

# EXPLORATION FUNDS

INCORPORATED

2929 BUFFALO SPEEDWAY

HOUSTON, TEXAS 77006

September 23, 1970

622-3149

CA 5-0663


Mr. John Hammond  
2330 Field  
San Angelo, Texas 76901

Dear Mr. Hammond:

As of this date all previous agreements and arrangements have been terminated. A stop payment order has been re-issued for check #10402 and it is our contention that not only do we not owe you any amount whatsoever, but we have a legitimate claim against you for an amount sufficient to indemnify us against loss due to the 1-A State Well being junked as well as all expenses incurred due to your persistent renigging of previously made agreements.

I might add that we are seriously considering bringing suit.

Yours very truly,

A handwritten signature in cursive script, appearing to read "James Elrod".

James Elrod

dab

CC: Mr. Greg Gossett  
Wilson, Logan, Lear & Massey



# OIL CONSERVATION COMMISSION

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

GOVERNOR  
BRUCE KING  
CHAIRMAN

LAND COMMISSIONER  
ALEX J. ARMijo  
MEMBER

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

February 11, 1972

Clerk of the District Court  
Sixth Judicial District  
Silver City, New Mexico

Gentlemen:

Please send us six blank summonses for the  
County of Hidalgo.

Thank you.

Yours very truly,

GEORGE M. HATCH  
Attorney

GMH/dr

February 14, 1972

Dear Mr. Hatch:

Enclosed are summons which may be used for any county within the Sixth Judicial District. However, in filing a case in Hidalgo County, it should be mailed to the District Court Clerk, Hidalgo County Courthouse, Lordsburg, New Mexico 88045.

Sincerely,

  
District Court Clerk,  
Grant County

OIL CONSERVATION COMMISSION

P. O. BOX 2088

SANTA FE, NEW MEXICO 87501

March 21, 1972

C  
O  
P  
Y

Clerk of the District Court  
Hidalgo County Courthouse  
Lordsburg, New Mexico 88045

Dear Madam:

Enclosed please find the original Complaint in the case of the Oil Conservation Commission of New Mexico vs. Northwestern National Insurance Company of Milwaukee, Wisconsin, which we would like to file in your Court. Also enclosed are four Summonses in this case which we would appreciate your returning to us after placing the Court seal on each.

We would appreciate your advising us of the date on which the Complaint is filed with the Court.

Very truly yours,

GEORGE M. HATCH  
Oil Conservation Commission  
Assistant Attorney General

GMH/esr  
Enclosures

OIL CONSERVATION COMMISSION

P. O. BOX 2088

SANTA FE, NEW MEXICO 87501

March 21, 1972

C  
O  
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Y

Clerk of the District Court  
Hidalgo County Courthouse  
Lordsburg, New Mexico 88045

Dear Madam:

Enclosed please find the original Complaint in the case of the Oil Conservation Commission of New Mexico vs. Northwestern National Insurance Company of Milwaukee, Wisconsin, which we would like to file in your Court. Also enclosed are four Summonses in this case which we would appreciate your returning to us after placing the Court seal on each.

We would appreciate your advising us of the date on which the Complaint is filed with the Court.

Very truly yours,

GEORGE M. HATCH  
Oil Conservation Commission  
Assistant Attorney General

GMH/esr  
Enclosures

OIL CONSERVATION COMMISSION

P. O. BOX 2088

SANTA FE, NEW MEXICO 87501

March 28, 1972

C  
O  
P  
Y

Mr. R. F. Apodaca  
Superintendent of Insurance  
P. O. Box 1269  
Santa Fe, New Mexico 87501

Dear Mr. Apodaca:

Attached please find two copies of the complaint filed in Hidalgo County, Cause No. 3130, Oil Conservation Commission of New Mexico vs. Northwestern National Insurance Company of Milwaukee, Wisconsin, and two summonses issued in said cause which is being served upon you in your official capacity in compliance with Section 58-5-8, New Mexico Statutes Annotated, 1953 Compilation.

Please forward the process by registered mail to the Secretary of Northwestern National Insurance Company of Milwaukee, Wisconsin, whose address is: 731 N. Jackson Street.

DAVID L. NORVELL, Attorney General  
of the State of New Mexico

5/3-29-72  
GEORGE M. HATCH

Special Assistant Attorney General  
representing the Oil Conservation  
Commission of New Mexico  
P. O. Box 2088, Santa Fe, New Mexico

GMH/dr

OIL CONSERVATION COMMISSION

P. O. BOX 2088

SANTA FE, NEW MEXICO 87501

March 28, 1972

C  
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Y  
  
Sheriff of Bernalillo County  
County Courthouse  
Albuquerque, New Mexico

Dear Sir:

Enclosed please find a copy of the complaint filed in Hidalgo County, Cause No. 3130, Oil Conservation Commission of New Mexico vs. Northwestern National Insurance Company of Milwaukee, Wisconsin, and two summonses issued in said cause. Please cause to be served upon Mr. W. W. Turbett, Agent, 503 Sims Building, 203 4th Street, Albuquerque, New Mexico, one summons with the copy of the complaint attached and make your return on the other summons.

DAVID L. NORVELL, Attorney General  
of the State of New Mexico

5/3-28-72  
\_\_\_\_\_  
GEORGE M. HATCH  
Special Assistant Attorney General  
representing the Oil Conservation  
Commission of New Mexico  
P. O. Box 2088, Santa Fe, New Mexico

GMH/dr

OIL CONSERVATION COMMISSION

P. O. BOX 2088

SANTA FE, NEW MEXICO 87501

March 30, 1972

C  
O  
P  
Y

District Court Clerk  
Hidalgo County Courthouse  
Lordsburg, New Mexico 88045

Dear Sir:

Please find enclosed a return of service made by Barbara Diana Richardson to be filed in Hidalgo County, Cause No. 3130, Oil Conservation Commission vs. Northwestern National Insurance Company of Milwaukee, Wisconsin.

DAVID L. NORVELL, Attorney General  
of the State of New Mexico

5/3-30-72

GEORGE M. HATCH  
Special Assistant Attorney General  
representing the Oil Conservation  
Commission of New Mexico  
P. O. Box 2088, Santa Fe, New Mexico

GMH/dr

**OIL CONSERVATION COMMISSION**

**P. O. BOX 2088**

**SANTA FE, NEW MEXICO 87501**

April 4, 1972

Mr. Vance Mauney  
Botts, Botts & Mauney  
Suite 520, Simms Building  
Albuquerque, New Mexico 87101

Dear Mr. Mauney:

Enclosed please find a copy of the complaint filed in Hidalgo County, Cause No. 3130, Oil Conservation Commission vs. Northwestern National Insurance Company of Milwaukee, Wisconsin. Please accept my apology for not mailing this to you earlier. The complaint was filed March 24, 1972.

Yours very truly,

GEORGE M. HATCH  
Attorney

GMH/dr

C  
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Y

OIL CONSERVATION COMMISSION

P. O. BOX 2088

SANTA FE, NEW MEXICO 87501

April 14, 1972

C  
O  
P  
Y

Mr. Vance Mauney  
Botts, Botts & Mauney  
Attorneys at Law  
Suite 520 Simms Building  
Albuquerque, New Mexico 87101

Re: Oil Conservation Commission vs.  
Northwestern National Insurance Co.,  
Hidalgo County No. 3130

Dear Mr. Mauney:

In response to your letter of April 10, 1972, requesting a short extension of time in which to file an answer if necessary, I wish to inform you that I will not object to such. As a great deal of time has elapsed since this matter was first brought up, I would request that no more delay than absolutely necessary be taken.

Very truly yours,

GEORGE M. HATCH  
Attorney

GMH/dr

C. M. BOTTS (1881-1963)

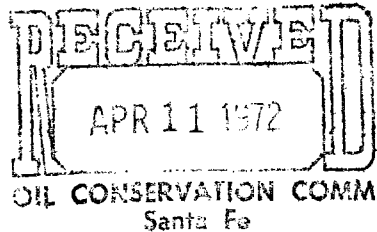
ROBERT W. BOTTS  
VANCE MAUNEY  
GERALD R. COLE

JEFF BINGAMAN

BOTTS, BOTTS & MAUNEY  
ATTORNEYS AT LAW  
SUITE 520 SIMMS BUILDING  
ALBUQUERQUE, NEW MEXICO 87101

TELEPHONE  
247-4137  
AREA CODE 505

April 10, 1972



George M. Hatch, Esq.  
P. O. Box 2088  
Santa Fe, New Mexico 87501

Dear Mr. Hatch:

RE: OCC v. Northwestern National Insurance  
Company, Hidalgo County No. 3130

Thank you for your letter dated April 4, 1972.

We had received a copy of the Summons and Complaint from our client and in view of this situation, have notified Mr. Norman R. Jones that we are now unable to continue to work as intermediary between him and the OCC because of our resulting adverse position due to the suit having been filed. We requested that he contact you directly regarding any plan to reopen the hearing or to obtain an amendment to the Commission's ruling on plugging the well in question.

We are still hoping that Mr. Jones will take aggressive, affirmative action to effect such a conclusion without the necessity of suit being carried to final judgment.

In the meantime, we will want to file a Third-Party Complaint over against Mr. Jones by way of indemnification on the plugging bond and respectfully request your permitting us a short extension of time to file the answer in the event that it is necessary in order to file a Third-Party Summons and Complaint prior to the answer to avoid a hearing on the propriety thereof.

At the moment, we are not certain that an extension is

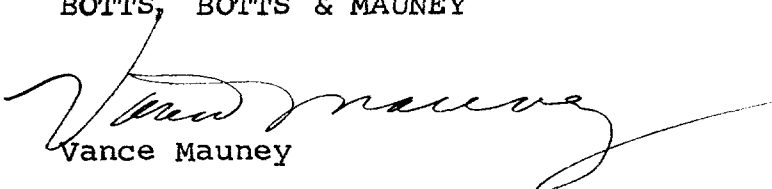
George M. Hatch, Esq.  
April 10, 1972

page 2

necessary but will do advise you, and request an  
appropriate extension of time when required.

Very truly yours,

BOTTS, BOTTS & MAUNEY



Vance Mauney

VM:ar

cc: Northwestern National Insurance Group

# SUMMONS

IN THE DISTRICT COURT OF THE SIXTH JUDICIAL DISTRICT  
STATE OF NEW MEXICO, COUNTY OF HIDALGO

RECEIVED

MAR 27 1972

CONSERVATION COMM.

OIL CONSERVATION COMMISSION  
OF NEW MEXICO,

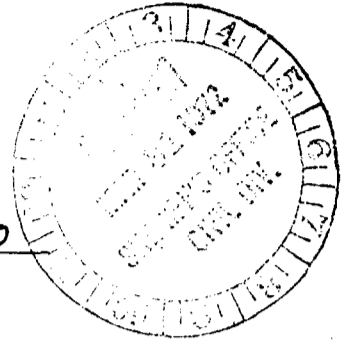
Plaintiff,

vs.

