexico. Case
6190 concerns the above captioned subject matter.

Very truly yours,

LYNN TESCHENDORF
General Counsel

LT/fd
enc.

No. 705689

RECEIPT FOR CERTIFIED MAIL

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

SENT TO			
Peter Siemens			
STREET AND NO.			
c/o Dave H. Boyd			
P.O., STATE AND ZIP CODE			
Zamora, New Mexico			
POSTAGE	\$		
CONSULT POSTMASTER FOR FEES	CERTIFIED FEE	¢	
	SPECIAL DELIVERY	¢	
	RESTRICTED DELIVERY	¢	
	SHOW TO WHOM AND DATE DELIVERED	¢	
	SHOW TO WHOM, DATE, AND ADDRESS OF DELIVERY	¢	
	SHOW TO WHOM AND DATE DELIVERED WITH RESTRICTED DELIVERY	¢	
OPTIONAL SERVICES	RETURN RECEIPT SERVICE	SHOW TO WHOM, DATE AND ADDRESS OF DELIVERY WITH RESTRICTED DELIVERY	¢
TOTAL POSTAGE AND FEES		\$	
POSTMARK OR DATE			

PS Form 3800, Apr. 1976

No. 705690

RECEIPT FOR CERTIFIED MAIL

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

SENT TO			
Fidelity & Cas. Co. of NY			
STREET AND NO.			
P. O. Box 960			
P.O., STATE AND ZIP CODE			
Dallas, Texas 75221			
POSTAGE	\$		
CONSULT POSTMASTER FOR FEES	CERTIFIED FEE	¢	
	SPECIAL DELIVERY	¢	
	RESTRICTED DELIVERY	¢	
	SHOW TO WHOM AND DATE DELIVERED	¢	
	SHOW TO WHOM, DATE, AND ADDRESS OF DELIVERY	¢	
	SHOW TO WHOM AND DATE DELIVERED WITH RESTRICTED DELIVERY	¢	
OPTIONAL SERVICES	RETURN RECEIPT SERVICE	SHOW TO WHOM, DATE AND ADDRESS OF DELIVERY WITH RESTRICTED DELIVERY	¢
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 delivered 25¢

☐ Show to whom, date, & address of delivery 45¢

☐ RESTRICTED DELIVERY. Show to whom and date delivered 85¢

☐ 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:

Fidelity & Casualty Co. of NY
Box 960
Dallas, Texas 75221

3. ARTICLE DESCRIPTION:

REGISTERED NO.	CERTIFIED NO.	INSURED NO.
	705690	

(Always obtain signature of addressee or agent)

I have received the article described above.

SIGNATURE ☐ Addressee ☐ Authorized agent

4. DATE OF DELIVERY

MAR 24 1978

5. ADDRESS (Complete only if requested)

6. UNABLE TO DELIVER BECAUSE:

POSTMARK

MAR 24 1978

CLERK'S INITIALS

**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.

**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)
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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.
 - Moltzen 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)

POST OFFICE BOX 2088

(Street or P.O. Box)

SANTA FE, NEW MEXICO 87501

(City, State, and ZIP Code)

State of New Mexico
Oil Conservation Commission

P. O. BOX 2088
SANTA FE
87501

CERTIFIED

No. 705689

MAIL

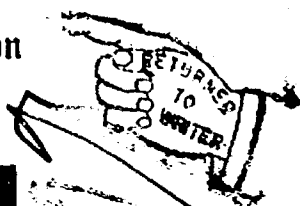
CERTIFIED - RETURN
RECEIPT REQUESTED

Peter Siemens
c/o Dave H. Boyd
Zamora, New Mexico

*Balance unknown
at Tijeras, N.M.*

200 Such P.O. in N.M.

NAME _____
1st Notice **PR** 24 1973
2nd Notice _____
Return _____



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 delivered 25¢
☐ Show to whom, date, & address of delivery 45¢
☐ **RESTRICTED DELIVERY.**
Show to whom and date delivered 85¢
☐ **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:**
Peter Siemens
c/o Dave H. Boyd
Zamora, New Mexico

3. **ARTICLE DESCRIPTION:**

REGISTERED NO.	CERTIFIED NO.	INSURED NO.
	705689	

(Always obtain signature of addressee or agent)

I have received the article described above.
SIGNATURE ☐ Addressee ☐ Authorized agent

4.

