APPLICATION FOR PLUGGING

	1. A. L. Dawsey,
	(hereinafter called "operator") is the operator of the
	El Vado #1 and El Vado #2 located
	N-11-27N-1E
	Rio Arriba County, New Mexico.
	2. A. L. Dawsey as operator,
	has posted xex (one well) (BTHKET) (cash) (xxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxx
	the amount of \$5,000.00 each in compliance with Section
	70-2-14 N.M.S.A. 1978 and Rule 101 of the Rules and
	Regulations of the Oil Conservation Division, which bond is
	conditioned upon compliance with the Statutes of the State
	of New Mexico and the Rules and Regulations of the Division
	with respect to the proper plugging and abandonment of the
	well(s) operated by said operator.
(Alt. 1)	3 is surety on
	said bond.
(Alt. 2)	3 is holding savings
	account No.
(Alt. 3)	3. Operator has deposited with First National Bank of Albuquerque

(Alt. 1) 4. The El Vado #1 and #2 KMS not produced hydrocarbon substance for more than six months, and no permit for temporary abandonment has been requested by the operator or approved by the Division.

(Alt. 2) 4. Operator has previously obtained an approved permit for temporary abandonment of said well, but said permit and any extensions thereof has expired more than six months prior to the filing of this application and the well has not produced hydrocarbons since the expiration of said permit.

- 5. By virtue of the failure to obtain production or to have an approved current temporary abandonment permit, the ______ El_Vado #1 and #2 ______ welk ** are presumed to have been abandoned.
- 6. By authority of Section 70-2-12 N.M.S.A. 1978, the Rules and Regulations of the Division require wells no longer productive or capable of production to be properly plugged.

7. Demand has been made upon the operator to either place said well to beneficial use or properly plug and abandon the same and the Operator has failed to do so.

WHEREFORE, The Supervisor of District Three of the Oil Conservation Division applies to the Director to enter an order:

- 1. Determining whether or not the __El_Vado_#l_and_#2__ wells should be plugged in accordance with a Division-approved plugging program;
- 2. Upon determination that said well should be plugged directing A. L. Dawsey as Operator (and First National Bank of as surety) to plug said Albuquerque El Vado #1 and #2 wells within 45 days of the date of the Director's order.
- 3. Further ordering that if operator (or surety) fail to plug and abandon said well as ordered by the Director, that the Division be authorized to plug said well and to forfeit said bond, and further authorizing the Division to recover from the Operator any costs of plugging in excess of the amount of the bond.