NORTHWESTERN NATIONAL INSURANCE  
COMPANY OF MILWAUKEE, WISCONSIN,

Defendant.

No. 3130



THE STATE OF NEW MEXICO

TO: Northwestern National Insurance Company of Milwaukee, Defendant,

GREETING:

You are hereby directed to serve a pleading or motion in response to the complaint within 30 days after service of this summons, and file the same, all as provided by law.

You are notified that, unless you so serve and file a responsive pleading or motion, the plaintiff will apply to the Court for the relief demanded in the complaint.

Attorney or Attorneys for Plaintiff:

George M. Hatch, Special Assistant Attorney General

Address of Attorneys for Plaintiff (or of Plaintiff, if no attorney):

P. O. Box 2088, Santa Fe, New Mexico 87501

WITNESS, the Honorable NORMAN HODGES, District Judge of the Sixth Judicial District Court of the State of New Mexico, and the Seal of the District Court of Hidalgo County, this 24 day of March,  
A. D., 19772.

[Signature], Clerk  
By \_\_\_\_\_, Deputy

## NEW MEXICO SHERIFF'S RETURN

STATE OF NEW MEXICO

County of \_\_\_\_\_ ss.

This summons came to hand \_\_\_\_\_ 197\_\_\_\_, and was served by me in \_\_\_\_\_ County, New Mexico, on this \_\_\_\_\_ day of \_\_\_\_\_, 197\_\_\_\_, by then and there delivering to the within named \_\_\_\_\_ in person a true copy of this writ, together with a copy of the complaint filed herein.

Service and Return: \$ \_\_\_\_\_ By \_\_\_\_\_, Sheriff  
By \_\_\_\_\_, Deputy

## TO BE FILLED IN WHEN SERVED BY PERSONS OTHER THAN NEW MEXICO SHERIFF AFFIDAVIT OF SERVICE

STATE OF NEW MEXICO

County of \_\_\_\_\_ ss.

\_\_\_\_\_, being duly sworn upon his oath says, I am over the age of eighteen years and not a party to the above action. I served the within summons by delivering a copy thereof, with copy of complaint attached, in the County aforesaid, in person to \_\_\_\_\_ on the \_\_\_\_\_ day of \_\_\_\_\_, 197\_\_\_\_.

Subscribed and sworn to before me this \_\_\_\_\_ day of \_\_\_\_\_, 197\_\_\_\_.

My Commission expires:

Notary Public

Fee: \$ \_\_\_\_\_

NEW MEXICO SHERIFF'S RETURN

(When service is made on defendant by leaving copy at usual place of abode.)

STATE OF NEW MEXICO }  
County of \_\_\_\_\_ } ss.

I, \_\_\_\_\_ Sheriff of \_\_\_\_\_ County, State of New Mexico, do hereby certify, that I served the within summons on the \_\_\_\_\_ day of \_\_\_\_\_, 197\_\_\_\_ by delivering a copy thereof, with copy of complaint attached, in the county aforesaid, to \_\_\_\_\_ a person over fifteen years of age, residing at the usual place of abode of defendant \_\_\_\_\_ who at time of such service was absent therefrom.

Fees: \$ \_\_\_\_\_, Sheriff  
By: \_\_\_\_\_, Deputy

AFFIDAVIT OF SERVICE

(Return when service is made on defendant by other than New Mexico Sheriff by serving someone residing at usual place of abode of defendant who is then absent.)

STATE OF NEW MEXICO, }  
County of \_\_\_\_\_ } ss.

\_\_\_\_\_ being duly sworn, upon his oath says, I am over the age of eighteen years and not a party to the above action. I served the within summons on the \_\_\_\_\_ day of \_\_\_\_\_, 197\_\_\_\_ by delivering a copy thereof, with copy of complaint attached, in the county aforesaid to \_\_\_\_\_ a person over fifteen years of age, residing at the usual place of abode of defendant \_\_\_\_\_ who at the time of such service was absent therefrom.

Fees: \$ \_\_\_\_\_

Subscribed and sworn to before me this \_\_\_\_\_ day of \_\_\_\_\_, 197\_\_\_\_

My commission expires:

\_\_\_\_\_  
Notary Public

(If service is made by posting on defendant's premises or by reading, the attorney should prepare appropriate Return of Summons.)

STATE OF NEW MEXICO

IN THE DISTRICT COURT

COUNTY OF BERNALILLO

*San Antonio PC -*

No. 3130

Plaintiffs *Civil Conservation Commission of N.M.*

vs.

Defendants. *Wichita Western Nat'l Ins. Co.*  
*of Milwaukee - Wisconsin.*

*W.W. Turbett*

*agent - 503 - Sumner Bldg.*

SHERIFF'S RETURN OF SERVICE

I, *John Riegler* a duly qualified and acting *Deputy Sheriff*  
in and for the County and State aforesaid, hereby certify that

I received a *Summons + Complaint* in the above entitled matter on the

*31* day of *March*, 19*72*, and that I served the same on the *31*

day of *March*, 19*72*, by delivering to

*W.W. Turbett Agent.*

*acc. by C.E. Marlin - Sect.*

*503 Sumner Bldg.*

*H.L. 174000000 - NEW MEXICO*

in person, within the County and State aforesaid, a true copy of the said *Summons + Complaint*

to which was attached a true and correct copy of the complaint on file in the within entitled action.

Dated this *31* day of *March*, 19*72*.

*Red Dow* SHERIFF

By *John Riegler*  
Deputy

*7.11.1972*

*503 - 1720*

# SUMMONS

IN THE DISTRICT COURT OF THE SIXTH JUDICIAL DISTRICT  
STATE OF NEW MEXICO, COUNTY OF HIDALGO

OIL CONSERVATION COMMISSION  
OF NEW MEXICO,

Plaintiff,

vs.

NORTHWESTERN NATIONAL INSURANCE  
COMPANY OF MILWAUKEE, WISCONSIN,

Defendant.

No. 3130

THE STATE OF NEW MEXICO

TO: Northwestern National Insurance Company of Milwaukee, Defendant \_\_\_\_\_,

GREETING:

You are hereby directed to serve a pleading or motion in response to the complaint within 30 days after service of this summons, and file the same, all as provided by law.

You are notified that, unless you so serve and file a responsive pleading or motion, the plaintiff will apply to the Court for the relief demanded in the complaint.

Attorney or Attorneys for Plaintiff:

George M. Hatch, Special Assistant Attorney General

Address of Attorneys for Plaintiff (or of Plaintiff, if no attorney):

P. O. Box 2088, Santa Fe, New Mexico 87501

WITNESS, the Honorable NORMAN HODGES, District Judge of the Sixth Judicial District Court of the State of New Mexico, and the Seal of the District Court of Hidalgo County, this 24 day of March A. D., 197 2.

Petra R. Estrada

Clerk

By \_\_\_\_\_, Deputy

## NEW MEXICO SHERIFF'S RETURN

STATE OF NEW MEXICO }  
County of Santa Fe } ss.

This summons came to hand \_\_\_\_\_ 197\_\_\_\_, and was served by me in \_\_\_\_\_ County, New Mexico, on this \_\_\_\_\_ day of \_\_\_\_\_, 197\_\_\_\_, by then and there delivering to the within named \_\_\_\_\_ in person a true copy of this writ, together with a copy of the complaint filed herein.

Service and Return: \$ \_\_\_\_\_ By \_\_\_\_\_, Sheriff  
By \_\_\_\_\_, Deputy

## TO BE FILLED IN WHEN SERVED BY PERSONS OTHER THAN NEW MEXICO SHERIFF AFFIDAVIT OF SERVICE

STATE OF NEW MEXICO }  
County of Santa Fe } ss.

Barbara Diana Richardson, being duly sworn upon his oath says, I am over the age of eighteen years and not a party to the above action. I served the within summons by delivering a copy thereof, with copy of complaint attached, in the County aforesaid, in person to R.F. Apodaca, Supt of Ins. on the 30th day of March, 197 2.

Barbara Diana Richardson

Subscribed and sworn to before me this 30th day of March, 197 2.

My Commission expires:

May 7, 1974

George M. Hatch  
Notary Public

Fee: \$ \_\_\_\_\_

NEW MEXICO SHERIFF'S RETURN

(When service is made on defendant by leaving copy at usual place of abode.)

STATE OF NEW MEXICO }  
County of \_\_\_\_\_ } ss.

I, \_\_\_\_\_ Sheriff of \_\_\_\_\_ County, State of New Mexico, do hereby certify, that I served the within summons on the \_\_\_\_\_ day of \_\_\_\_\_, 197\_\_\_\_ by delivering a copy thereof, with copy of complaint attached, in the county aforesaid, to \_\_\_\_\_ a person over fifteen years of age, residing at the usual place of abode of defendant \_\_\_\_\_ who at time of such service was absent therefrom.

Fees: \$ \_\_\_\_\_, Sheriff  
By: \_\_\_\_\_, Deputy

AFFIDAVIT OF SERVICE

(Return when service is made on defendant by other than New Mexico Sheriff by serving someone residing at usual place of abode of defendant who is then absent.)

STATE OF NEW MEXICO, }  
County of \_\_\_\_\_ } ss.

\_\_\_\_\_ being duly sworn, upon his oath says, I am over the age of eighteen years and not a party to the above action. I served the within summons on the \_\_\_\_\_ day of \_\_\_\_\_, 197\_\_\_\_ by delivering a copy thereof, with copy of complaint attached, in the county aforesaid to \_\_\_\_\_ a person over fifteen years of age, residing at the usual place of abode of defendant \_\_\_\_\_ who at the time of such service was absent therefrom.

Fees: \$ \_\_\_\_\_

Subscribed and sworn to before me this \_\_\_\_\_ day of \_\_\_\_\_, 197\_\_\_\_

My commission expires:

\_\_\_\_\_  
Notary Public

(If service is made by posting on defendant's premises or by reading, the attorney should prepare appropriate Return of Summons.)



OIL CONSERVATION COMMISSION

P. O. BOX 2088

SANTA FE, NEW MEXICO 87501

RECEIVED

MAR 21 1972

CONSERVATION COMM.

March 21, 1972

C  
O  
P  
Y

Clerk of the District Court  
Hidalgo County Courthouse  
Lordsburg, New Mexico 88045

Dear Madam:

Enclosed please find the original Complaint in the case of the Oil Conservation Commission of New Mexico vs. Northwestern National Insurance Company of Milwaukee, Wisconsin, which we would like to file in your Court. Also enclosed are four Summonses in this case which we would appreciate your returning to us after placing the Court seal on each.

We would appreciate your advising us of the date on which the Complaint is filed with the Court.