DATE OF DELIVERY	POSTMARK
------------------	----------

5. **ADDRESS (Complete only if requested)**

6. **UNABLE TO DELIVER BECAUSE:**

	CLERK'S INITIALS
--	------------------

RETURN RECEIPT, REGISTERED, INSURED AND CERTIFIED MAIL



DIRECTOR
JOE D. RAMEY

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

LAND COMMISSIONER
PHIL R. LUCERO
March 20, 1978



STATE GEOLOGIST
EMERY C. ARNOLD

CERTIFIED - RETURN
RECEIPT REQUESTED

Peter Siemens
c/o Dave H. Boyd
Zamora, New Mexico

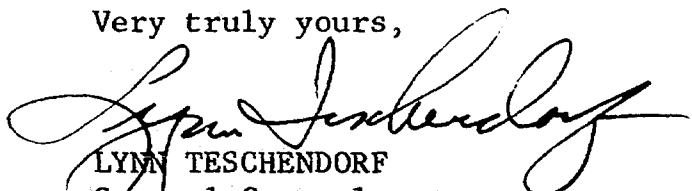
Fidelity & Casualty Company
of New York
P. O. Box 960
Dallas, Texas 75221

Re: Wright Well No. 1,
located in Unit F of
Section 12, Township 10
North, Range 5 East,
Bernalillo County
Plugging Bond

Gentlemen:

Enclosed is a copy of the notice of the Examiner
Hearing to be held on Wednesday, April 5, 1978, at 9:00
a.m. in the Oil Conservation Commission Conference Room,
State Land Office Building, Santa Fe, New Mexico. Case
6190 concerns the above captioned subject matter.

Very truly yours,


LYNN TESCHENDORF
General Counsel

LT/fd
enc.

NOTICE OF PUBLICATION
STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO

The State of New Mexico by its Oil Conservation Commission hereby gives notice pursuant to law and the Rules and Regulations of said Commission promulgated thereunder of the following public hearing to be held at 9 o'clock a.m. on APRIL 5, 1978, at the Oil Conservation Commission Conference Room, State Land Office Building, Santa Fe, New Mexico, before Daniel S. Nutter, Examiner, or Richard L. Stamets, Alternate Examiner, both duly appointed for said hearing as provided by law.

STATE OF NEW MEXICO TO:

All named parties and persons
having any right, title, interest
or claim in the following cases
and notice to the public.

(NOTE: All land descriptions herein refer to the New Mexico Principal Meridian whether or not so stated.)

✓CASE 6190:

In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit Peter Siemens, Fidelity & Casualty Co. of New York, and all other interested parties to appear and show cause why the Wright Well No. 1 located in Unit F of Section 12, Township 10 North, Range 5 East, Bernalillo County, New Mexico, should not be plugged and abandoned in accordance with a Commission-approved plugging program.

CASE 6191:

In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit Daryl Davis and all other interested parties to appear and show cause why the State Well No. 1 located in Unit K of Section 1, Township 4 South, Range 26 East, Chaves County, New Mexico, should not be plugged and abandoned in accordance with a Commission-approved plugging program.

CASE 6177: (Continued & Readvertised)

Application of Texas International Corporation for directional drilling, Eddy County, New Mexico.

