



STATE OF NEW MEXICO  
**ENERGY AND MINERALS DEPARTMENT**  
 OIL CONSERVATION DIVISION

TONEY ANAYA  
 GOVERNOR

July 29, 1986

POST OFFICE BOX 2088  
 STATE LAND OFFICE BUILDING  
 SANTA FE, NEW MEXICO 87501  
 (505) 827-5800

A. F. Roberts, Jr.                      Re:    CASE NO. 8910  
 c/o Oil Reports & Gas Services      ORDER NO. R-8269  
 P. O. Box 763  
 Hobbs, New Mexico 88240              Applicant:

OCD (A. F. Roberts, Jr.)

Dear Sir:

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

Sincerely,

R. L. STAMETS  
 Director

RLS/fd

Copy of order also sent to:

Hobbs OCD           x            
 Artesia OCD           x            
 Aztec OCD                           

Other Great American Insurance Company, Elsie R. McMillon

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ENERGY AND MINERALS DEPARTMENT  
OIL CONSERVATION DIVISION



July 28, 1987

GARREY CARRUTHERS  
GOVERNOR

POST OFFICE BOX 2068  
STATE LAND OFFICE BUILDING  
SANTA FE, NEW MEXICO 87501  
(505) 827-5800

Great American Insurance Co.  
P. O. Box 5440  
Orange, Ca. 92613-5440

Attention: Peter J. Barrett

Re: Bond on A. F. Roberts, Jr. Bogle  
Farms SWD Well

Dear Mr. Barrett:

In reference to your letter of June 25 regarding the above-described well and bond, I have determined from a review of the files that the well was drilled and in existence prior to December 13, 1974. This means that the well remains covered by the bond which was cancelled as to future liability on that date. The attached copies of OCD records will confirm this.

In reference to your question regarding the amount of bond that will be forfeited, I enclose a copy of N.M.S.A. 70-2-14(B) 1978, which relates to the OCD bonding requirement. In relevant part, the statute reads as follows:

"If any of the requirements of the Oil and Gas Act or the rules and regulations promulgated pursuant to that act have not been complied with, the oil conservation division, after notice and hearing, may order any well plugged and abandoned by the operator or surety or both in accordance with division rules and regulations. If the order is not complied with in the time period set out in the order, the bond shall be forfeited."

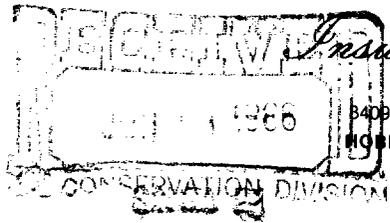
Because the well was not plugged by the operator, or surety, after notice and hearing, the bond has been declared forfeited by the Division.

I hope we will receive the proceeds by return mail. If payment is not forthcoming, I will file an action in District Court to require same.

Sincerely,

JEFFERY TAYLOR,  
General Counsel

# Broadmoor Insurance Agency, Inc.



Insurance - Bonds

3409 NORTH GRIMES, BOX 5589  
MORGANSB, NEW MEXICO 88241-5589  
PHONE 505 - 393-7161

June 27, 1986

State of New Mexico  
Energy and Minerals Department  
Oil Conservation  
Post Office Box 2088  
State Land Office Building  
Santa Fe, N.M. 87501

Dear Mr. Taylor:

Please find attached the letter along with the court docket which you mailed to our office 6-9-86. After receiving these documents we in turn mailed them to Great American Insurance as we could not find an insured by the name of A.F. Roberts. Great American in turn returned the documents back to us as they could find no record of this gentlemen. Without additional information we will not be able to help you with this situation.

Thank you.

Sincerely,

*Beverly Bruner*

Beverly Bruner  
Broadmoor Insurance Agency

BB/cc



TO <i>Broadman Agency</i>	
LOCATION <i>Hobbs NM</i>	
FROM <i>Charlie Hagen</i>	
LOCATION <i>Denver - (SHE)</i>	DATE <i>6.23</i>
FOR YOUR <input type="checkbox"/> Information <input type="checkbox"/> Approval <input type="checkbox"/> Filing <input type="checkbox"/> Signature <input type="checkbox"/> Request <input type="checkbox"/> Checking <input checked="" type="checkbox"/> Comments <input type="checkbox"/> Handling <input type="checkbox"/> Distribution <input type="checkbox"/> Return to me <input type="checkbox"/> Confer with me	
Message: <i>Do we have a file on this?</i>	
<i>Charles -</i> <i>Charlie</i>	
<input type="checkbox"/> Returned your call <input type="checkbox"/> Will call back <input type="checkbox"/> Call back	TELEPHONE NUMBER <hr/> RECEIVED BY    TIME RECEIVED



TONEY ANAYA  
GOVERNOR

STATE OF NEW MEXICO  
ENERGY AND MINERALS DEPARTMENT  
OIL CONSERVATION DIVISION

50 YEARS



1935 - 1985

POST OFFICE BOX 2088  
STATE LAND OFFICE BUILDING  
SANTA FE, NEW MEXICO 87501  
(505) 827-5800

June 3, 1986

RECEIVED JUN 12 1986

CERTIFIED - RETURN  
RECEIPT REQUESTED

A. F. Roberts, Jr.  
c/o Oil Reports & Gas Services, Inc.  
P. O. Box 763  
Hobbs, New Mexico 88240

Great American Insurance Co.  
Broadmoor Insurance Agency, Inc.  
P. O. Box 576  
Hobbs, New Mexico 88240

Elsie R. McMillon  
P. O. Box 6723  
Lubbock, Texas 79413

*Charlie is the  
who is the  
all about?*  
JH

Re: Bogle Farms Well No. 1,  
located in Unit M of  
Section 16, Township 11  
South, Range 34 East,  
Lea County  
Plugging Bond

Gentlemen:

Enclosed is a copy of the docket of the Examiner  
hearing to be held on Thursday, June 12, 1986, at 8:15  
a.m. in the Oil Conservation Division Conference Room,  
State Land Office Building, Santa Fe, New Mexico.  
Case 8910 concerns the above captioned subject matter.

Sincerely,

*Jeffery Taylor*  
JEFFERY TAYLOR  
General Counsel

JT/fd  
enc.

Dockets Nos. 20-86 and 21-86 are tentatively set for June 25 and July 9, 1986. Applications for hearing must be filed at least 12 days in advance of hearing date.