Very truly yours,

GEORGE M. HATCH  
Oil Conservation Commission  
Assistant Attorney General

GMH/esr  
Enclosures

*See enclosure for  
date Complaint filed*

*March 21 1972*

IN THE DISTRICT COURT OF HIDALGO COUNTY  
STATE OF NEW MEXICO

OIL CONSERVATION COMMISSION )  
OF NEW MEXICO, )  
 )  
Plaintiff, )  
 )  
vs. )  
 )  
NORTHWESTERN NATIONAL INSURANCE )  
COMPANY OF MILWAUKEE, WISCONSIN, )  
 )  
Defendant. )

No. 3130

COMPLAINT

Plaintiff, for its claim for relief, states:

1. That the Oil Conservation Commission of New Mexico is a duly organized agency of the State of New Mexico, and that the defendant is a corporation duly incorporated under the laws of the State of Wisconsin and licensed to do business in the State of New Mexico.

2. That on December 16, 1969, Norman R. Jones, an individual, as principal, and defendant, Northwestern National Insurance Company of Milwaukee, Wisconsin, as surety, became bound, jointly and severally, on a \$10,000 blanket bond to the State of New Mexico for the use and benefit of, inter alia, the plaintiff, Oil Conservation Commission of New Mexico; a copy of said bond is attached hereto as Exhibit "A" and incorporated herein by reference.

3. That the principal and surety on said bond were bound to remain liable thereon, jointly and severally, in the amount of \$10,000 until such time as all wells

theretofore owned and/or drilled and thereafter drilled, acquired and/or operated by the principal in the State of New Mexico, shall have been plugged in accordance with the rules, regulations, and orders of the plaintiff.

4. That the principal on said bond drilled or caused to be drilled on or about December 12, 1969, a well to prospect for and produce oil or gas in Hidalgo County, New Mexico.

5. That said well has been abandoned.

6. That plaintiff has by Orders Nos. R-4104 and R-4104-A prescribed a plugging program for the above-described well in accordance with its rules and regulations; copies of said orders are attached hereto as Exhibits "B" and "C" and incorporated herein by reference.

7. That on or about March 23, 1971, plaintiff made demand on defendant to plug the well in accordance with said orders, as shown on copy of letter attached hereto as Exhibit "D" and incorporated herein by reference.

8. That on or about February 8, 1972, plaintiff renewed its demand on defendant to plug the well in accordance with said orders or to pay to the State of New Mexico for the benefit of plaintiff the sum of \$10,000, as shown on copy of letter attached hereto as Exhibit "E" and incorporated herein by reference.

9. That the above-described well has not been plugged in accordance with said orders, nor has the sum of \$10,000 been paid to the State of New Mexico.

10. That defendant, though said demand to do so has been made, has neglected, failed, and refused to plug the well

in accordance with said order and the time for its performance has passed.

11. That defendant, though said demand to do so has been made, has neglected, failed, and refused to pay to the State of New Mexico the sum of \$10,000 and the time for performance has passed.

12. That, inasmuch as specific compliance with the prescribed plugging program is necessary to prevent the waste of crude petroleum oil, or natural gas, protect against contamination of fresh water supplies, and to otherwise preserve the natural resources of this state, damages are an inadequate remedy.

13. That irreparable harm, damage, and injury will occur to the State of New Mexico and to the crude petroleum oil, or natural gas, or fresh water supplies, or other natural resources of New Mexico, if the defendant is not ordered to plug the well.

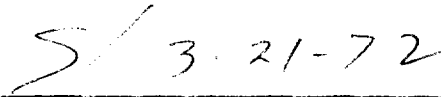
WHEREFORE, plaintiff prays:

1. That a mandatory injunction issue ordering the defendant to plug said well in accordance with the plugging program prescribed by the plaintiff's order.

2. That plaintiff receive judgment against the defendant in the sum of \$10,000, with interest from March 23, 1971.

3. That the plaintiff receive such other additional relief as may seem just and equitable to the court.

DAVID L. NORVELL, Attorney General  
of the State of New Mexico

  
\_\_\_\_\_  
GEORGE M. HATCH  
Special Assistant Attorney General  
representing the Oil Conservation  
Commission of New Mexico  
P. O. Box 2088, Santa Fe, New Mexico

STATE OF NEW MEXICO  
\$10,000.00 BLANKET PLUGGING AND INDEMNITY BOND

BOND NO. S-661423  
(For Use of Surety Company)

(Note: File with Oil Conservation Commission, Santa Fe, New Mexico.)

KNOW ALL MEN BY THESE PRESENTS:

That Norman R. Jones, (an individual) (~~representative of~~) (~~XXXXXX XXXXXX XXXXXX XXXXXX XXXXXX~~), with its principal office in the city of Kansas City, State of Missouri, and authorized to do business in the State of New Mexico), as PRINCIPAL, and Northwestern National Insurance Company of Milwaukee, Wisconsin, a corporation organized and existing under the laws of the State of Wisconsin, and authorized to do business in the State of New Mexico with duly appointed resident agent licensed in the State of New Mexico to execute this bond on behalf of the surety company, as SURETY, are held firmly bound unto the State of New Mexico, for the use and benefit of the Oil Conservation Commission of New Mexico pursuant to Section 65-3-11, New Mexico Statutes Annotated, 1953 Compilation, as amended, and for the use and benefit of purchasers holding purchase contract or deed to State lands, with minerals reserved, their grantees or successors in interest, pursuant to Section 7-11-20, New Mexico Statutes Annotated, 1953 Compilation, as amended, in the sum of Ten Thousand (\$10,000.00) Dollars lawful money of the United States, for the payment of which, well and truly to be made, said PRINCIPAL and SURETY hereby bind themselves, their successors and assigns, jointly and severally, firmly by these presents.

The conditions of this obligation are such that:

WHEREAS, The above principal has heretofore or may hereafter enter into oil and gas leases, or carbon dioxide (CO<sub>2</sub>) gas leases, or helium gas leases with the State of New Mexico; and

WHEREAS, Said leases were entered into by the said principal, subject to the requirements of the provisions of Section 7-11-20, New Mexico Statutes Annotated, 1953 Compilation, as amended; and

WHEREAS, All or part of the lands embraced in said leases have been sold, with minerals reserved to the State of New Mexico, to various purchasers who hold limited patents from the State of New Mexico or State purchase contracts; and

WHEREAS, The above principal, individually, or in association with one or more other parties, has commenced or may commence the drilling of wells to prospect for and produce oil or gas, or carbon dioxide (CO<sub>2</sub>) gas or helium gas, or does own or may acquire, own or operate such wells, or such wells started by others on land embraced in said State oil and gas leases, or carbon dioxide (CO<sub>2</sub>) gas leases, or helium gas leases, and on lands patented by the United States of America to private individuals, and on lands otherwise owned by private individuals, the identification and location of said wells being expressly waived by both principal and surety hereto.

NOW, THEREFORE, If the above bounden principal and surety or either of them or their successors or assigns, or any of them, shall plug all of said wells when dry or when abandoned in accordance with the rules, regulations, and orders of the Oil Conservation Commission of New Mexico in such way as to confine the oil, gas, and water in the strata in which they are found, and to prevent them from escaping into other strata;

AND FURTHER, If the above bounden principal and surety or either of them or their successors or assigns, or any of them, upon demand shall make good and sufficient recompense, satisfaction or payment unto the holders of State purchase contracts or holders of patents for State lands, with minerals reserved to the State, their heirs, executors, administrators, successors and assigns, for all damages to the livestock, range, water, crops, or tangible improvements on such lands as may be suffered by such purchasers or their successors in interest, by reason of such development, use or occupancy of such lands by such lessee or principal, or for such damages as a court of competent jurisdiction may determine and fix in any action brought on this bond;

THEN, THEREFORE, This obligation shall be null and void; otherwise and in default of complete compliance with any and all of said obligations, the same shall remain in full force and effect.

PROVIDED, HOWEVER, That thirty (30) days after receipt by the Oil Conservation Commission of New Mexico of written notice of cancellation from the surety, the obligation of the surety hereunder shall terminate as to property or wells acquired, drilled, or started after said thirty (30) day period but shall continue in effect, notwithstanding said notice, as to property or wells theretofore acquired, drilled, or started.

Signed and sealed this 4th day of December, 19 60.

Exhibit "A"

NORTHWESTERN NATIONAL INSURANCE COMPANY -  
OF MILWAUKEE, WISCONSIN

Norman R. Jones

PRINCIPAL

SURETY

By [Signature]  
Signature Title

By Patricia A. Mortag  
Attorney-in-Fact

(Note: Principal, if corporation, affix corporate seal here.)

(Note: Corporate surety affix corporate seal here.)

(Note: If corporate surety executes this bond by an attorney-in-fact not in New Mexico, the resident New Mexico agent shall countersign here below.)

Countersigned by:

X W. M. [Signature]  
New Mexico Resident Agent

503 Simms Bldg., 203 4th St., Albuquerque, N. M.  
Address

\*\*\*\*\* Acknowledgment Form for Natural Persons \*\*\*\*\*

STATE OF MISSOURI )  
COUNTY OF JACKSON ) ss.

On this 4<sup>th</sup> day of December, 1969, before me personally appeared Norman R. Jones, to me known to be the person (persons) described in and who executed the foregoing instrument and acknowledged that he (they) executed the same as his (their) free act and deed.

IN WITNESS WHEREOF, I have hereunto set my hand and seal on the day and year in this certificate first above written.

My Commission expires 8-11-73 Sarah Katherine Jackson  
Notary Public

\*\*\*\*\* Acknowledgment Form for Corporation \*\*\*\*\*

STATE OF \_\_\_\_\_ )  
COUNTY OF \_\_\_\_\_ ) ss.

On this \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_\_\_\_, before me personally appeared \_\_\_\_\_, to me personally known, who, being by me duly sworn, did say that he is \_\_\_\_\_ of \_\_\_\_\_ and that the foregoing instrument was signed and sealed on behalf of said corporation by authority of its board of directors, and acknowledged said instrument to be the free act and deed of said corporation.

IN WITNESS WHEREOF, I have hereunto set my hand and seal on the day and year in this certificate first above written.

My Commission expires \_\_\_\_\_ Notary Public

\*\*\*\*\* Acknowledgment Form for Corporate Surety \*\*\*\*\*

STATE OF Wisconsin )  
COUNTY OF Milwaukee ) ss.

On this 4th day of December, 1969, before me appeared Patricia A. Mortag to me personally known, who, being by me duly sworn, did say that he is Attorney-in-Fact of Northwestern National Insurance Company of Milwaukee, Wisconsin and that the foregoing instrument was signed and sealed on behalf of said corporation by authority of its board of directors, and acknowledged said instrument to be the free act and deed of said corporation.

IN WITNESS WHEREOF, I have hereunto set my hand and seal on the day and year in this certificate first above written.

My Commission expires 1/14/73 Frank P. Weber  
Notary Public

(Note: Corporate surety attach power of attorney.)