Applicant, in the above-styled cause, seeks approval for the directional drilling of a proposed gas well, the surface location of which would be 1650 feet from the South line and 1800 feet from the East line of Section 29, Township 20 South, Range 30 East, Eddy County, New Mexico, in such a manner as to penetrate the Strawn formation within 100 feet of a point 1980 feet from the North line and 1985 feet from the West line of said Section 29, and to bottom said well in the Morrow formation within 100 feet of a point 1501 feet from the North line and 1552 feet from the West line of said Section 29. The N/2 of the section would be dedicated to the Strawn formation, Golden Lane-Strawn Gas Pool, and all of Section 29 would be dedicated to the Morrow formation, Dos Hermanos-Morrow Gas Pool.

CASE 6192:

Application of Yates Petroleum Corporation for an unorthodox gas well location, Eddy County, New Mexico.

Applicant, in the above-styled cause, seeks approval for the unorthodox location of its Federal "DC" Well No. 1 to be located 1980 feet from the South line and 660 feet from the West line of Section 29, Township 20 South, Range 28 East, Eddy County, New Mexico, the S/2 of said Section 29 to be dedicated to the well.

CASE 6193:

Application of Zia Energy, Inc., for an unorthodox gas well location and simultaneous dedication, Lea County, New Mexico.

Applicant, in the above-styled cause, seeks approval for the unorthodox location of its Elliott Federal Well No. 1 located 2310 feet from the South line and 330 feet from the East line of Section 26, Township 20 South, Range 36 East, Eumont Gas Pool, Lea County, New Mexico, the N/2 SE/4 and W/2 NE/4 of said Section 26 to be simultaneously dedicated to the aforesaid well and to Well No. 2 in Unit J.

CASE 6194:

Application of Tenneco Oil Company for an unorthodox location, Rio Arriba County, New Mexico.

Applicant, in the above-styled cause, seeks approval for the unorthodox location of its Jicarilla "A" Well No. 10 to be located 1190 feet from the South line and 1590 feet from the East line of Section 18, Township 26 North, Range 5 West, Tapacito-Gallup Associated Pool, Rio Arriba County, New Mexico, the SE/4 of said Section 18 to be dedicated to the well.

CASE 6195:

Application of Tenneco Oil Company for an unorthodox location, Rio Arriba County, New Mexico.

Applicant, in the above-styled cause, seeks approval for the unorthodox location of its Jicarilla "A" Well No. 9 to be located 1850 feet from the North line and 1450 feet from the West line of Section 20, Township 26 North, Range 5 West, Tapacito-Gallup Associated Pool, Rio Arriba County, New Mexico, the NW/4 of said Section 20 to be dedicated to the well.

CASE 6196:

Application of Sun Oil Company for an unorthodox gas well location and a non-standard gas proration unit, Lea County, New Mexico.

Applicant, in the above-styled cause, seeks approval of a 280-acre non-standard gas proration unit comprising the NE/4, W/2 NW/4 and the SE/4 NW/4 of Section 24, Township 20 South, Range 33 East, to be dedicated to applicant's Teas Federal Well No. 1, a wildcat Pennsylvanian well to be drilled at an unorthodox location 2180 feet from the North and West lines of said Section 24.

CASE 6197:

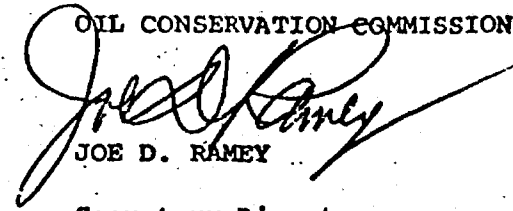
Application of Amerada Hess Corporation for a non-standard gas proration unit, an unorthodox location and simultaneous dedication, Lea County, New Mexico.

Applicant, in the above-styled cause, seeks approval for a 320-acre non-standard gas proration unit comprising the N/2 of Section 36, Township 23 South, Range 36 East, Jalmat Gas Pool, Lea County, New Mexico, to be simultaneously dedicated to its State LMT Well No. 5 at an unorthodox location in Unit A of said Section 36 and its Well No. 2 in Unit F.

