

OIL CONSERVATION COMMISSION

**STATE OF NEW MEXICO
1000 RIO BRAZOS ROAD - AZTEC
87410**

**I. R. TRUJILLO
CHAIRMAN**

**LAND COMMISSIONER
ALEX J. ARMIJO
MEMBER**

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

January 4, 1974

Mr. Bill Carr
Oil Conservation Commission
P. O. Box 2088
Santa Fe, New Mexico

Re: Status of Hixon Development Co. shut-in wells in Section
16, Township 25 North, Range 12 West, San Juan County

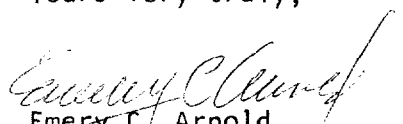
Dear Bill:

Attached is a copy of a letter from Earth Sciences Co. who operate
the Central Bisti Unit for Hixon.

It appears that a bona fide effort is being made to return as
much as possible of this unit to production through workovers
and expansion of the injection program.

Based upon this information, I recommend that any action by the
Commission in force plugging be deferred for a period of one year
at which time we will re-examine the problem.

Yours very truly,


Emery C. Arnold
Supervisor, District #3

ECA:mc

cc: Earth Sciences Co.
510 Bank of the Southwest Bldg.
Amarillo, Texas 79109

December 31, 1973

Oil Conservation Commission
State of New Mexico
1000 Rio Brazos Road
Aztec, New Mexico 87410

Attn: Mr. Emory C. Arnold, Supervisor District #3



Re: Status of Shut in Wells
Section 16, T25N, R12W,
San Juan County, New Mexico
CENTRAL BISTI UNIT

Dear Mr. Arnold:

In regard to your letter of December 20, 1973 and previous correspondence regarding subject property, it is hoped that the following list is in answer to your questions:

1). The Central Bisti Unit is in the preliminary stages of a water injection project initiated by Hixon Development Company early in 1973. Subsequent to Sun Oil's cessation of injection this is indicated by previous monthly reports.

2). All wells in the unit are either utilized as producing, injection or observation wells.

3). We currently are in the process of studying all wells for potential abandonment. This study should be completed by February 15, following well tests scheduled for the unit.

4). Wells numbered 41, 46, 47, 49 and 50 are in an area of the field currently producing oil and are considered candidates for production or injection. The decision or disposition of these wells will be made by the last week in January, 1974. The decision to abandon well No. CBU 51, NE NE Section 21, T25N, R12W has been made by this office and recommendation to Hixon to abandon same will be made January 15, 1974. The disposition of this well is up to Hixon as they own the property.

5). We are in the process of studying a fieldwide expansion of operations. This study should be completed by February 15, 1974. It appears now that our recommendation to Hixon Development Company will involve several well workovers, expansion of the injection program, installation of new producing equipment and conversion of some additional injection wells to production. Please note that several wells have been so changed recently. Also we plan to recommend that several producing wells at strategic locations be inspected for injection feasibility. Once these recommendations are authorized it will require several months of work before substantial results may be obtained and reported.

Mr. Emory C. Arnold - December 31, 1973

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If you have any additional questions or if Mr. Carr has any reason to pursue plugging of any wells in the unit please notify us. Thank you for your consideration and patience in this matter.

Respectfully yours,

A handwritten signature in cursive script, appearing to read "George E. Payne, Jr.", written in dark ink.

George E. Payne, Jr.

GEP:ps

OIL CONSERVATION COMMISSION

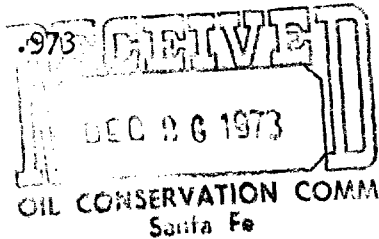
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December 20, 1973



Mr. George E. Payne, Jr.
Earth Sciences Co.
510 Bank of the Southwest Bldg.
Amarillo, Texas 79109

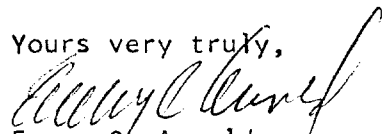
Re: Hixon Development Co.
Central Bisti Unit
Status of Shut-in wells

Dear Mr. Payne:

I am enclosing copies of previous correspondence concerning five wells on state land in the Central Bisti Unit. Please note that I requested in my letter of May 17, 1973, that you provide us with a status report within six months. Please furnish us with this report at your earliest convenience so a decision can be made concerning the February hearing mentioned in Mr. Carr's letter.

Thank you.

Yours very truly,


Emery C. Arnold
Supervisor, District #3

ECA:mc

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

OIL CONSERVATION COMMISSION

P. O. BOX 2088

SANTA FE, NEW MEXICO 87501

December 13, 1973

Mr. Emery Arnold
Oil Conservation Commission
1000 Rio Brazos Road
Aztec, New Mexico 87410

Dear Emery:

On May 17, 1973, you wrote Mr. George Payne concerning the status of certain shut-in wells in the Central Dist Unit. You asked Mr. Payne to give you an updated status report in six months.

If no such report has been filed, will you consent to my setting these wells for a plugging case in February?

Very truly yours,

WILLIAM F. CARR
General Counsel

WFC/dr

11-10 - 76

Cont. to 12-15-76

CASE 5796

TESTIMONY FOR SHOW CAUSE HEARINGS

Make appearance for Oil Conservation Commission

witness to be sworn: Al Bendrick

1. Name, position, place of residence.
2. Does district III include part of San Juan County involved in this case?
3. Do your duties as District Supervisor include making recommendations to the Commission as to when wells should be plugged and abandoned?
4. Are you familiar with subject matter of Case No. 5796?
5. What is the purpose of this case?
6. Are you familiar with these wells?
7. Have you reviewed all reports filed with the Commission concerning these wells?
8. Do you have these records with you?
9. Please refer to these records and give us the history of the/each well as reflected by the official records.
10. On what date was the last official form filed with the Commission?
11. Other communication:
 - A. any which is relative to this case that should be called to the examiner's attention
 - B. exhibits
12. Could failure to plug this/these wells cause waste?
13. What type of plugging program do you recommend for this/these wells?
14. Are exhibits true and correct copies?
15. Offer exhibits.

ac/