APPROVED BY:

[Signature]  
Commissioner of Public Lands

APPROVED BY:

OIL CONSERVATION COMMISSION OF NEW MEXICO

By A. G. Carter



NORTHWESTERN NATIONAL INSURANCE COMPANY

OF MILWAUKEE, WISCONSIN

A STOCK COMPANY

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS, That NORTHWESTERN NATIONAL INSURANCE COMPANY OF MILWAUKEE, WISCONSIN, a Wisconsin corporation, does hereby make, constitute and appoint

-----Patricia A. Mortag, of Milwaukee, Wisconsin-----

its true and lawful Attorney(s)-in-Fact, with full power and authority for and on behalf of the company as surety, to execute and deliver and affix the seal of the company thereto if a seal is required, bonds, undertakings, recognizances or other written obligations in the nature thereof, as follows:

-----Any and all bonds, undertakings, recognizances or  
other written obligations in the nature thereof-----

and to bind NORTHWESTERN NATIONAL INSURANCE COMPANY OF MILWAUKEE, WISCONSIN thereby, and all of the acts of said Attorneys-in-Fact, pursuant to these presents, are hereby ratified and confirmed. This appointment is made under and by authority of the following provisions of the By-Laws of the company, which are now in full force and effect:

Article II, Section 1. The business and property of the company shall be managed and controlled by the board of directors.

Article III, Section 1. ...The board of directors may appoint additional officers and agents to perform such duties as may be assigned by the board of directors.

This Power of Attorney is signed and sealed by facsimile under and by the authority of the following resolutions adopted by the board of directors of the NORTHWESTERN NATIONAL INSURANCE COMPANY OF MILWAUKEE, WISCONSIN at a meeting duly held on May 14, 1963.

RESOLVED that the president, any vice-president or assistant vice-president, in conjunction with the secretary or any assistant secretary, may appoint attorneys-in-fact or agents with authority as defined or limited in the instrument evidencing the appointment in each case, for and on behalf of the company to execute and deliver and affix the seal of the company to bonds, undertakings, recognizances, and suretyship obligations of all kinds; and said officers may remove any such attorney-in-fact or agent and revoke any power of attorney previously granted to such person.

RESOLVED FURTHER that any bond, undertaking, recognizance, or suretyship obligation shall be valid and binding upon the company

(i) when signed by the president, any vice-president or assistant vice-president, and attested and sealed (if a seal be required) by any secretary or assistant secretary; or

(ii) when signed by the president, any vice-president or assistant vice-president, secretary or assistant secretary, and countersigned and sealed (if a seal be required) by a duly authorized attorney-in-fact or agent; or

(iii) when duly executed and sealed (if a seal be required) by one or more attorneys-in-fact or agents pursuant to and within the limits of the authority evidenced by the power of attorney issued by the company to such person or persons.

RESOLVED FURTHER that the signature of any authorized officer and the seal of the company may be affixed by facsimile to any power of attorney or certification thereof authorizing the execution and delivery of any bond, undertaking, recognizance, or other suretyship obligations of the company; and such signature and seal when so used shall have the same force and effect as though manually affixed.

This Power of Attorney revokes the Power of Attorney issued to Patricia A. Mortag of Milwaukee, Wisconsin dated December 1, 1966 in an unlimited amount

IN WITNESS WHEREOF, NORTHWESTERN NATIONAL INSURANCE COMPANY OF MILWAUKEE, WISCONSIN has caused these presents to be signed by its proper officer, and its corporate seal to be hereunto affixed this 9th day of August 1967.



NORTHWESTERN NATIONAL INSURANCE COMPANY  
OF MILWAUKEE, WISCONSIN

*Kent M. Quantius*  
Vice President  
*Arthur F. Hart*  
Secretary

STATE OF WISCONSIN, COUNTY OF MILWAUKEE--ss

On this 9th day of August A.D., 1967, personally came before me, Kent M. Quantius and Arthur F. Hart, to me known to be the individuals and officers of the NORTHWESTERN NATIONAL INSURANCE COMPANY OF MILWAUKEE, WISCONSIN, who executed the above instrument, and they each acknowledged the execution of the same, and being by me duly sworn, did severally depose and say: that they are the said officers of the corporation aforesaid, and that the seal affixed to the above instrument is the seal of the corporation, and that said corporate seal and their signatures as such officers were duly affixed and subscribed to the said instrument by the authority of the board of directors of said corporation.



*Robert G. Dole, Jr.*  
Notary Public  
My Commission Expires September 29, 1968

STATE OF WISCONSIN, COUNTY OF MILWAUKEE--ss

CERTIFICATE

I, the undersigned, assistant secretary of the NORTHWESTERN NATIONAL INSURANCE COMPANY OF MILWAUKEE, WISCONSIN, a Wisconsin corporation, DO HEREBY CERTIFY that the foregoing and attached Power of Attorney remains in full force and has not been revoked; and furthermore, that the provisions of the By-Laws of the company and the Resolutions of the board of directors set forth in the Power of Attorney, are now in force.

Signed and sealed at the City of Milwaukee this 4th day of December, 1969

11105



*G.B. Phillips*  
Assistant Secretary  
G.B. Phillips

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 NORMAN R. JONES AND ALL OTHER INTERESTED PERSONS TO APPEAR AND SHOW CAUSE WHY HIS STATE A WELL NO. 1 LOCATED IN THE NE/4 SE/4 OF SECTION 16, TOWNSHIP 30 SOUTH, RANGE 14 WEST, NMPM, HIDALGO COUNTY, NEW MEXICO, SHOULD NOT BE PLUGGED AND ABANDONED IN ACCORDANCE WITH A COMMISSION-APPROVED PLUGGING PROGRAM.

CASE No. 4492  
Order No. R-4104

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on February 3, 1971, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 17th day of February, 1971, 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 Norman R. Jones is the owner and operator of the Norman R. Jones State A Well No. 1, located in the NE/4 SE/4 of Section 16, Township 30 South, Range 14 West, NMPM, Hidalgo County, New Mexico.

(3) That the Norman R. Jones State A Well No. 1 has been abandoned and should be plugged in order to confine permanently all oil, gas, and/or water in the separate strata originally containing them in order to prevent waste and protect correlative rights.

IT IS THEREFORE ORDERED:

(1) That Norman R. Jones is hereby ordered to plug the Norman R. Jones State A Well No. 1, located in the NE/4 SE/4 of

Exhibit "B"

-2-

CASE No. 4492

Order No. R-4104

Section 16, Township 30 South, Range 14 West, NMPM, Hidalgo County, New Mexico, in accordance with the following minimum plugging program:

1. Pull seven-inch casing.
2. Clean out hole to at least 2450 feet.
3. Set a 25-sack cement plug at 2450 feet.
4. Set a 50-sack cement plug at 1300 feet.
5. Set a 35-sack cement plug at 350 feet.
6. Set a 5-sack cement plug at the surface.
7. Fill the intervals between plugs with mud weighing not less than 10 pounds per gallon.
8. Set in the surface plug a regulation steel marker not less than 4 inches in diameter and extending at least 4 feet above mean ground level.

(2) That Norman R. Jones shall complete plugging operations on the above-described well on or before March 15, 1971, and shall notify the District Supervisor, District 2, Oil Conservation Commission, Drawer DD, Mesita, New Mexico, of the exact date and time plugging operations are to commence.

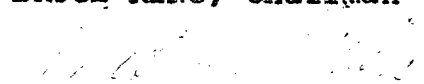
(3) That any deviation from the above plugging program shall be permitted only upon a showing of good cause therefor and with the written consent of the Secretary-Director of the Commission.

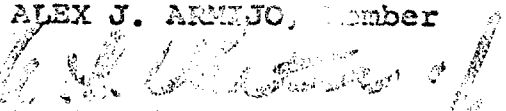
(4) That jurisdiction of this cause is retained for the entry of such other orders as the Commission may deem necessary.

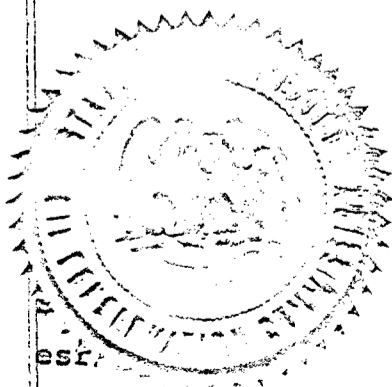
DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO  
OIL CONSERVATION COMMISSION

  
BRUCE KING, Chairman

  
ALEX J. ARREJO, Member

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



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 NORMAN R. JONES AND ALL OTHER INTERESTED PERSONS TO APPEAR AND SHOW CAUSE WHY HIS STATE A WELL NO. 1 LOCATED IN THE NE/4 SE/4 OF SECTION 16, TOWNSHIP 30 SOUTH, RANGE 14 WEST, NMPM, HIDALGO COUNTY, NEW MEXICO, SHOULD NOT BE PLUGGED AND ABANDONED IN ACCORDANCE WITH A COMMISSION-APPROVED PLUGGING PROGRAM.

CASE No. 4492  
Order No. R-4104-A

NUNC PRO TUNC ORDER

BY THE COMMISSION:

It appearing to the Commission that due to clerical error, Order No. R-4104, dated February 17, 1971, does not correctly state the intended order of the Commission in one particular,

IT IS THEREFORE ORDERED:

(1) That Item 6 in Order (1) of Order No. R-4104, dated February 17, 1971, is hereby corrected to read as follows:

"6. Set a 20-sack cement plug at the surface."

rather than:

"6. Set a 5-sack cement plug at the surface."

(2) That the correction set forth above be entered nunc pro tunc as of February 17, 1971.

DONE at Santa Fe, New Mexico, on this 2nd day of March, 1971.

STATE OF NEW MEXICO  
OIL CONSERVATION COMMISSION

*Bruce King*  
BRUCE KING, Chairman

*Alex J. Armijo*  
ALEX J. ARMIJO, Member

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

esr/

Exhibit "C"

OIL CONSERVATION COMMISSION

P. O. BOX 2088

SANTA FE, NEW MEXICO 87501

March 23, 1971

CERTIFIED - RETURN  
RECEIPT REQUESTED

Northwestern National Insurance Company  
c/o Mr. W. W. Turbett, Agent  
503 Simms Building, 203 4th St.  
Albuquerque, New Mexico

Re: Norman R. Jones State A Well No. 1, located in the  
NE/4 SE/4 of Section 16, Township 30 South, Range  
14 West, NMPM, Hidalgo County, New Mexico - North-  
western National Insurance Company of Milwaukee,  
Wisconsin. \$10,000 Blanket Plugging Bond No. S-661423

Gentlemen:

After notice and hearing, Norman R. Jones was ordered, by Orders  
Nos. R-4104 and R-4104-A, to plug the above-described well in accordance  
with a plugging program set forth in said orders on or before March 15,  
1971.

As Mr. Jones has not complied with said order, the New Mexico Oil  
Conservation Commission hereby makes demand upon the Northwestern  
National Insurance Company, as surety on the above-described plugging  
bond, to plug the subject well in accordance with said Orders Nos. R-4104  
and R-4104-A within a reasonable period of time.