GIVEN Under the Seal of the New Mexico Oil Conservation Commission at
Santa Fe, New Mexico, on this 17th day of March, 1978.

STATE OF NEW MEXICO

OIL CONSERVATION COMMISSION

A handwritten signature in dark ink, appearing to read "Joe D. Ramey", is written over the printed name.

JOE D. RAMEY

Secretary-Director

S E A L

Tentative
 Plugging program: Siemens & Boyd #1 Wright
 F-12-10N-5E, Bernalillo Co.

BEFORE EXAMINED NUTTER
OIL CONSERVATION COMMISSION
EXHIBIT NO. <u>1</u>
CASE NO. <u>690</u>

- (a) 22 sack plug at T.D. to $\pm 102'$ from T.D.
- (b) 17 sack plug at $\pm 490'$ to $\pm 390'$
- (c) 25 sack plug at $\pm 190'$ to $\pm 110'$
- 10 sack plug at $\pm 24'$ to surface

If $8\frac{1}{4}"$ csg or $6\frac{5}{8}"$ csg extends to surface
 step (b) or step (c) may be eliminated.

If any of casing is cut and pulled, additional
 plugging will be required.

Details: Step (b). 17 sack plug calculated to cover 100'.

14.8 sax fills 90' of $6\frac{5}{8}"$ csg
 2.2 " " 10' " $5\frac{1}{2}"$ hole

Step (c) 25 sack plug calculated to cover 76'.

15 sax fills 36' of 10" csg
 10 sax " 40' of $8\frac{1}{4}"$ csg

Dockets Nos. 14-78 and 15-78 are tentatively set for hearing on April 19 and May 2, 1978. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: EXAMINER HEARING - WEDNESDAY - APRIL 19, 1978

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

The following cases will be heard before Daniel S. Mutter, Examiner, or Richard L. Stanets, Alternate Examiner:

- CASE 6190: In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit Peter Siemens, Fidelity & Casualty Co. of New York, and all other interested parties to appear and show cause why the Wright Well No. 1 located in Unit F of Section 12, Township 10 North, Range 5 East, Bernalillo County, New Mexico, should not be plugged and abandoned in accordance with a Commission-approved plugging program.
- CASE 6191: In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit Daryl Davis and all other interested parties to appear and show cause why the State Well No. 1 located in Unit K of Section 1, Township 4 South, Range 26 East, Chaves County, New Mexico, should not be plugged and abandoned in accordance with a Commission-approved plugging program.
- CASE 6177: (Continued & Readvertised)
Application of Texas International Corporation for directional drilling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the directional drilling of a proposed gas well, the surface location of which would be 1650 feet from the South line and 1800 feet from the East line of Section 29, Township 20 South, Range 30 East, Eddy County, New Mexico, in such a manner as to penetrate the Strawn formation within 100 feet of a point 1980 feet from the North line and 1985 feet from the West line of said Section 29, and to bottom said well in the Morrow formation within 100 feet of a point 1501 feet from the North line and 1552 feet from the West line of said Section 29. The N/2 of the section would be dedicated to the Strawn formation, Golden Lane-Strawn Gas Pool, and all of Section 29 would be dedicated to the Morrow formation, Dos Hermanos-Morrow Gas Pool.
- CASE 6192: Application of Yates Petroleum Corporation for an unorthodox gas well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of its Federal "DC" Well No. 1 to be located 1980 feet from the South line and 660 feet from the West line of Section 29, Township 20 South, Range 28 East, Eddy County, New Mexico, the S/2 of said Section 29 to be dedicated to the well.
- CASE 6193: Application of Zia Energy, Inc., for an unorthodox gas well location and simultaneous dedication, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of its Elliott Federal Well No. 1 located 2310 feet from the South line and 330 feet from the East line of Section 26, Township 20 South, Range 36 East, Eumont Gas Pool, Lea County, New Mexico, the N/2 SE/4 and W/2 NE/4 of said Section 26 to be simultaneously dedicated to the aforesaid well and to Well No. 2 in Unit J.
- CASE 6194: Application of Tenneco Oil Company for an unorthodox location, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of its Jicarilla "A" Well No. 10 to be located 1190 feet from the South line and 1590 feet from the East line of Section 18, Township 26 North, Range 5 West, Tapacito-Gallup Associated Pool, Rio Arriba County, New Mexico, the SE/4 of said Section 18 to be dedicated to the well.
- CASE 6195: Application of Tenneco Oil Company for an unorthodox location, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of its Jicarilla "A" Well No. 9 to be located 1850 feet from the North line and 1450 feet from the West line of Section 20, Township 26 North, Range 5 West, Tapacito-Gallup Associated Pool, Rio Arriba County, New Mexico, the NW/4 of said Section 20 to be dedicated to the well.
- CASE 6196: Application of Sun Oil Company for an unorthodox gas well location and a non-standard gas proration unit, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of a 280-acre non-standard gas proration unit comprising the NE/4, W/2 NW/4 and the SE/4 NW/4 of Section 24, Township 20 South, Range 33 East, to be dedicated to applicant's Teas Federal Well No. 1, a wild-cat Pennsylvanian well to be drilled at an unorthodox location 2180 feet from the North and West lines of said Section 24.

