STATE OF NEW MEXICO

COUNTY OF SAN JUAN

IN THE DISTRICT COURT

NEW MEXICO OIL CONSERVATION COMMISSION,)
Plaintiff,	}
vs.	No.
NOEL REYNOLDS,	\
Defendant.) }

COMPLAINT

Plaintiff states that:

I.

Plaintiff New Mexico Oil Conservation Commission is a duly organized agency of the State of New Mexico (hereinafter, "the Commission"); Defendant Noel Reynolds is a resident of Flora Vista, San Juan County, New Mexico.

II.

Defendant Noel Reynolds is the owner and operator of the Torreon Water Well No. 1 located in the NW/4 SE/4 of Section 21, Township 16 North, Range 3 West, N.M.P.M., Sandoval County, New Mexico.

III.

On September 28 and October 12, 1977, Commission examiner hearings were called to permit Defendant to appear and show cause why the above-described well should not be plugged and abandoned in accordance with a Commission-approved plugging program.

IV.

Defendant received notice of and appeared at said hearings.

v.

On November 1, 1977, the Commission issued its Order No. R-5566 requiring Defendant Noel Reynolds to plug and abandon

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said well on or before December 31, 1977, or return the well to approved active drilling status or place the well on production. A copy of said Order is attached hereto as Exhibit A and by this reference is incorporated.

VI.

By letter dated December 21, 1977, the deadline for compliance with Order No. R-5566 was extended by the Commission to January 31, 1978. A copy of said letter is attached hereto as Exhibit B and by this reference is incorporated.

VII.

Defendant has failed to comply with the terms of said Order.

VIII.

The State of New Mexico legislature has charged the Commission with the duties of conservation of oil and gas, the prevention of contamination of fresh water, and requiring dry or abandoned wells to be plugged in such a way as to confine crude petroleum oil, natural gas or water in the strata in which they are found.

IX.

The failure of Defendant to plug said well poses a potential threat to fresh water and could lead to the waste of hydrocarbons.

х.

Rule 204 of the Commission Rules and Regulations provides that "the owner of any well drilled for oil or gas, or any seismic, core or other exploratory holes, whether cased or uncased, shall be responsible for the plugging thereof."

XI.

Sections 65-3-24 and 65-3-27, N.M.S.A. 1953 Compilation, provide that an action may be instituted by the Commission to recover a penalty of not to exceed \$1,000 a day for each and

every violation of its rules, regulations or orders.

WHEREFORE, Plaintiff asks the Court:

- 1. For judgment against Defendant in an amount not to exceed \$1,000 for each day from January 31, 1978, until the date of judgment, said amount to be paid into the State Treasury as provided for in Article XII, Section 4, of the Constitution of the State of New Mexico.
- 2. For such further relief as the Court deems just and proper.

TONEY ANAYA ATTORNEY GENERAL

Lynn Teschendo.

LYNN TESCHENDORF Assistant Attorney General New Mexico Oil Conservation Commission P. O. Box 2088 Santa Fe, New Mexico 87501

BEFORE THE OIL COMSERVATION COMMISSION OF THE STATE OF HEW MEXICO

IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION COMMISSION OF NEW MEXICO FOR THE PURPOSE OF CONSIDERING:

CASE NO. 6053 Order No. R-5566

IN THE MATTER OF THE HUARING CALLED BY THE OIL CONSERVATION COMMISSION ON ITS OWN MOTION TO PERMIT NOEL REYNOLDS AND ALL OTHER INTERESTED PARTIES TO APPEAR AND SHOW CAUSE WHY THE TORREON WATER WILL NO. 1, SANDOVAL COUNTY, NEW MEXICO, SHOULD NOT BE PLUGGED AND ABANDONED IN ACCORDANCE WITH A COMMISSION-APPROVED PLUGGING PROGRAM.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on October 12, 1977, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this <u>lst</u> day of November, 1977, 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 Noel Reynolds is the owner and operator of the Torreon Water Well No. 1, located in Unit J of Section 21, Township 18 North, Range 3 West, NMPM, Sandoval County, New Mexico.
- (3) That in order to prevent waste and protect correlative rights said Torreon Water Well No. 1 should be plugged and abandoned in accordance with a program approved by the Aztec District Office of the New Mexico Oil Conservation Commission on or before December 31, 1977, or the well should be returned to active drilling status or placed on production.

IT IS THEREFORE ORDERED:

(1) That Noel Reynolds is hereby ordered to plug and abandon the Torreon Water Well No. 1, located in Unit J of



-2-Case No. 6053 Order No. 1:-5566

Section 21, Township 18 North, Range 3 West, NMPM, Sandoval County, New Mexico, on or before December 31, 1977, or return the well to approved active drilling status or place the well on production.

- (2) That Noel Reynolds, prior to plugging and abandoning the above-described well, shall obtain from the Aztec office of the Cormission, a Commission-approved program for said plugging and abandoning, and shall notify said Aztec office of the date and hour said work is to be commenced whereupon the Commission may, at its option, witness such work.
- (3) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year herein-above designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

PHIL R. LUCERO, Chairman

EMERY Z. ARNOLD, Member

JOE D. RANKY, Member & Secretary

SEAL



DIRECTOR JOE D. RAMEY

OIL CONSERVATION COMMISSION

STATE OF NEW MEXICO 1000 RIO BRAZOS RD. - AZTEC

87410

LAND COMMISSIONER PHIL R. LUCERO



STATE GEOLOGIST EMERY C. ARNOLD

December 21, 1977

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Mr. Noel Reynolds 107 Northwest Energy Building Farmington, New Mexico 87401

Re: Order R-5566

Dear Mr. Reynolds:

Your request for additional time to comply with the captioned order has been considered.

It is my opinion that ample time was granted in the order considering that the case was first heard October 13, 1976, and heard again September 28, 1977.

Because of the lack of rig availability, I will grant an extension to January 31, 1978, at which time I expect compliance with the subject order.

Yours very truly

A. R. Kendhick

Supervisor, District #3

xc w/copy of letter: 0.C.C., Santa Fe

U.S.G.S., Durango

ARK:no