Please notify the District Supervisor, District 2, Oil Conserva-  
tion Commission, Drawer DD, Artesia, New Mexico, of the date and time  
plugging operations are to commence so that he may witness same.

Very truly yours,

A. L. PORTER, Jr.  
Secretary-Director

ALP/GMH/dr  
Enclosure (Copy of  
Orders Nos. R-4104 and R-4104-A)

cc: Mr. Norman R. Jones  
c/o Oil Reports and Gas Services  
P. O. Box 763  
Hobbs, New Mexico 88240

Mr. Bill Gressett  
Supervisor, District 2  
Oil Conservation Commission  
Drawer DD  
Artesia, New Mexico

Northwestern National  
Insurance Company  
731 N. Jackson  
Milwaukee, Wisconsin

Exhibit "D"



## OIL CONSERVATION COMMISSION

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

February 8, 1972

GOVERNOR  
BRUCE KING  
CHAIRMAN

LAND COMMISSIONER  
ALEX J. ARMIJO  
MEMBER

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

CERTIFIED - RETURN  
RECEIPT REQUESTED

Mr. Vance Mauney  
Botts, Botts & Mauney  
Suite 520, Simms Building  
Albuquerque, New Mexico 87101

Northwestern National Insurance Company  
c/o Mr. W. W. Turbett, Agent  
503 Simms Building, 203 4th St.  
Albuquerque, New Mexico

Northwestern National Insurance Co.  
Claims Department  
P. O. Box 9370  
Little Rock, Arkansas 72209

Re: Norman R. Jones State A Well No. 1, located in  
the NE/4 SE/4 of Section 16, Township 30 South,  
Range 14 West, NMPM, Hidalgo County, New Mexico  
Northwestern National Insurance Company of  
Milwaukee, Wisconsin, \$10,000 Blanket Plugging  
Bond No. S-661423  
Case No. 4492  
Order Nos. 4104 and 4104-A

Gentlemen:

After notice and hearing, Norman R. Jones was ordered, by  
Orders Nos. R-4104 and R-4104-A, to plug the above-described well  
in accordance with a plugging program set forth in said orders on  
or before March 15, 1971.

Mr. Jones was given notice by publication in accordance with  
the statutory requirements of Section 65-3-6 N.M.S.A., 1953 Comp.  
that Case 4492 would be heard January 13, 1971. On January 13, 1971,

Exhibit "E"

February 8, 1972

Case 4492 was called, as published, by Examiner Daniel S. Nutter and at that time was continued by said Examiner in accordance with Rule 1209 of the Rules and Regulations of the New Mexico Oil Conservation Commission, to February 3, 1971. The Case was heard on February 3, 1971, and as a result of said hearing Orders Nos. R-4104 and R-4104-A issued.

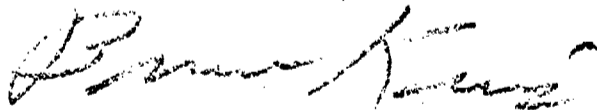
On March 23, 1971, as Mr. Jones had not complied with the orders, demand was made by the New Mexico Oil Conservation Commission by its Secretary-Director that Northwestern National Insurance Company as surety on the above-described plugging bond plug the subject well in accordance with said orders within a reasonable time.

The Commission has cooperated fully with every request made by Northwestern National Insurance Company in this matter and neither Northwestern National Insurance Company nor any other party has complied with the above-described valid orders, though nearly one year has elapsed since demand was first made upon Northwestern National Insurance Company.

The New Mexico Oil Conservation Commission hereby renews its demand upon Northwestern National Insurance Company, as surety on the above-described \$10,000 Blanket Plugging and Indemnity Bond, to plug the subject well in accordance with said Orders Nos. R-4104 and R-4104-A and demands that said plugging be done on or before March 15, 1972, or to pay to the State of New Mexico for the use and benefit of the Oil Conservation Commission the sum of \$10,000 and demands that said sum be paid on or before March 15, 1972.

Please notify the District Supervisor of District 2 of the New Mexico Oil Conservation Commission, prior to commencing plugging operations, of the date and time plugging operations are to commence so that he may witness same.

STATE OF NEW MEXICO  
OIL CONSERVATION COMMISSION

  
BRUCE KING, Chairman

February 8, 1972



*Alex J. Armiijo*  
ALEX J. ARMIJO, Member

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

cc: Mr. Ralph Apodoca  
Superintendent of Insurance  
P. O. Box 1269  
Santa Fe, New Mexico 87501

Mr. Norman R. Jones  
c/o Oil Reports and Gas Services  
P. O. Box 763  
Hobbs, New Mexico 88240

Northwestern National Insurance Company  
731 N. Jackson  
Milwaukee, Wisconsin

Mr. Bill Gressett  
Supervisor, District 2  
Oil Conservation Commission  
Drawer DD  
Artesia, New Mexico

OIL CONSERVATION COMMISSION

P. O. BOX 2088

SANTA FE, NEW MEXICO 87501

March 28, 1972

C  
O  
P  
Y

Sheriff of Bernalillo County  
County Courthouse  
Albuquerque, New Mexico

Dear Sir:

Enclosed please find a copy of the complaint filed in Hidalgo County, Cause No. 3130, Oil Conservation Commission of New Mexico vs. Northwestern National Insurance Company of Milwaukee, Wisconsin, and two summonses issued in said cause. Please cause to be served upon Mr. W. W. Turbett, Agent, 503 Sims Building, 203 4th Street, Albuquerque, New Mexico, one summons with the copy of the complaint attached and make your return on the other summons.

DAVID L. NORVELL, Attorney General  
of the State of New Mexico

S/ 3-28-72  
\_\_\_\_\_  
GEORGE M. HATCH  
Special Assistant Attorney General  
representing the Oil Conservation  
Commission of New Mexico  
P. O. Box 2088, Santa Fe, New Mexico

GMH/dr

OIL CONSERVATION COMMISSION

P. O. BOX 2088

SANTA FE, NEW MEXICO 87501

March 28, 1972

Mr. R. F. Apodaca  
Superintendent of Insurance  
P. O. Box 1269  
Santa Fe, New Mexico 87501

Dear Mr. Apodaca:

Attached please find two copies of the complaint filed in Hidalgo County, Cause No. 3130, Oil Conservation Commission of New Mexico vs. Northwestern National Insurance Company of Milwaukee, Wisconsin, and two summonses issued in said cause which is being served upon you in your official capacity in compliance with Section 58-5-8, New Mexico Statutes Annotated, 1953 Compilation.

Please forward the process by registered mail to the Secretary of Northwestern National Insurance Company of Milwaukee, Wisconsin, whose address is: 731 N. Jackson Street.

DAVID L. NORVELL, Attorney General  
of the State of New Mexico

5/ 3-29-72

GEORGE M. HATCH

Special Assistant Attorney General  
representing the Oil Conservation  
Commission of New Mexico

P. O. Box 2088, Santa Fe, New Mexico

GMH/dr

OIL CONSERVATION COMMISSION

P. O. BOX 2088

SANTA FE, NEW MEXICO 87501

March 30, 1972

C  
O  
P  
Y

District Court Clerk  
Hidalgo County Courthouse  
Lordsburg, New Mexico 88045

Dear Sir:

Please find enclosed a return of service made by Barbara Diana Richardson to be filed in Hidalgo County, Cause No. 3130, Oil Conservation Commission vs. Northwestern National Insurance Company of Milwaukee, Wisconsin.

DAVID L. NORVELL, Attorney General  
of the State of New Mexico

*5/3-3672*

GEORGE M. HATCH  
Special Assistant Attorney General  
representing the Oil Conservation  
Commission of New Mexico  
P. O. Box 2088, Santa Fe, New Mexico

GMH/dr

OIL CONSERVATION COMMISSION

P. O. BOX 2088

SANTA FE, NEW MEXICO 87501

April 4, 1972

C  
O  
P  
Y

Mr. Vance Mauney  
Botts, Botts & Mauney  
Suite 520, Simms Building  
Albuquerque, New Mexico 87101

Dear Mr. Mauney:

Enclosed please find a copy of the complaint filed in Hidalgo County, Cause No. 3130, Oil Conservation Commission vs. Northwestern National Insurance Company of Milwaukee, Wisconsin. Please accept my apology for not mailing this to you earlier. The complaint was filed March 24, 1972.

Yours very truly,

GEORGE M. HATCH  
Attorney

GMH/dr

No. 635867

**RECEIPT FOR CERTIFIED MAIL—20¢**

SENT TO DISTRICT COURT CLERK		POSTMARK OR DATE
STREET AND NO. HIDALGO COUNTY COURTHOUSE		
CITY, STATE, AND ZIP CODE Lordsburg, New Mexico 88045		
<i>If you want a return receipt, check which</i> <input type="checkbox"/> 10¢ shows to whom and when delivered <input type="checkbox"/> 35¢ shows to whom, when, and address where delivered <b>FEEs ADDITIONAL TO 20¢ FEE</b>		
<input type="checkbox"/> 50¢ fee		

POD Form 3800  
July 1963

**NO INSURANCE COVERAGE PROVIDED—  
NOT FOR INTERNATIONAL MAIL**

(See other side)

OIL CONSERVATION COMMISSION

P. O. BOX 2088

SANTA FE, NEW MEXICO 87501

April 10, 1972

C  
C  
P  
Y  
  
District Court Clerk  
Hidalgo County Courthouse  
Lordsburg, New Mexico 88045

Dear Sir:

Please find enclosed a New Mexico Sheriff's Return of service made by John Vigil to be filed in Hidalgo County, Cause No. 3130, Oil Conservation Commission vs. Northwestern National Insurance Company of Milwaukee, Wisconsin.

DAVID L. NORVELL, Attorney General  
of the State of New Mexico

GEORGE M. HATCH  
Special Assistant Attorney General  
representing the Oil Conservation  
Commission of New Mexico  
P. O. Box 2088, Santa Fe, New Mexico

GMH/dr  
enclosure

OIL CONSERVATION COMMISSION

P. O. BOX 2088

SANTA FE, NEW MEXICO 87501

April 14, 1972

C  
O  
P  
Y

Mr. Vance Mauney  
Botts, Botts & Mauney  
Attorneys at Law  
Suite 520 Simms Building  
Albuquerque, New Mexico 87101

Re: Oil Conservation Commission vs.  
Northwestern National Insurance Co.,  
Hidalgo County No. 3130

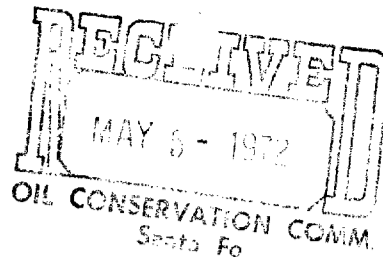
Dear Mr. Mauney:

In response to your letter of April 10, 1972, requesting a short extension of time in which to file an answer if necessary, I wish to inform you that I will not object to such. As a great deal of time has elapsed since this matter was first brought up, I would request that no more delay than absolutely necessary be taken.