Case 6190
Show cause Hearing

Peter Siemens,
Fidelity & Casualty Co.
of New York
Wright Well No. 1
F - 12 - 10N - SE
Bernalillo County

Fidelity & Deposit Co. of
New York
P O Box 960
Dallas 75221

David H. Boyd
Zamora, New Mexico

DRAFT

dr/

BEFORE THE OIL CONSERVATION DIVISION
OF THE ENERGY AND MINERALS DEPARTMENT
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
DIVISION FOR THE PURPOSE OF
CONSIDERING:

CASE NO. 6190

Order No. R- 5704

IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION DIVISION ON ITS OWN MOTION TO PERMIT PETER SIEMENS, FIDELITY & CASUALTY CO. OF NEW YORK, AND ALL OTHER INTERESTED PARTIES TO APPEAR AND SHOW CAUSE WHY THE WRIGHT WELL NO. 1 LOCATED IN UNIT F OF SECTION 12, TOWNSHIP 10 NORTH, RANGE 5 EAST, BERNALILLO COUNTY, NEW MEXICO, SHOULD NOT BE PLUGGED AND ABANDONED IN ACCORDANCE WITH A DIVISION-APPROVED PLUGGING PROGRAM.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on April 5, 1978, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this _____ day of April, 1978, the Division Director, 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 Division has jurisdiction of this cause and the subject matter thereof.

(2) That Peter Siemens is the owner and operator of the Wright Well No. 1, located in Unit F of Section 12, Township 10 North, Range 5 East, NMPM, Bernalillo County, New Mexico.

(3) That Fidelity & Casualty Co. of New York is the surety on the Oil Conservation Division plugging bond on which Peter Siemens is principal.

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

(5) That in order to prevent waste and protect correlative rights said Wright Well No. 1 should be plugged and abandoned in accordance with a program approved by the Santa Fe District Office of the New Mexico Oil Conservation Division on or before

June 15, 1978, or the well should be returned to active drilling status or placed on production.

IT IS THEREFORE ORDERED:

(1) That Peter Siemens ~~and Fidelity & Casualty Co. of New~~
^{York} ~~are~~ hereby ordered to plug and abandon the Wright Well
No. 1, located in Unit F of Section 12, Township 10 North,
Range 5 East, NMPM, Bernalillo 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 15
19 78.

(2) That Peter Siemens ~~and Fidelity & Casualty Co. of New~~
~~York~~, prior to plugging and abandoning the above-described well,
shall obtain from the Santa Fe office of the Division, a Division-
approved program for said plugging and abandoning, and shall
notify said Santa Fe 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 DIVISION

Joe D. Ramey ~~Done~~
Director