DOCKET: EXAMINER HEARING - WEDNESDAY - JUNE 12, 1986  
8:15 A.M. - OIL CONSERVATION DIVISION CONFERENCE ROOM,  
STATE LAND OFFICE BUILDING, SANTA FE, NEW MEXICO

The following cases will be heard before David P. Catanach, Examiner, or Michael E. Stogner, Alternate Examiner:

CASE 8909: In the matter of the hearing called by the Oil Conservation Division on its own motion to amend Rule 312 to provide for administrative approval of applications for treating plants, to require a cash or surety bond sufficient for surface reclamation of the treating plant facility site, and to additionally condition the bond upon land surface reclamation to OCD standards.

✓ CASE 8910: In the matter of the hearing called by the Oil Conservation Division on its own motion to permit A. F. Roberts, Jr., Great American Insurance Company, and other interested parties to appear and show cause why the Bogle Farms SWD Well No.1 located 660 feet from the South and West lines of Section 16, Township 11 South, Range 34 East, Lea County, should not be plugged and abandoned in accordance with a Division-approved plugging program.

CASE 8911: In the matter of the hearing called by the Oil Conservation Division on its own motion to permit I. & W., Inc. to appear and show cause why its Form C-133, Authorization to Haul Water, should not be cancelled for non-compliance with Oil Conservation Division's regulations.

CASE 8912: Application of Parabo, Inc. for salt water disposal, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the San Andres formation in the perforated interval from 4300 feet to 4950 feet in its Royalty Holding Well No. 4, located 660 feet from the North and East lines of Section 25, Township 21 South, Range 37 East.

CASE 8913: Application of Exxon Corporation for an unorthodox gas well location and a non-standard gas proration unit, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval of an unorthodox gas well location 1980 feet from the North line and 525 feet from the West line of Section 7, Township 17 South, Range 29 East, Undesignated South Empire-Morrow Gas Pool, the NE/4, E/2 NW/4, and Lots 1 and 2 of said Section 7 to be dedicated to said well forming a 292.32-acre non-standard gas spacing and proration unit.

CASE 8914: Application of Chase Energy, Inc. for salt water disposal, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the Slick Rock-Dakota Oil Pool in the open-hole interval from 750 feet to 758 feet in their DEB Well No. 18 located 510 feet from the South line and 420 feet from the East line (Unit P) of Section 36, Township 30 North, Range 17 West.

CASE 8891: (Continued from May 28, 1986, Examiner Hearing)

Application of Manana Gas, Inc. for an unorthodox gas well location, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval of an unorthodox gas well location for its proposed Hartman Well No. 1-E to be drilled 1230 feet from the North line and 55 feet from the East line of Section 22, Township 29 North, Range 11 West, Basin-Dakota Pool, the E/2 of said Section 22 to be dedicated to the well.

CASE 8892: (Continued from May 28, 1986, Examiner Hearing)

Application of Manana Gas, Inc. for an unorthodox gas well location, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval of an unorthodox gas well location for its proposed Nancy Hartman Well No. 1 to be drilled 1100 feet from the North line and 55 feet from the East line of Section 22, Township 29 North, Range 11 West, Bloomfield-Chacra Pool, the NE/4 of said Section 22 to be dedicated to the well.

CASE 8915: (This case will be continued to June 25, 1986)

Application of Tenneco Oil Company for directional drilling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks authority for the directional drilling of four wells to the Basin-

Dakota Pool on its City of Farmington Lease, all in Section 10, Township 09 North, Range 13 West, Farmington city limits, as follows:

- 1) Well No. 1  
Surface Location (S.L.) - 2160' FSL - 1591' FEL  
Bottom Hole Location (B.H.L.) - 1750' FSL - 1775' FEL
- 2) Well No. 1-E  
S.L. - 2203' FSL - 1653' FEL  
B.H.L. - 1650' FN & EL
- 3) Well No. 2  
S.L. - 2159' FSL - 1712' FEL  
B.H.L. - 1650' FS & WL
- 4) Well No. 2-E  
S.L. - 2246' FSL - 1712' FEL  
B.H.L. - 1650' FN & WL

Wells Nos. 1 and 1-E to be dedicated to the E/2 of said Section 10 and Wells Nos. 2 and 2E to be dedicated to the W/2 of said Section 10.

CASE 8870: (Continued from May 26, 1986, Examiner Hearing)

Application of Nearburg Producing Company for salt water disposal, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water in to the Cisco and Canyon formations in the perforated interval from approximately 7772 feet to 7850 feet in the Coquina Oil Corporation Aikman State Well No. 1 located 660 feet from the South line and 1980 feet from the West line (Unit N) of Section 27, Township 19 South, Range 25 East.

CASE 8874: (Continued from May 26, 1986, Examiner Hearing)

Application of Union Texas Petroleum Corporation for Pool Reclassification, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the reclassification of the Crosby-Devonian Gas Pool as an associated pool and the promulgation of special pool rules therefor.

CASE 8916: Application of Yates Drilling Company for waterflood expansion, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority to expand its Yates Artesia Metex Unit Waterflood Project, authorized by Division Order No. R-4609, dated August 13, 1973, by converting its Artesia Metex Unit Well No. 35 located 1650 feet from the North line and 330 feet from the East line (Unit H) of Section 26, Township 18 South, Range 27 East, Artesia-Queen-Grayburg-San Andres Pool, Artesia Metex Unit Area, from a producing oil well to a water injection well.

CASE 8818: (Continued from May 28, 1986, Examiner Hearing)

Application of Yates Petroleum Corporation for salt water disposal, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the Avalon-Delaware Pool in the perforated interval from 2595 feet to 3685 feet in its Stonewall "YE" State Well No. 1 located 1650 feet from the South line and 1980 feet from the East line (Unit J), Section 30, Township 10 South, Range 28 East. In the absence of objection, this case will be approved pursuant to Division Rules and Regulations.

CASE 8848: (Continued from May 14, 1986, Examiner Hearing)

Application of Amoco Production Company for NPGA Wellhead Price Ceiling Category Determinations, Lea County, New Mexico. Applicant, in the above-styled cause, seeks a determination by the Division that the following three wells in Township 19 South, Range 35 East, Scharb-Bone Springs Pool, meet the NPGA well category criteria for New Onshore Reservoir under Section 102 of the Natural Gas Policy Act of 1978 and the applicable rules of the Federal Energy Regulatory Commission:

- 1) Elkan Well No. 3 located 1980 feet from the South and East lines (Unit J) of Section 9;
- 2) Elkan Well No. 4 located 519 feet from the South line and 2121 feet from the West line (Unit N) of Section 9; and,

- 3) State "MX" Well No. 1 located 660 feet from the North line and 710 feet from the West line (Unit D) of Section 15.