Very truly yours,

GEORGE M. HATCH  
Attorney

GMH/dr



STATE OF NEW MEXICO

COUNTY OF HIDALGO

IN THE DISTRICT COURT

OIL CONSERVATION COMMISSION  
OF NEW MEXICO,

Plaintiff,

-vs-

NORTHWESTERN NATIONAL INSURANCE  
COMPANY OF MILWAUKEE, WISCONSIN,

No. 3130

Defendant,

-and-

NORMAN R. JONES,

Third-Party Defendant.

A N S W E R

Answering Complaint, Defendant states:

1. That it admits the allegations of paragraph 1. and that on December 16, 1969 NORMAN R. JONES, an individual as principal and Defendant NORTHWESTERN NATIONAL INSURANCE COMPANY OF MILWAUKEE, WISCONSIN, as surety executed Exhibit "A" attached to Complaint; and the allegations of paragraphs numbered 7, 8 and 11 of Complaint.

2. That they have no information or knowledge upon which to base a belief as to the truth of the averments of paragraphs numbered 4, 5 and 9 of Complaint and they therefore deny the same.

3. That Defendant denies each and every other remaining allegation of Complaint, denying each separate

and apart from all others.

4. Affirmatively pleading, Defendant alleges that the orders of the Plaintiff referred to in Complaint are not lawful orders in that Plaintiff, its agents and employees failed to comply with the provisions of Section 65-3-6 N.M.S.A. 1953 Comp. and therefore did not serve Defendant or the principal on the bond attached to Complaint as Exhibit "A" in the manner prescribed by said section 65-3-6 so that there has been a denial of due process of law specifically prohibited by Article II, Section 18 of the Constitution of the State of New Mexico and the Fourteenth Amendment of the Constitution of the United States.

5. Defendant further alleges that as surety under the terms of Exhibit "A" it is liable to Plaintiff only if wells are not plugged when dry or abandoned in accordance with the rules, regulations and orders of the Oil Conservation Commission of New Mexico in such a way as to confine the oil, gas and water in the strata in which they are found, and to prevent them from escaping into other strata and not otherwise.

6. That the orders of the Plaintiff which Plaintiff alleges non-compliance, are not lawful orders of the Plaintiff since not made in compliance with the provisions of Section 65-3-6 N.M.S.A. 1953 Comp.

WHEREFORE, Defendant prays Complaint be  
dismissed and for costs.

BOTTS, BOTTS & MAUNEY

BY /s/ VANCE MAUNEY  
Attorneys for Defendant  
Suite 520 Sims Building  
Albuquerque, New Mexico 87101

WE HEREBY CERTIFY that a true  
copy of the foregoing pleading  
was mailed to opposing counsel  
of record on this 4th day of  
May, 1972.

BOTTS, BOTTS & MAUNEY

/s/ VANCE MAUNEY

OIL CONSERVATION COMMISSION

P. O. BOX 2088

SANTA FE, NEW MEXICO 87501

August 2, 1972

C  
O  
P  
Y  
  
The Honorable Norman Hodges  
District Judge  
Hidalgo County Courthouse  
Lordsburg, New Mexico

Re: Oil Conservation Commission  
of New Mexico v. Northwestern  
National Insurance Company  
of Milwaukee, Wisconsin,  
Hidalgo County Cause No. 3130

Dear Sir:

I would appreciate the above-described cause being set for hearing some time in September, 1972. Any date other than September 13 or September 27 would be satisfactory. The case should not require more than a couple of hours.

Very truly yours,

GEORGE M. HATCH  
Special Assistant Attorney General  
representing the Oil Conservation  
Commission of New Mexico

GMH/dr

cc: Mr. Vance Mauney

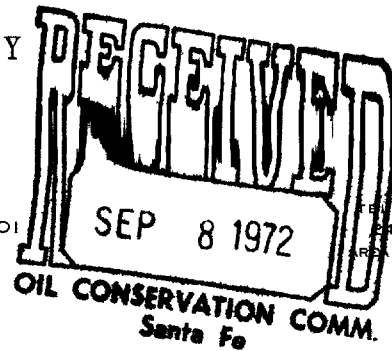
BOTTS, BOTTS & MAUNEY

ATTORNEYS AT LAW

SUITE 520 SIMMS BUILDING  
ALBUQUERQUE, NEW MEXICO 87101

C. W. BOTTS (1881-1883)

ROBERT W. BOTTS  
VANCE MAUNEY  
GERALD R. COLE  
RONALD T. TAYLOR



TELEPHONE  
847-4137  
AREA CODE 505

September 6, 1972

George M. Hatch, Esq.  
Attorney at Law  
Oil Conservation Commission  
P. O. Box 2088  
Santa Fe, New Mexico 87501

Dear Mr. Hatch:

RE: Norman R. Jones, State A Well No. 1,  
located in the NE $\frac{1}{4}$  SE $\frac{1}{4}$  of Section 16  
Township 30 South, Range 14 West,  
N.M.P.M., Hidalgo County, New Mexico  
Northwestern National Insurance Company  
of Milwaukee, Wisconsin, \$10,000 Blanket  
Plugging Bond No. S-661423

In order to avoid the necessity of trial of the above case, we would like to try to settle the case with you for less than the amount sued for. In view of the technical legal defenses raised as well as the factual issues which must be disposed of, we would propose a negotiated settlement in the area of \$5,000.00. We have no authority from our client to pay this amount but wish to get your ideas regarding settlement of the claim.

Apparently, Third-Party Defendant has made no appearance either by counsel or pro se although service was effected on him and we enclose a copy of the Stipulation which has been entered into between Defendant and Third-Party Defendant.

In view of the fact that the case is set for trial on October 13, 1972, we ask that you give us your thoughts regarding settlement as soon as you possibly can.

Very truly yours,  
BOTTS, BOTTS & MAUNEY

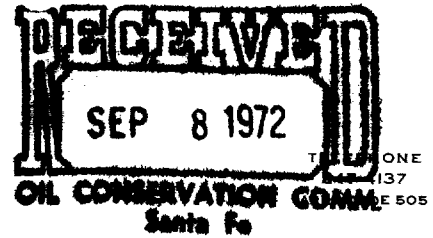
  
Vance Mauney

VM:ar - Enclosure

C. M. BOTTS (1881-1963)

ROBERT W. BOTTS  
VANCE MAUNEY  
GERALD R. COLE  
RONALD T. TAYLOR

BOTTS, BOTTS & MAUNEY  
ATTORNEYS AT LAW  
SUITE 520 SIMMS BUILDING  
ALBUQUERQUE, NEW MEXICO 87101



September 6, 1972

Mrs. Petra Estrada  
Clerk of the District Court  
Hidalgo County Courthouse  
Lordsburg, New Mexico

Dear Madam:

RE: Oil Conservation Commission v.  
Northwestern National Insurance  
Company of Milwaukee, Wisconsin et al  
No. 3130

Herewith enclosed please find Stipulation for filing  
in the above cause.

Very truly yours,

BOTTS, BOTTS & MAUNEY

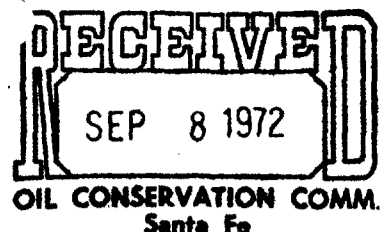
Vance Mauney

VM:ar

Enclosure

cc: Mr. Norman R. Jones  
Mr. George Hatch ✓

C  
O  
P  
Y



STATE OF NEW MEXICO

COUNTY OF HIDALGO

IN THE DISTRICT COURT

OIL CONSERVATION COMMISSION  
OF NEW MEXICO,

Plaintiff,

-vs-

NORTHWESTERN NATIONAL INSURANCE  
COMPANY OF MILWAUKEE, WISCONSIN,

No. 3130

Defendant.

-and-

NORMAN R. JONES,

Third-Party Defendant.

S T I P U L A T I O N

Defendant and Third-Party Defendant do hereby  
stipulate and agree as follows:

1. NORTHWESTERN NATIONAL INSURANCE COMPANY  
OF MILWAUKEE, WISCONSIN, is Defendant in this cause  
and that it issued and wrote Bond No. S-661423 being a  
\$10,000 blanket plugging and indemnity bond on December 4,  
1969, a copy of which bond is attached to Plaintiff's  
Complaint herein filed.

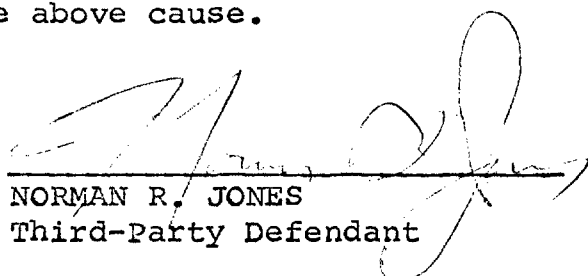
2. In consideration for and as an inducement  
for Defendant having written and issued the said \$10,000  
blanket plugging and indemnity bond referred to in para-  
graph 1. above, Third-Party Defendant, NORMAN R. JONES,  
executed the Application For License, Permit, Internal Revenue  
or Customs Bonds attached to Third-Party Complaint as

Exhibit "B" .

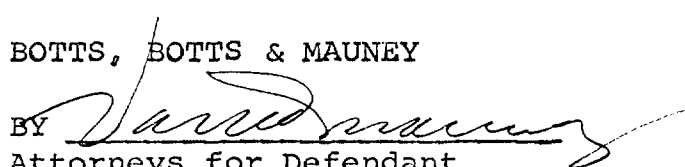
3. Pursuant to the terms of said Exhibit "B" attached to Third-Party Complaint, and relying upon the information stated in said Exhibit "B", Defendant delivered to the State of New Mexico, Oil Conservation Commission, Exhibit "A" attached to Plaintiff's Complaint.

4. That Third-Party Defendant is the NORMAN R. JONES whose signature appears at the end of Exhibit "B" to Third-Party Complaint.

IN WITNESS WHEREOF the parties hereto have executed this Stipulation and agree that it shall be a part of the record in the above cause.

  
NORMAN R. JONES  
Third-Party Defendant

BOTTS, BOTTS & MAUNEY

BY   
Attorneys for Defendant  
Suite 520 Simms Building  
Albuquerque, New Mexico 87101

STATE OF TEXAS )

: ss

COUNTY OF )

The foregoing instrument was acknowledged before me this 16<sup>th</sup> day of August, 1972 by NORMAN R. JONES.

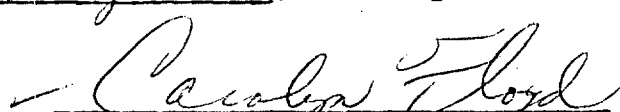
My commission expires:

June 1, 1973

STATE OF NEW MEXICO )

: ss

COUNTY OF BERNALILLO )

  
NOTARY PUBLIC

The foregoing instrument was acknowledged before

me this 28<sup>th</sup> day of August, 1972 by VANCE  
MAUNEY.

Norma Yolande Mattheazzi  
NOTARY PUBLIC

My commission expires:

5-24-73

THIS WILL CERTIFY that a true copy  
hereof was mailed to opposing counsel of  
record on Sept 5 1972.

Mauney

OIL CONSERVATION COMMISSION

P. O. BOX 2088

SANTA FE, NEW MEXICO 87501

September 26, 1972

C  
O  
P  
Y  
  
District Court Clerk  
Hidalgo County Courthouse  
Lordsburg, New Mexico 88045

Dear Sir:

Please find enclosed an affidavit of service  
made by Joe D. Ramey to be filed in Hidalgo County,  
Cause No. 3130, Oil Conservation Commission vs.  
Northwestern National Insurance Company of Milwaukee,  
Wisconsin.

DAVID L. NORVELL, Attorney General  
of the State of New Mexico

GEORGE M. HATCH  
Special Assistant Attorney General  
representing the Oil Conservation  
Commission of New Mexico  
P. O. Box 2088, Santa Fe, New Mexico

GMH/dr

OIL CONSERVATION COMMISSION

P. O. BOX 2088

SANTA FE, NEW MEXICO 87501

September 27, 1972

C  
O  
P  
Y  
  
District Court Clerk  
Hidalgo County Courthouse  
Lordsburg, New Mexico 88045

Dear Sir:

Please find enclosed an affidavit of service  
made by W. A. Gressett to be filed in Hidalgo County,  
Cause No. 3130, Oil Conservation Commission vs.  
Northwestern National Insurance Company of Milwaukee,  
Wisconsin.

DAVID L. NORVELL, Attorney General  
for the State of New Mexico

\_\_\_\_\_  
GEORGE M. HATCH  
Special Assistant Attorney General  
representing the Oil Conservation  
Commission of New Mexico  
P. O. Box 2088, Santa Fe, New Mexico

GMH/dr

OIL CONSERVATION COMMISSION

P. O. BOX 2088

SANTA FE, NEW MEXICO 87501

September 6, 1972

C  
O  
P  
Y  
  
District Court Clerk  
Hidalgo County Courthouse  
Lordsburg, New Mexico 88045

Re: Hidalgo County Cause No. 3130  
Oil Conservation Commission  
vs.  
Northwestern National Insurance  
Company of Milwaukee, Wisconsin

Dear Sir:

Please issue in blank and forward to this office  
sixteen summonses for the above-entitled cause.

Thank you.

Very truly yours,

GEORGE M. HATCH  
Special Assistant Attorney General  
representing the Oil Conservation  
Commission of New Mexico  
P. O. Box 2088, Santa Fe, New Mexico

GMH/dr

OIL CONSERVATION COMMISSION

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

September 6, 1972

C  
O  
P  
Y  
  
District Court Clerk  
Hidalgo County Courthouse  
Lordsburg, New Mexico 88045

Re: Hidalgo County Cause No. 3130  
Oil Conservation Commission  
vs.  
Northwestern National Insurance  
Company of Milwaukee, Wisconsin

Dear Sir:

Please issue in blank and forward to this office  
sixteen summonses for the above-entitled cause.

Thank you.

Very truly yours,

GEORGE M. HATCH  
Special Assistant Attorney General  
representing the Oil Conservation  
Commission of New Mexico  
P. O. Box 2088, Santa Fe, New Mexico

GMH/dr

IN THE DISTRICT COURT OF THE SIXTH JUDICIAL DISTRICT  
STATE OF NEW MEXICO, COUNTY OF HIDALGO

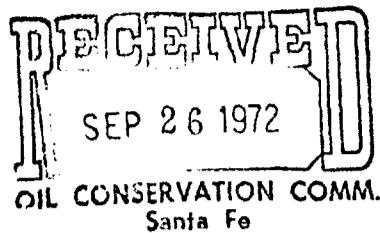
OIL CONSERVATION COMMISSION  
OF NEW MEXICO

Plaintiff\_

vs.

NORTHWESTERN NATIONAL INSURANCE  
COMPANY OF MILWAUKEE, WISCONSIN

Defendant\_



No. 3130

**SUBPOENA**

THE STATE OF NEW MEXICO

To MRS. DONNA HOLLER

HOBBS, NEW MEXICO

, Greeting:

You are hereby commanded to be and appear before the above Court in the courtroom of the courthouse at LORDSBURG, New Mexico, on the 13th day of October, A.D., 1972, at the hour of 1:30 P., then and there to testify in the above case on the part of the Plaintiff and this do you under penalty of the law.

WITNESS, the Honorable NORMAN HODGES, Judge of the Sixth Judicial District Court, and the seal of said Court at \_\_\_\_\_, New Mexico, this \_\_\_\_\_ day of \_\_\_\_\_, A.D. 197\_\_\_\_.

[Signature], Clerk

By \_\_\_\_\_, Deputy

**NEW MEXICO SHERIFF'S RETURN**

STATE OF NEW MEXICO

County of \_\_\_\_\_ } ss.

This subpoena came to hand \_\_\_\_\_ 197\_\_\_\_, and was served by me in \_\_\_\_\_ County, New Mexico, on this \_\_\_\_\_ day of \_\_\_\_\_, 197\_\_\_\_, by then and there delivering to the within named \_\_\_\_\_ in person a true copy of this writ.

Service and Return: \$ \_\_\_\_\_, Sheriff

Mileage: \$ \_\_\_\_\_ By \_\_\_\_\_, Deputy

**TO BE FILLED IN WHEN SERVED BY PERSONS OTHER THAN NEW MEXICO SHERIFF  
AFFIDAVIT OF SERVICE**

STATE OF NEW MEXICO

County of Lea } ss.

Joe D. Ramey, being duly sworn upon his oath says, I am over the age of eighteen years and not a party to the above action. I served this subpoena by delivering a copy thereof, in the County afore-said, in person to Mrs. Donna Holler on the 25th day of September, 1972.

Subscribed and sworn to before me this 25th day of September, 1972.

My Commission expires: 11/18/73

[Signature]  
Notary Public

Fee: \$ \_\_\_\_\_

IN THE DISTRICT COURT OF THE SIXTH JUDICIAL DISTRICT  
STATE OF NEW MEXICO, COUNTY OF HIDALGO

OIL CONSERVATION COMMISSION  
OF NEW MEXICO

Plaintiff\_\_

vs.

NORTHWESTERN NATIONAL INSURANCE  
COMPANY OF MILWAUKEE, WISCONSIN

Defendant\_\_

No. 3130

**SUBPOENA**

THE STATE OF NEW MEXICO

To MR. JOHN B. HAMMOND

ARTESIA, NEW MEXICO

, Greeting:

You are hereby commanded to be and appear before the above Court in the courtroom of the courthouse at Lordsburg, New Mexico, on the 13th day of October, A.D., 1972, at the hour of 1:30 PM., then and there to testify in the above case on the part of the Plaintiff and this do you under penalty of the law.

WITNESS, the Honorable NORMAN HODGES, Judge of the Sixth Judicial District Court, and the seal of said Court at \_\_\_\_\_, New Mexico, this \_\_\_\_\_ day of \_\_\_\_\_, A.D. 197\_\_\_\_.

[Signature], Clerk

By \_\_\_\_\_, Deputy

**NEW MEXICO SHERIFF'S RETURN**

STATE OF NEW MEXICO

County of \_\_\_\_\_

ss.

This subpoena came to hand \_\_\_\_\_ 197\_\_\_\_, and was served by me in \_\_\_\_\_ County, New Mexico, on this \_\_\_\_\_ day of \_\_\_\_\_ 197\_\_\_\_, by then and there delivering to the within named \_\_\_\_\_ in person a true copy of this writ.

Service and Return: \$ \_\_\_\_\_, Sheriff

Mileage: \$ \_\_\_\_\_ By \_\_\_\_\_, Deputy

**TO BE FILLED IN WHEN SERVED BY PERSONS OTHER THAN NEW MEXICO SHERIFF  
AFFIDAVIT OF SERVICE**

STATE OF NEW MEXICO

County of Eddy

ss.

W. A. Gressett, being duly sworn upon his oath says, I am over the age of eighteen years and not a party to the above action. I served this subpoena by delivering a copy thereof, in the County aforesaid, in person to Mr. John B. Hammond on the 26th day of September, 1972.

Subscribed and sworn to before me this 26th day of September, 1972.

My Commission expires: 9/1/76

[Signature]  
Notary Public

Fee: \$ \_\_\_\_\_



## OIL CONSERVATION COMMISSION

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

January 22, 1973

GOVERNOR  
BRUCE KING  
CHAIRMAN

LAND COMMISSIONER  
ALEX J. ARMIJO  
MEMBER

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

Mr. M. T. Everhardt  
Post Office Box 44  
Hachita, New Mexico 88040

Re: Oil Conservation Commission v.  
Northwestern National Insurance  
Company of Milwaukee, Wisconsin;  
Hidalgo County Cause No. 3130

Dear Mr. Everhardt:

This letter will confirm our telephone conversation of today wherein I extended until February 15, 1973, the date for evaluation as a water well the Norman R. Jones State "A" Well No. 1 located in Unit I of Section 16, Township 30 South, Range 14 West, Hidalgo County, New Mexico.

My letter of October 26, 1972, had authorized you to re-enter said well to determine if same could be completed as a water well, and advised that if the well had not been plugged back to the water zone to the Commission's satisfaction by February 1, 1973, the Commission intended to fully pursue Cause 3130, set for hearing in District Court of Hidalgo County at 1:30 p.m., March 2, 1973. It is my understanding that inclement weather and other factors have delayed drilling out to the expected water zone. For this reason the February 1 deadline is hereby extended to February 15, 1973.

Very truly yours,

A. L. PORTER, Jr.  
Secretary-Director

ALP/ir

cc: Norman Hodges - ~~63-11111~~  
District Judge  
Sixth Judicial District  
Post Office Box 390  
Silver City, New Mexico 88061

Mrs. Petra D. Estrada  
District Court Clerk  
Post Office Box 308  
Lordsburg, New Mexico 88045

Mr. Vance Mauney  
Botts, Botts & Mauney  
Simms Building - Suite 520  
Albuquerque, N. M. 87101

OIL CONSERVATION COMMISSION

P. O. BOX 2088

SANTA FE, NEW MEXICO 87501

October 26, 1972

C  
O  
P  
Y  
  
Botts, Botts & Mauney  
Suite 520  
Simms Building  
Albuquerque, New Mexico 87101

Attention: Mr. Vance Mauney

Re: Oil Conservation Commission v.  
Northwestern National Insurance  
Company of Milwaukee, Wisconsin;  
Hidalgo County Cause No. 3130

Dear Mr. Mauney:

Reference is made to your letter of October 17, 1972, to Mr. George M. Hatch, General Counsel for the Oil Conservation Commission, concerning Mr. M. T. Everhardt's plans to evaluate the Norman R. Jones State "A" Well No. 1, in Unit I of Section 16, Township 30 South, Range 14 West, Hidalgo County, New Mexico, as a possible water supply well.