CASE 8849: (Continued from May 14, 1986, Examiner Hearing)

Application of Southland Royalty Company for NGPA Wellhead Price Ceiling Category Determinations, Lea County, New Mexico. Applicant, in the above-styled cause, seeks a determination by the Division that the following four wells in Township 19 South, Range 35 East, Scharb-Bone Springs Pool, meet the NGPA well category criteria for New Onshore Reservoir under Section 102 of the Natural Gas Policy Act of 1978 and the applicable rules of the Federal Energy Regulatory Commission.

- 1) Smith "5" Well No. 2 located 660 feet from the South line and 1980 feet from the East line (Unit O) of Section 5;
- 2) Smith "5" Well No. 4 located 2149 feet from the South line and 700 feet from the East line (Unit I) of Section 5;
- 3) Scharb "8" Well No. 2 located 660 feet from the North line and 2180 feet from the East line (Unit B) of Section 8; and,
- 4) Scharb "9" Well No. 4 located 766 feet from the North line and 2086 feet from the West line (Unit C) of Section 9.

CASE 8917: Application of Amoco Production Company for compulsory pooling, Union County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Tubb formation from the base of the Cimmaron Anhydrite Marker to the top of the PreCambrian Basement underlying all of Section 10, Township 19 North, Range 35 East, forming a standard 640-acre carbon dioxide gas spacing and proration unit to be dedicated to its Bravo Dome Carbon Dioxide Gas Unit 1935 Well No. 101 located 1650 feet from the North and West lines (Unit F) of said Section 10. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well.

CASE 8918: Application of Amoco Production Company for compulsory pooling, Union County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Tubb formation from the base of the Cimmaron Anhydrite Marker to the top of the PreCambrian Basement underlying all of Section 1, Township 19 North, Range 35 East, forming a standard 640-acre carbon dioxide gas spacing and proration unit to be dedicated to its Bravo Dome Carbon Dioxide Gas Unit 1935 Well No. 011 located 1980 feet from the South and West lines (Unit K) of said Section 1. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and charge for risk involved in drilling said well.

CASE 8919: Application of Amoco Production Company for compulsory pooling, Union County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Tubb formation from the base of the Cimmaron Anhydrite Marker to the top of the PreCambrian Basement underlying all of Section 9, Township 19 North, Range 35 East, forming a standard 640-acre carbon dioxide gas spacing and proration unit to be dedicated to its Bravo Dome Carbon Dioxide Gas Unit 1935 Well No. 091 located 2310 feet from the South and West lines (Unit K) of said Section 9. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well.

CASE 8920: Application of Amoco Production Company for compulsory pooling, Union County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Tubb formation from the base of the Cimmaron Anhydrite Marker to the top of the PreCambrian Basement underlying all of Section 13, Township 19 North, Range 34 East, forming a standard 640-acre carbon dioxide gas spacing and proration unit to be dedicated to its Bravo Dome Carbon Dioxide Gas Unit 1934 Well No. 131 located 660 feet from the North line and 1973 feet from the East line (Unit B) of said Section 13. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk

involved in drilling said well.

CRSE 8921: Application of Amoco Production Company for Hardship Gas Well Classification, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks a determination that its Brantley Gas Com Well No. 1 located 1880 feet from the South line and 2080 feet from the West line (Unit K) of Section 22, Township 23 South, Range 28 East, North Loving-Morrow Gas Pool, is a hardship gas well which should be granted priority access to pipeline takes in order to avoid waste.

CRSE 8922: Application of Amoco Production Company for the reinstatement of cancelled underproduction, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an exception to the general rules for prorated gas pools in Southeast New Mexico to permit the reinstatement of underproduction cancelled for the 1983-84 and 1984-85 proration periods for the existing 640-acre standard gas proration unit comprising all of Section 11, Township 22 South, Range 23 East, Indian Basin-Upper Pennsylvanian Gas Pool and dedicated to its Smith Federal Well No. 1 located 1650 feet from the North and West lines (Unit F) of said Section 11.

CRSE 8923: Application of Amoco Production Company for the reinstatement of cancelled underproduction, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an exception to the general rules for prorated gas pools in Southeast New Mexico to permit the reinstatement of underproduction cancelled for the 1983-84 and 1984-85 proration periods for the existing 640-acre standard gas proration unit comprising all of Section 12, Township 22 South, Range 23 East, Indian Basin-Upper Pennsylvanian Gas Pool and dedicated to its Smith Federal Gas Com Well No. 1 located 1650 feet from the North line and 2310 feet from the West line (Unit F) of said Section 12.

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Docket No. 19-86

DOCKET: COMMISSION HEARING - THURSDAY - JUNE 19, 1986  
9 A.M. - OIL CONSERVATION COMMISSION, ROOM 205, STATE  
LAND OFFICE BUILDING, SANTA FE, NEW MEXICO

CRSE 8924: Application of Lewis B. Burleson, Inc. for a non-standard gas proration unit and unorthodox gas well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of a 150-acre non-standard gas spacing and proration unit comprising the following described acreage in Township 25 South, Range 37 East, Jalmat Gas Pool:

E/2 NW/4 (80 acres);  
NW/4 NE/4 (40 acres);  
W/2 NE/4 NE/4 (20 acres); and  
W/2 E/2 NE/4 NE/4 (10 acres);

Applicant further seeks approval for an unorthodox gas well location 1980 feet from the North line and 2180 feet from the West line of said Section 22, to be dedicated to the above-described non-standard proration unit.

CRSE 8690: (Continued from May 20, 1986, Commission Hearing)

Application of Doyle Hartman for compulsory pooling, a non-standard proration unit, two unorthodox locations, and simultaneous dedication, Lea County, New Mexico. Applicant, in the above-styled cause, seeks a finding that the drilling of two wells to be located at unorthodox well locations, the first of which is to be at least 1325 feet from the South line but not more than 1650 feet from the South line and at least 660 feet from the West line but not more than 850 feet from the West line of Section 22, and the second of which is to be at least 250 feet from the North line but not more than 990 feet from the North line and at least 660 feet from the West line but not more than 1980 feet from the West line of Section 27, all in Township 25 South, Range 37 East, Jalmat Gas Pool and Langlie Mattix Pool, is necessary to effectively and efficiently drain that portion of a 400-acre non-standard gas proration unit in the Jalmat Gas Pool only, comprising the W/2 SW/4 and W/2 SE/4 of Section 22 and the NW/4 and W/2 NE/4 of Section 27, Township 25 South, Range 37 East, which cannot be so drained by the existing Jalmat wells. Applicant further seeks approval for the simultaneous dedication of said 400-acre non-standard Jalmat proration unit to the subject wells and the currently producing Carlson-Harrison Federal Com Well Nos. 1, 2, and 3. Applicant further seeks an order pooling all mineral interests from the surface to the base of the Jalmat Gas Pool underlying the above non-standard proration unit. Also to be considered will be the cost of drilling and completing said

well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well, and a charge for risk involved in drilling said well. Upon application of Doyle Hartman, this case will be heard De Novo pursuant to the provisions of Rule 1220.