I am replying to your letter inasmuch as we lost Mr. Hatch to his untimely death October 22.

The Oil Conservation Commission has no objection to Mr. Everhardt re-entering the subject well and drilling out such plugs as are necessary to test the potential water sands.

This authority is granted with the understanding that the consent of Northwestern National must also be given, and further, that such re-entry by Mr. Everhardt will in no way diminish the responsibility of the insurance company to secure the adequate plugging and abandonment of the well to the Commission's satisfaction in the event that Mr. Everhardt's attempts are not successful.

If it is determined that the well can be made into a water well, it shall be plugged back to the water zone, in accordance with such program as the Artesia office of the Commission may prescribe, by February 1, 1973.

Mr. Vance Mauney  
-2-

October 26, 1972

In the event that the well has not been plugged back to the water zone to the Commission's satisfaction by February 1, 1973, the Commission intends to fully pursue Cause 3130, which has been reset for hearing in the District Court of Hidalgo County at 1:30 p.m. March 2, 1973.

Very truly yours,

A. L. PORTER, Jr.  
Secretary-Director

ALP/dr

cc: Norman Hodges  
District Judge  
Sixth Judicial District  
P. O. Box 390  
Silver City, New Mexico 88061

Mrs. Petra D. Estrada  
District Court Clerk  
P. O. Box 308  
 Lordsburg, New Mexico 88045

Mr. M. T. Everhardt  
P. O. Box 44  
Bachita, New Mexico 88040

# THE HATCHET RANCH

M. T. Everhart  
HACHITA, N. M. 88040  
Phone 548-2322  
February 12, 1973

Mr. A. L. Porter, Jr, Secretary-Director  
Oil Conservation Commission  
State of New Mexico  
P. O. Box 2083  
Santa Fe, New Mexico 87501

Dear Mr. Porter:

Pursuant to my telephone conversation of this morning with Mr. Nutter, this is written to confirm:

That I have drilled out and tested Norman A. Jones State "A" Well number 1, in unit 1 of Section 16, Township 30 South, Range 14 West, Hidalgo County, New Mexico, under authority granted in your letter of October 26, 1972.

That the water stands at about 350', and could not be baled down below the 380' level, indicating a usable stock well, of good quality water.

That a solid obstruction, or plug, was encountered at 1000X feet.

That I assume full responsibility of precluding seepage at this point, and undertake to place the required thirty sack cement plug directly on the existing 1000' obstruction, as soon as possible.

That I will proceed, as soon as necessary State Land Office approval is secured, to make the necessary installation to put it to use as a stock well.

Very truly yours,

*M. T. Everhart*

M. T. Everhart

County of Grant     )  
                          (  
State of New Mexico)

The forgoing statement was acknowledged before me this 12th day of February, 1973, by M. T. Everhart.

Witness my hand and official seal.

*Lidara L. Samuel*  
Notary public

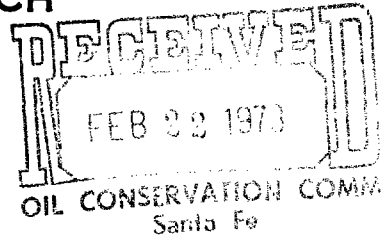
My Commission expires

3-3-73

## THE HATCHET RANCH

M. T. Everhart  
HACHITA, N. M. 88040  
Phone 548-2322

February 19, 1973



Mr. A. L. Porter, Jr., Sectreary-Director  
Oil Conservation Commission  
State of New Mexico  
P. O. Box 2088  
Santa Fe, N. M. 87501

Dear Mr. Porter:

The Norman A. Jones State "A" Well number 1 has now been plugged with thirty sacks of hydroplastic cement placed directly on the 1000' plug, as undertaken in my letter of the 12th.

The work was done February 15-16 by the A. J. Wright Drilling Co. of Hachita, N.M.. I was personally present through a substantial part of the operation, so can state of my own knowledge that it was properly done.

I have much appreciated your patience and consideration throughout the matter.

Very truly yours,

M. T. Everhart

OIL CONSERVATION COMMISSION

P. O. BOX 2088

SANTA FE, NEW MEXICO 87501

February 23, 1973

The Honorable Norman Hodges  
District Judge  
Sixth Judicial District  
P. O. Box 390  
Silver City, New Mexico 88061

Re: Cause No. 3130

Dear Judge Hodges:

This letter is to inform you that the Oil Conservation Commission of New Mexico is satisfied that the Norman R. Jones State "A" Well No. 1, located in Unit I of Section 16, Township 30 South, Range 14 West, Hidalgo County, New Mexico, has been satisfactorily plugged back to the water zone. It is, therefore, the Commission's intention not to pursue Cause 3130 set for hearing in District Court of Hidalgo County at 1:30 p.m., March 2, 1973, and we request that this action be dismissed.

Sincerely,

WILLIAM F. CARR  
Special Assistant Attorney General  
Oil Conservation Commission

WFC/dr

cc: Mrs. Petra D. Estrada  
Clerk of the District Court  
 Lordsburg, New Mexico 88045

Mr. Vance Mauney  
Eotts, Eotts & Mauney  
Albuquerque, New Mexico 87101

Mr. M. T. Everhardt  
Hachita, New Mexico 88040

C  
O  
P  
Y

**OIL CONSERVATION COMMISSION**

**P. O. BOX 2088**

**SANTA FE, NEW MEXICO 87501**

**December 12, 1973**

C  
Vance Mauney, Esq.  
Attorney at Law  
Suite 522, Simms Building  
Albuquerque, New Mexico 87101

O  
Re: Oil Conservation Commission v.  
Northwestern National Insurance  
Company, Hidalgo County No. 3130

Dear Mr. Mauney:

P  
Mr. William F. Carr, attorney for the Oil Conservation Commission has referred this case to me for final disposition. Inasmuch as no final order has been issued by the court in this cause and the well has been satisfactorily plugged, the Commission is moving that the case be dismissed in order that we may close our file.

Y  
The original motion to dismiss has been mailed to Judge Norman Hodges. Please indicate your approval of the Order and mail it to Judge Hodges at P.O. Box 390, Silver City, New Mexico 88761. Thank you for your cooperation in this matter.

Sincerely,

THOMAS W. DERRYBERRY  
Special Assistant Attorney General

TWD/jr

cc: The Honorable Norman Hodges  
District Judge  
Sixth Judicial District

**OIL CONSERVATION COMMISSION**

P. O. BOX 2088

SANTA FE, NEW MEXICO 87501

December 10, 1973

C  
The Honorable Norman Hodges  
District Judge  
Sixth Judicial District  
P.O. Box 390  
Silver City, New Mexico 88061

O  
Re: Oil Conservation Commission v.  
Northwestern National Insurance  
Company, Hidalgo County No. 3130

Dear Judge Hodges:

P  
Y  
Enclosed please find an Original Motion to Dismiss and a copy of a proposed Order of Dismissal. The original Order has been mailed to Mr. Vance Mauney, Defendant's Counsel in this cause, for approval. Mr. Mauney, should he approve of the proposed Order, will mail it to you for your signature. Upon signing the Order, would you please file the Motion and the Order with the Court Clerk and arrange for certified copies to be sent to me? Since the Commission is a State agency, there should be no filing or copy fee.

Thank you for your cooperation in this matter.

Sincerely,

THOMAS W. DERRYBERRY  
Special Assistant Attorney General

TWD/jr

Enc.

cc: Vance Mauney, Esq.  
Suite 520, Simms Building  
Albuquerque, New Mexico 87101

IN THE DISTRICT COURT OF HIDALGO COUNTY

STATE OF NEW MEXICO

THE OIL CONSERVATION COMMISSION  
OF THE STATE OF NEW MEXICO,

Plaintiff,

vs.

NORTHWESTERN NATIONAL INSURANCE  
COMPANY OF MILWAUKEE, WISCONSIN,

Defendant,

and

NORMAN R. JONES,

Third-Party Defendant

ORDER

Whereas the Plaintiff in the above-entitled cause commenced an action against the above-named Defendant praying that an injunction issue ordering the Defendant to plug the well which is the subject of this suit or for judgement against the Defendant in the sum of \$10,000 plus interest; and

Whereas the Plaintiff in this cause has informed the court that the subject well has been plugged in a satisfactory manner by parties other than the above-named Defendants and has moved that this cause be dismissed with prejudice, now therefore,

IT IS ORDERED, ADJUDGED AND DECREED:

That this cause is hereby dismissed with prejudice, each party to bear his own costs.

\_\_\_\_\_  
DISTRICT JUDGE

APPROVED:

\_\_\_\_\_  
THOMAS W. DERRYBERRY  
Special Assistant Attorney General  
Oil Conservation Commission of the  
State of New Mexico, P.O. Box 2088  
Santa Fe, New Mexico 87501

\_\_\_\_\_  
VANCE MAUNEY  
Attorney for Defendant  
Suite 520, Simms Building  
Albuquerque, New Mexico 87101

IN THE DISTRICT COURT OF HIDALGO COUNTY

STATE OF NEW MEXICO

THE OIL CONSERVATION COMMISSION  
OF THE STATE OF NEW MEXICO,

Plaintiff,

vs.

No. 3130

NORTHWESTERN NATIONAL INSURANCE  
COMPANY OF MILWAUKEE, WISCONSIN,

Defendant,

and

NORMAN R. JONES,

Third-Party Defendant.

MOTION TO DISMISS

COMES NOW THE OIL CONSERVATION COMMISSION OF NEW MEXICO, The Plaintiff in this cause and states that the grievance complained of in its complaint has been satisfied by appropriate action of parties other than the Defendant and that, in view of that fact Plaintiff moves that this cause be dismissed with prejudice, each party to bear his own costs.

---

THOMAS W. DERRYBERRY  
Special Assistant Attorney General  
Oil Conservation Commission of the  
State of New Mexico, P.O. Box 2088,  
Santa Fe, New Mexico 87501.

I hereby certify that on the

10th day of December, 1973,

a copy of the foregoing pleading  
was mailed to opposing counsel of  
record.

Conversation w/ Mr. Everhardt - Jan 22, 1973

RE: CASE 3130

Drilling - now is down 60 ft. -

- problem w/ weather - and road

A.S. Wright of Hachita - doing the drilling

- needs an extension - to 2/15/73

granted -

then will check the  
situation.

- letter of confirmation -

- notify Mr. Everett -

when hit water -

so our office can

be certain the well is

properly completed.