CASE 8902: (Continued from May 20, 1986, Commission Hearing)

Application of Doyle Hartman for compulsory pooling, two non-standard proration units, two unorthodox locations, and simultaneous dedication, Lea County, New Mexico. Applicant, in the above-styled cause, seeks a finding that the drilling of a well located at an unorthodox well location, 1650 feet from the South line and 660 feet from the West line of Section 22, Township 25 South, Range 37 East, Jalmat Gas Pool and Langlie Mattix Pool, is necessary to effectively and efficiently drain that portion of a 200-acre non-standard gas proration unit in the Jalmat Gas Pool only, comprising the W/2 SW/4 of Section 22, and the W/2 NW/4 and SE/4 NW/4 of Section 27, Township 25 South, Range 37 East, which cannot be so drained by the existing Jalmat wells. Applicant further seeks approval of the simultaneous dedication of said 200-acre non-standard proration unit to the subject well in the currently producing Carlson-Harrison Federal Com Well Nos. 1, 2 and 3. Applicant also seeks the approval of an unorthodox well location 330 feet from the North line and 1650 feet from the West line of Section 27, Township 25 South, Range 37 East, Jalmat Gas Pool and Langlie Mattix Pool, to be dedicated to a 200-acre non-standard gas proration unit comprising the W/2 SE/4 of Section 22, and the NE/4 NW/4 and the W/2 NE/4 of Section 27, Township 25 South, Range 37 East, Jalmat Gas Pool only, and an order pooling all mineral interests from the surface to the base of the Jalmat Gas Pool underlying this non-standard proration unit. Also to be considered will be the costs of drilling and completing said well and the allocation of the costs thereof, as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for the risk involved in drilling said well.

CASE 8761: (De Novo)

Application of Chaveroo Operating Company for salt water disposal, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the Vacuum Grayburg-San Andres Pool in the perforated interval from approximately 4804 feet to 5212 feet in the Apollo Energy, Inc. State G-36 Well No. 1 located 1980 feet from the South line and 660 feet from the West line (Unit L) of Section 36, Township 17 South, Range 35 East. Upon application of Chaveroo Operating Company, this case will be heard De Novo pursuant to the provisions of Rule 1220.

CASE 8865: (De Novo)

Application of Santa Fe Exploration Company for Hardship Gas Well Classification, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks a determination that its Exxon State Com Well No. 1 located 1980 feet from the South line and 660 feet from the West line (Unit L) of Section 2, Township 20 South, Range 25 East, Cemetery-Morrow Gas Pool, is a hardship gas well which should be granted priority access to pipeline takes in order to avoid waste. Upon application of Santa Fe Exploration Company, this case will be heard De Novo pursuant to the provisions of Rule 1220.

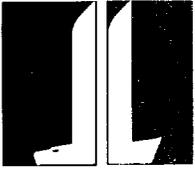
CASE 8640: (De Novo) (Readvertised)

Application of Caulkins Oil Company for compulsory pooling, downhole commingling, and dual completion, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Basin-Dakota and Blanco-Mesaverde Pools underlying the N/2 of Section 20, Township 26 North, Range 6 West, forming a standard 320-acre gas spacing and proration unit in both zones, and in the Pictured Cliffs and Chacra formations underlying the NE/4 of said Section 20, forming a standard 160-acre gas spacing and proration unit in both of these zones, to be dedicated to a well to be drilled at a standard location thereon. Applicant further seeks approval to dually complete said well in such a manner that Blanco-Mesaverde and Basin-Dakota production would be commingled separately and the aforesaid intervals dually completed with commingled Pictured Cliffs and Chacra production and both commingled zones produced through parallel strings of tubing. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well. Upon application of Meridian Oil Inc. and El Paso Natural Gas Company this case will be heard De Novo pursuant to the provisions of Rule 1220.

CASE 8901: (Continued from May 20, 1986, Commission Hearing)

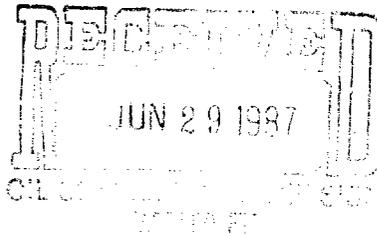
Application of Yates Petroleum Corporation, Yates Drilling Company, Myco Industries, Inc., and Abo Petroleum Corporation for determination of reasonable well costs, Chaves County, New Mexico. The

New Mexico Oil Conservation Commission issued Division Order No. R-7393 on December 2, 1983 for Case No. 7984, which compulsorily pooled all mineral interests from the surface through and including the Abo formation underlying the SW/4 of Section 20, Township 9 South, Range 27 East, forming a standard 160-acre gas spacing and proration unit and all mineral interests from the top of the Wolfcamp formation to the PreCambrian underlying the W/2 of said Section 20, forming a standard 320-acre gas spacing and proration unit, named Jack J. Grynberg the operator of the units, and established a well costs schedule for each zone based on proposed total depth and depth of the Abo zone. Applicants, in the above-styled cause, as interest owners in the Grynberg State Com Well No. 1 located 1980 feet from the South line and 660 feet from the West line (Unit L) of said Section 20 which was drilled pursuant to the compulsory pooling provisions of said Order No. R-7393, now seeks an order ascertaining the reasonableness of actual well costs for the subject well.



**GREAT AMERICAN INSURANCE COMPANIES®**  
**GREAT AMERICAN WEST, INC.**

June 25, 1987



Mr. Jeffery Taylor  
State of New Mexico  
Energy and Minerals Dept.  
P.O. Box 2088  
State Land Office Building  
Santa Fe, NM 87501

200 S. MANCHESTER AVENUE  
ORANGE, CA 92668  
714/634-4600

MAILING ADDRESS:  
P.O. BOX 5440  
ORANGE, CA 92613-5440

RE: PRINCIPAL: A. F. Roberts, Jr.  
FILE NO: 932 BS 500089  
BOND NO: 282 34 04  
CLAIMANT: State of New Mexico, Energy & Minerals Dept.  
- \$10,000

Dear Mr. Taylor:

We have received your letter dated April 15, 1987, a copy of which is enclosed, making a claim on the above bond for payment in the sum of \$10,000. It is alleged that A. F. Roberts, Jr. failed to plug Bogle Farms LWD Well No. 1 ("the well").

As you know, the bond is conditioned on Mr. Roberts' plugging certain wells, when dry or when abandoned, in such ways to confine the oil, gas and water in their respective strata in which they are found and to prevent them from escaping into other strata. The bond is dated November 4, 1970 and was cancelled on December 13, 1974. Enclosed is a copy of the Notice of Cancellation. Thus, there can be no liability on the bond with respect to wells acquired, drilled or started after December 13, 1974.

Apparently, Mr. Roberts died on November 11, 1981. Thus, it is doubtful, probably extremely doubtful, whether he will be able to plug the well.

Nevertheless, to facilitate our investigation of this claim, we would request that you inform us of the date on which the well was "acquired, drilled or started". In your April 15, 1987 letter you mentioned that the Energy and Minerals Department had issued an invitation for bids in order to assure that the well was properly plugged. Please send us a copy of the bid which was accepted. The amount of Great American's liability, if any, should not exceed the amount of this bid.

JEFFERY TAYLOR  
JUNE 25, 1987  
PAGE 2

Do not hesitate to contact me if I can be of any assistance.

Pending further developments, we reserve all rights and defenses.

Very truly yours,

GREAT AMERICAN INSURANCE COMPANY

  
Peter J. Barrett  
Bond Claims Manager

PJB:mtr

ENERGY AND MINERALS DEPARTMENT

OIL CONSERVATION DIVISION



GARREY CARRUTHERS  
GOVERNOR

April 15, 1987

APR 26 1987

POST OFFICE BOX 2088  
STATE LAND OFFICE BUILDING  
SANTA FE, NEW MEXICO 87501  
(505) 827-5800

Great American Insurance Co.  
Broadmoor Insurance Agency, Inc.  
P. O. Box 576  
Hobbs, New Mexico 88240

Re: \$10,000 Plugging Bond on the  
Bogle Farms SWD Well No. 1, located  
in Unit M of Section 16, Township 11 South,  
Range 34 East, Lea County, New Mexico  
Possible Bond No. 2823404

Gentlemen:

On June 12, 1986, a hearing was held by the Oil Conservation Division in order to permit the owners or surety of the above-referenced well to appear and show cause why the well should not be plugged and abandoned. The Division presented evidence as to why the well should be plugged pursuant to the rules and regulations governing oil and gas wells in New Mexico. Neither you, as surety, nor A. F. Roberts, as principal, appeared in opposition and consequently an order was issued on July 28, 1986 requiring that the well be plugged. Because neither the principal nor surety has taken action to plug the well within the time allotted by the order, the Division has issued an invitation for bids in order to assure that the well is properly plugged and abandoned.

The Division hereby makes demand for payment upon the bond for failure of the surety to comply with its conditions, i.e., to properly plug and abandon the well upon cessation of operations. Please remit a check for \$10,000 payable to the Oil Conservation Division.

If you have any questions regarding this matter, you may contact me at (505) 827-5805.

Sincerely,

A handwritten signature in dark ink, appearing to read "Jeffrey Taylor".

JEFFERY TAYLOR,  
General Counsel

**NOTICE OF CANCELLATION OR NON-RENEWAL**



POLICY OR BOND NUMBER 282 34 04	DATE OF NOTICE 11-11-74
------------------------------------	----------------------------

GREAT AMERICAN INSURANCE COMPANY  
 AMERICAN NATIONAL FIRE INSURANCE COMPANY

YOU ARE HEREBY NOTIFIED THAT PURSUANT TO ITS TERMS, THIS POLICY OR BOND IS CANCELLED OR NOT RENEWED AS INDICATED BY  BELOW

DATE AND HOUR OF CANCELLATION OR NON RENEWAL		30 DAYS AFTER RECEIPT OF THIS NOTICE. (Provided, however, that as to any mortgagee or loss payee who, by express provision of the policy or bond is entitled to additional days notice of cancellation, the effective date of cancellation shall be ten (10) days after service of this notice.)
<input checked="" type="checkbox"/> 12-13-74	<input type="checkbox"/> 12:01 A.M. <input type="checkbox"/> NOON	
DATE	STANDARD TIME	

Name and Address of Insured or Oblige

Oil Conservation Commission State Capitol Building Santa Fe, New Mexico	A. F. Roberts, Jr. Lubbock, Texas
---	--------------------------------------

Blanket Bond - \$10,000.

*CFL*  
*12/14/74*  
*WA*

(Applicable paragraph marked  )

- CANCELLATION**  You are hereby notified in accordance with the terms and conditions of the above mentioned policy or bond that your insurance will cease at and from the hour and date mentioned above. If the premium has been paid, premium adjustment will be made as soon as practicable after cancellation becomes effective. If the premium has not been paid, a bill for the premium earned to the time of cancellation will be forwarded in due course.
- NON-RENEWAL**  You are hereby notified that the above mentioned policy will expire effective at and from the hour and date mentioned above and the policy will NOT be renewed.
- CANCELLATION PAYMENT OF PREMIUM**  You are hereby notified in accordance with the terms and conditions of the above mentioned policy that your insurance will cease at and from the hour and date mentioned above.



**IMPORTANT NOTICE:** In compliance with the Fair Credit Reporting Act (Public Law 91-508), you are hereby informed that the action taken is being taken wholly or partly because of information contained in a consumer report from the following consumer reporting agency:

Name) \_\_\_\_\_  
Address) \_\_\_\_\_

*Georgie Shaumeyer*  
AUTHORIZED REPRESENTATIVE

INSURED COPY

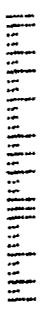
**ENERGY and MINERALS DEPARTMENT**

Oil Conservation Division  
P. O. Box 2088  
Santa Fe, New Mexico 87501

77-576

Great American Insurance Company  
Broadmoor Insurance Agency, Inc.  
~~P. O. Box 576~~  
Hobbs, New Mexico 88240

NOT DELIVERABLE  
AS ADDRESSED  
UNABLE TO FORWARD



Put your address in the "RETURN TO" space on the reverse side. Failure to do this will prevent this card from being returned to you. The return receipt fee will provide you the name of the person delivered to and the date of delivery. For additional fees the following services are available. Consult postmaster for fees and check box(es) for service(s) requested.

- Show to whom, date and address of delivery.
- Restricted Delivery.

3. Article Addressed to:  
 Great American Insurance Co.  
 Broadmoor Insurance Agency, Inc.  
 P. O. Box 576  
 Hobbs, New Mexico 88240

4. Type of Service: Article Number  
 Registered  Insured  
 Certified  COD P 612 458 169  
 Express Mail

Always obtain signature of addressee or agent and DATE DELIVERED.

5. Signature - Addressee  
 X *Candy Cummings*

6. Signature - Agent  
 X

7. Date of Delivery  
 JUN 9 1986

8. Addressee's Address (ONLY if requested and fee paid)

*Max*

PS Form 3800, Feb. 1982

P 612 458 169

RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED  
 NOT FOR INTERNATIONAL MAIL

(See Reverse)

* U.S.G.P.O. 1983-403-517	Sent to Broadmoor Ins. Agency, Inc.
	Street and No. P. O. Box 576
	P.O., State and ZIP Code Hobbs, New Mexico 88240
	Postage \$
	Certified Fee
	Special Delivery Fee
	Restricted Delivery Fee
	Return Receipt Showing to whom and Date Delivered
	Return receipt showing to whom, Date, and Address of Delivery
	TOTAL Postage and Fees \$
Postmark or Date	

PS Form 3800, Feb. 1982

SENDER: Complete items 1, 2, 3 and 4.

Put your address in the "RETURN TO" space on the reverse side. Failure to do this will prevent this card from being returned to you. The return receipt fee will provide you the name of the person delivered to and the date of delivery. For additional fees the following services are available. Consult postmaster for fees and check box(es) for service(s) requested.

- Show to whom, date and address of delivery.
- Restricted Delivery.

3. Article Addressed to:  
 A. F. Roberts, Jr.  
 c/o Oil Reports & Gas Services  
 P. O. Box 763  
 Hobbs, New Mexico 88240

4. Type of Service: Article Number  
 Registered  Insured  
 Certified  COD P 612 458 168  
 Express Mail

Always obtain signature of addressee or agent and DATE DELIVERED.

5. Signature - Addressee  
 X *Ruth Allen*

6. Signature - Agent  
 X

7. Date of Delivery  
 6-6-86

8. Addressee's Address (ONLY if requested and fee paid)

PS Form 3811, July 1983, 447-945

P 612 458 168

RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED  
 NOT FOR INTERNATIONAL MAIL

(See Reverse)

* U.S.G.P.O. 1983-403-517	Sent to A. F. Roberts, Jr.
	Street and No. Oil Reports Box 763
	P.O., State and ZIP Code Hobbs, New Mexico 88240
	Postage \$
	Certified Fee
	Special Delivery Fee
	Restricted Delivery Fee
	Return Receipt Showing to whom and Date Delivered
	Return receipt showing to whom, Date, and Address of Delivery
	TOTAL Postage and Fees \$
Postmark or Date	

PS Form 3800, Feb. 1982

(City, State, and ZIP Code)

Santa Fe, New Mexico 87504-2088

(No. and Street, Apt., Suite, P.O. Box or R.O. No.)

P. O. Box 2088

(Name of Sender)

Conservation Division (J. Taylor)

RETURN TO

**SENDER INSTRUCTIONS**  
 OFFICIAL BUSINESS  
 UNITED STATES POSTAL SERVICE

- Print your name, address, and ZIP Code in the space below.
- Complete items 1, 2, 3, and 4 on the reverse.
- 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, \$300



DOMESTIC RETURN RECEIPT

**SENDER: Complete items 1, 2, 3 and 4.**  
 Put your address in the "RETURN TO" space on the reverse side. Failure to do this will prevent this card from being returned to you. The return receipt fee will provide you the name of the person delivered to and the date of delivery. For additional fees the following services are available. Consult postmaster for fees and check box(es) for service(s) requested.

1.  Show to whom, date and address of delivery.  
 2.  Restricted Delivery.

3. Article Addressed to: **▲**  
 Elsie R. McMillon  
 P. O. Box 6723 79413  
 Lubbock, Texas

4. Type of Service: Article Number  
 Registered  Insured  
 Certified  COD P 612 458 170  
 Express Mail

Always obtain signature of addressee or agent and DATE DELIVERED.

5. Signature - Addressee  
 *Elsie R. McMillon*  
 6. Signature Agent  
 *[Signature]*  
 7. Date of Delivery  
 *[Date]*  
 8. Addressee's Address *[Address]* (ONLY if requested)

**1986**  
**TO**  
**FROM**  
**DATE**  
**TIME**  
**PLACE**  
**STAMP**

P 612 458 170

RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED  
 NOT FOR INTERNATIONAL MAIL

(See Reverse)

Sent to Elsie R. McMillon	
Street and No. P. O. Box 6723	
P.O. State and ZIP Code Lubbock, Texas 79413	
Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to whom and Date Delivered	
Return receipt showing to whom, Date, and Address of Delivery	
TOTAL Postage and Fees	\$
Postmark or Date	



1935 - 1985

POST OFFICE BOX 2088  
STATE LAND OFFICE BUILDING  
SANTA FE, NEW MEXICO 87501  
(505) 827-5800



TONY ANAYA  
GOVERNOR

STATE OF NEW MEXICO  
ENERGY AND MINERALS DEPARTMENT  
OIL CONSERVATION DIVISION

June 3, 1986

CERTIFIED - RETURN  
RECEIPT REQUESTED

A. F. Roberts, Jr.  
c/o Oil Reports & Gas Services, Inc.  
P. O. Box 763  
Hobbs, New Mexico 88240

Great American Insurance Co.  
Broadmoor Insurance Agency, Inc.  
P. O. Box 576  
Hobbs, New Mexico 88240

Elsie R. McMillon  
P. O. Box 6723  
Lubbock, Texas 79413

Re: Bogle Farms Well No. 1,  
located in Unit M of  
Section 16, Township 11  
South, Range 34 East,  
Lea County  
Plugging Bond

Gentlemen:

Enclosed is a copy of the docket of the Examiner  
Hearing to be held on Thursday, June 12, 1986, at 8:15  
a.m. in the Oil Conservation Division Conference Room,  
State Land Office Building, Santa Fe, New Mexico.  
Case 8910 concerns the above captioned subject matter.

Sincerely,

JEFFERY TAYLOR  
General Counsel

<p>BEFORE EXAMINER CATANACH OIL CONSERVATION DIVISION</p> <p>JT/fd enc.</p> <p>CASE # _____</p>
---

56-86

From

# Memo

EVELYN DOWNS  
District I - UIC Coordinator

To Jeff Taylor,

I think Jerry would  
like some action  
on a show cause  
hearing asap. If you  
need additional info, let me know  
Thanks,

Evelyn

P.S. Show bond has been cancelled  
for future liability effective  
12-14-74.

Oil Conservation Division  
PO Box 1980, Hobbs, New Mexico 88240



STATE OF NEW MEXICO  
ENERGY AND MINERALS DEPARTMENT  
OIL CONSERVATION DIVISION  
HOBBS DISTRICT OFFICE

TONY ANAYA  
GOVERNOR

May 6, 1986

POST OFFICE BOX 1980  
HOBBS, NEW MEXICO 88240  
(505) 393-6161

Mr. James E. Snipes  
Box 1565  
Lovington, NM 88260

*Case 8910*

Re: A.F. Roberts  
Bogle Farms SWD #1-M  
Section 16, T11S, R34E

Dear Mr. Snipes:

In response to your April 29, 1986, letter concerning correspondence from Mrs. Donna McDonald with the Oil Conservation Division regarding delinquent C-120A reports on the above-referenced well, I offer the following explanation.

The notice dated March 25, 1986, concerning delinquent C-120A reports was sent to A.F. Roberts, Jr. Box 755, Hobbs, NM, by Donna McDonald of the Oil Conservation Division. However, the note to Elise typed on the bottom of this notice which was forwarded on to your client is not from Donna McDonald of the OCD, but from Donna Holler with Oil Reports in Hobbs, who had previously been filing the C-120A reports on this well. So your response dated April 15, 1986, sent to Oil Reports in Hobbs was mailed on to your client since they had been filing the C-120A reports.

Now with the mixup in correspondence behind us, let us get on to the real problem. In our February 20, 1986, letter to your client, Elsie R. McMillon, concerning the plugging and abandonment or the establishment of the mechanical integrity of the wellbore, we requested a response within 30 days, and no action has been taken on the part of your client. We have not received an intention to plug or to pressure test the well.

Based on the fact that we have for several years tried to get this well plugged, and also, on your client's failure to respond to our request of February 20th, within the allowed time, we are recommending to the Oil Conservation Division attorney, by copy of this letter, that a hearing be set to show cause why this well should not be plugged.

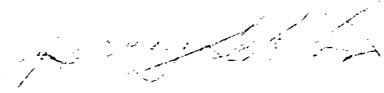
-2-

Mr. James E. Snipes  
May 6, 1986

Also, this letter will serve as notice to Donna McDonald with the Oil Conservation Division in Santa Fe, that the above-referenced well is "temporarily abandoned" pending plugging and that no further C-12CA reports are required.

Very truly yours,

OIL CONSERVATION DIVISION



Jerry Sexton  
Supervisor, District I

JS/ED

cc: Jeff Taylor - OCD Santa Fe  
Donna McDonald - OCD Santa Fe  
File

A. F. Roberts, Jr.

\$10,000 Blanket Bond

Great Am. Ins. Co.

Filed 11/6/70

#2823404 Cancelled for future liability effec. 12/14/74 (Letter 11/19/  
74)



STATE OF NEW MEXICO  
ENERGY AND MINERALS DEPARTMENT  
OIL CONSERVATION DIVISION  
HOBBS DISTRICT OFFICE

TONEY ANAYA  
GOVERNOR

February 20, 1986

POST OFFICE BOX 1980  
HOBBS, NEW MEXICO 88240  
(505) 393-6161

Elsie R. McMillon  
P.O. Box 6723  
Lubbock, Texas 79413

Re: Bogle Farms SWD #1-M, 16-11-34

Dear Mrs. McMillon:

According to the information that we have, you are now the owner of the above referenced well. The bond was issued to to A. F. Roberts, Jr., and if the well now belongs to you, the liability for this well is now your responsibility.

Since this well has not been used for a number of years, it needs to be plugged and abandoned. If you do not plan to plug and abandon this well, it is required to pressure test the casing for mechanical integrity.

Please submit your proposal to plug and abandon this well on Form C-103.

As you can see from the enclosed copies of previous correspondence, that we have been trying to get the problem of this well resolved for a long period of time.

If we have not heard from you within 30 days from the above date, it will be necessary to turn this matter over to our legal department for a show cause hearing about the plugging of this well.

Very truly yours

OIL CONSERVATION DIVISION

  
Jerry Sexton  
Supervisor, District I

JS:bp

cc: Jeff Taylor  
File

Enc

LAW OFFICES OF  
**JAMES E. SNIPES**  
A PROFESSIONAL CORPORATION  
205 NORTH FIRST STREET  
P. O. BOX 1565  
LOVINGTON, NEW MEXICO 88260  
(505) 396-3692

January 24, 1986

Energy & Minerals Dept.  
Oil Conservation Division  
Attn: Jerry Sexton  
P. O. Box 1980  
Hobbs, New Mexico 88240

Re: Bogle Farms SWD #1, 660/S  
& 660/W, Section 16, Town-  
ship 11 South, Range 34  
East

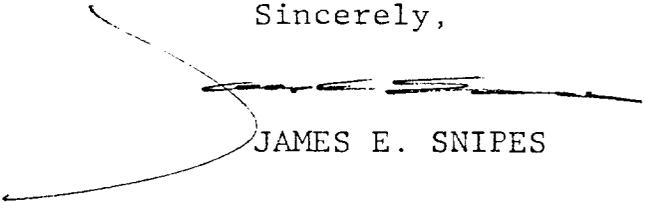
Dear Mr. Sexton:

Mr. R. L. McMillon has asked me to answer your letter of January 14, 1986. This particular property is the subject of the Estate of Andrew Florence Roberts, Jr.

Mr. McMillon was trying to do the estate a favor by finding a buyer for the well but he has been unsuccessful. Although the estate has a responsibility to plug the well, I doubt the estate has the money to do it.

As Mr. McMillon has no interest in the well, I suggest you write to the Independent Executrix of the Estate of Andrew Florence Roberts, Jr. in the State of Texas.

Sincerely,



JAMES E. SNIPES

JES/me



STATE OF NEW MEXICO  
ENERGY AND MINERALS DEPARTMENT  
OIL CONSERVATION DIVISION  
HOBBS DISTRICT OFFICE

50 YEARS



1935 - 1985

TONEY ANAYA  
GOVERNOR

January 14, 1986

POST OFFICE BOX 1980  
HOBBS NEW MEX CO 88240  
(505) 393-6161

Mr. R. L. McMillon  
2321 50th Street  
Lubbock, TX 79412

SUBJECT: Bogle Farms SWD #1 (A.F. Roberts)  
660/S & 660/W, Sec 16, T11S, R34E

Dear Mr. McMillon:

This is a follow up to my September 19th letter to you concerning the need to plug the above-referenced inactive disposal well. On November 15th I believe you advised Evelyn Downs of this office that you were trying to sell the well to Roland Caudill. Mr. Caudill has advise Mrs. Downs that due to a problem with access, he was not interested in acquiring the well for a disposal well.

It appears that unless you have other prospects for the sale of this well, you should proceed with the plugging operations. We will be glad to work out a plugging procedure for you. Please contact myself or Eddie Seay of this office in regard to a plugging procedure.

We urge you to take action on this second request by March 1, 1986, to avoid any need for further action by the Oil Conservation Division.

Very truly yours,

OIL CONSERVATION DIVISION

Jerry Sexton  
Supervisor, District I

JS/ED

cc: File



STATE OF NEW MEXICO  
ENERGY AND MINERALS DEPARTMENT  
OIL CONSERVATION DIVISION  
HOBBS DISTRICT OFFICE

TONEY ANAYA  
GOVERNOR

September 19, 1985

POST OFFICE BOX 1980  
HOBBS, NEW MEXICO 88240  
(505) 393-6161

A. F. Roberts, Jr.  
c/o Oil Reports & Gas Services, Inc.  
Box 763  
Hobbs, NM 88240

SUBJECT: Bogle Farms SWD Well #1  
660/S & 660/W, Sec 16, T11S, R34E

Gentlemen:

The above-referenced disposal has been inactive for many years. It appears there is no further need for this well for disposal purposes and it should be plugged and abandoned.

You are requested to submit your proposal for plug and abandonment of this well within the next 30 days. The plugging operation should be completed within 60 days.

If for some reason the owner wishes to delay plugging until a later date, you must pressure test the casing if the well is to be left shutin.

We require 24-hour notice prior to commencing plugging operations or pressure testing.

Very truly yours,

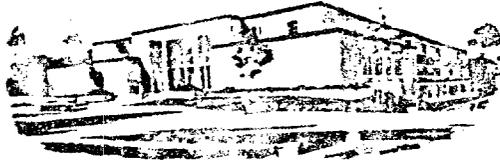
OIL CONSERVATION DIVISION

Jerry Sexton  
Supervisor, District I

JS/ED

cc: File

State of New Mexico



Commissioner of Public Lands

May 24, 1982

ALEX J. ARMIJO  
COMMISSIONER

P. O. BOX 1148  
SANTA FE, NEW MEXICO 87501X  
87504-1148

Mr. R. L. McMillon  
2321 50th Street  
Lubbock, Texas 79412

Re: State of New Mexico Oil and Gas  
Lease No. K-2655-3

Dear Sir:

Regarding your visit on Friday, May 24, 1982 whereby you and your wife inquired as to whether or not there was a Salt Water Disposal Easement outstanding for the Bogle Farms Well No. 1, located in Unit Letter M of Section 16, Township 11 South, Range 34 East, N.M.P.M., Lea County, New Mexico.

In order to state our position one L. R. French, Jr. was granted permission to utilize the aforesaid well as a salt water disposal well. You stated that this well was no longer being utilized for this purpose. We further checked our Oil and Gas Tract books and found that there is no current oil and gas lease on the above described premises or any salt water disposal easement.

As I stated the Oil Conservation Division is charged by law with the responsibility to oversee the plugging of oil or gas wells.

The State Land Office looks at the record title owner for full compliance of the lease terms. Including compliance with Oil Conservation Division rules and regulations. Should any liability arise from the drilling of wells during the term of the oil and gas lease we expect that former lessee compliance and remedy even after the expiration of the lease.

Yours truly,

ALEX J. ARMIJO  
COMMISSIONER OF PUBLIC LANDS

A handwritten signature in cursive script, appearing to read "Floyd O. Prando".

BY: Floyd O. Prando, Assistant Director  
Oil and Gas Division  
AC/505-827-2748

AJA/FOP/cb

cc: Mr. Joe Ramey Readers

OIL CONSERVATION COMMISSION

HOBBS, NEW MEXICO 88240

May 12, 1971

C  
A. F. Roberts, Jr.  
Oil Reports & Gas Services, Inc.  
P. O. Box 763  
Hobbs, New Mexico

Gentlemen:

O  
We have recently investigated a complaint of fresh water contamination on a stock watering well located about 150 yards away from your Bogle Farms Well No. 1 located in Unit M of Section 16, T-11-S, R-34-E, Lea County, New Mexico. This well, as you know, was a salt water disposal well for L. R. French, Jr., and is presently shut in.

P  
Since this appears to be the only possible contamination source in the area, it would appear that the well should be investigated and probably plugged and abandoned to stop any further contamination.

P  
Please contact this office immediately so that we can decide what steps need to be taken to see that this well is properly plugged. Failure on your part to comply with this request will result in this office contacting your bonding company for plugging and abandoning.

Y  
Yours very truly,

OIL CONSERVATION COMMISSION

Joe D. Ramey  
Supervisor, District 1

JDR/mc

OIL CONSERVATION COMMISSION

HOBBS, NEW MEXICO 88240

May 12, 1971

C  
O  
P  
Y

A. P. Roberts, Jr.  
Oil Reports & Gas Services, Inc.  
P. O. Box 768  
Hobbs, New Mexico

Gentlemen:

We have recently investigated a complaint of fresh water contamination on a stock watering well located about 150 yards away from your Bogle Farms Well No. 1 located in Unit M of Section 16, T-11-S, R-34-E, Lea County, New Mexico. This well, as you know, was a salt water disposal well for L. R. French, Jr., and is presently shut in.

Since this appears to be the only possible contamination source in the area, it would appear that the well should be investigated and probably plugged and abandoned to stop any further contamination.

Please contact this office immediately so that we can decide what steps need to be taken to see that this well is properly plugged. Failure on your part to comply with this request will result in this office contacting your bonding company for plugging and abandoning.

Yours very truly,

OIL CONSERVATION COMMISSION

Joe D. Ramey  
Supervisor, District 1

JDR/mc