

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

**CASE NO. 12719
ORDER NO. R-11670**

IN THE MATTER OF THE HEARING CALLED BY THE NEW MEXICO OIL CONSERVATION DIVISION ("DIVISION") THROUGH THE SUPERVISOR OF DIVISION DISTRICT III OFFICE IN AZTEC, NEW MEXICO ON ITS OWN MOTION FOR AN ORDER: (I) REQUIRING ROBERT AND MARJORIE WILKINSON TO PROPERLY PLUG AND ABANDON ONE WELL IN MCKINLEY COUNTY, NEW MEXICO; OR (II) AUTHORIZING THE DIVISION TO PLUG AND ABANDON THIS WELL.

ORDER OF THE DIVISION

BY THE DIVISION:

This case came on for hearing at 8:15 a.m. on September 6, 2001, at Santa Fe, New Mexico, before Examiner David R. Catanach.

NOW, on this 10th day of October, 2001, the Division Director, having considered the testimony, the record, and the recommendations of the Examiner,

FINDS THAT:

(1) Due public notice has been given and the Division has jurisdiction of this case and its subject matter.

(2) Robert and Marjorie Wilkinson ("the Wilkinsons"), are the current operators of the Jaco No. 60 (**API No. 30-031-20880**) located 500 feet from the North line and 610 feet from the West line (Unit D) of Section 32, Township 20 North, Range 9 West, NMPM, McKinley County, New Mexico.

(3) The Division seeks an order directing the operators to plug the above-described well in accordance with a Division-approved plugging program and, if the operators fail to do so, authorizing the Division to proceed to plug and abandon this well, order the recovery of the plugging costs, and impose a fine on the operator for failure to comply with this order.

(4) Representatives of the Division's district office in Aztec (District III) and the Division's office in Santa Fe prepared a detailed report and summary supporting its position that the subject well should be plugged and abandoned.

(5) The operators did not appear at the hearing.

(6) This well has not produced hydrocarbons and has been inactive for more than one year, and no permit for temporary abandonment has been requested by the operators or approved by the Division.

(7) By virtue of the failure to use the well for beneficial purposes or to have an approved temporary abandonment permit, the subject well is presumed to have been abandoned by the Wilkinsons.

(8) The current condition of the well is such that if action is not taken to properly plug and abandon the well, waste will probably occur, correlative rights will also be violated, livestock and wildlife may be subject to harmful contaminants, and fresh waters may be in danger of contamination.

(9) There is currently no plugging bond in effect for the Jaco No. 60.

(10) In order to prevent waste and to adequately protect correlative rights and the environment, the Jaco No. 60 should be plugged and abandoned by the Wilkinsons in accordance with a program approved by the supervisor of the Division's Aztec District Office on or before November 1, 2001.

(11) Should the Wilkinsons not meet this November 1, 2001 plugging obligation, the Division Director should then be authorized to take such action as is deemed necessary to recover from the operators the plugging costs incurred by the Division.

IT IS THEREFORE ORDERED THAT:

(1) Robert and Marjorie Wilkinson are hereby ordered to plug and abandon the Jaco No. 60 (**API No. 30-031-20880**) located 500 feet from the North line and 610 feet from the West line (Unit D) of Section 32, Township 20 North, Range 9 West, NMPM, McKinley County, New Mexico, on or before November 1, 2001.

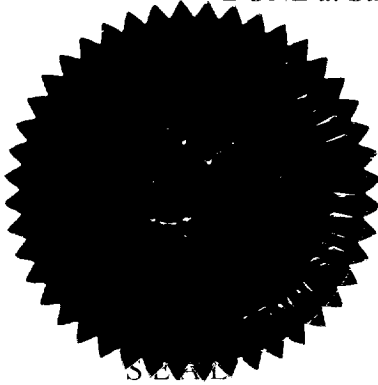
(2) Robert and Marjorie Wilkinson, prior to plugging and abandoning the above-described well, shall obtain from the supervisor of the Division's district office in Aztec, an approved plugging program and shall notify the Aztec District Office of the date and time this work is to commence whereupon the Division may witness such work.

(3) Should Robert and Marjorie Wilkinson fail or refuse to carry out such provisions in accordance with the terms of this order, the Division shall then take such actions as are necessary to: (i) have this well properly plugged and abandoned; and (ii) recover from the operators the plugging cost incurred by the Division.

(4) Failure to comply with the provisions of this order shall subject Robert and Marjorie Wilkinson, jointly and severally, to a fine of \$1,000.00 per day per well until such work is completed (see Section 70-2-31, NMSA 1978).

(5) Jurisdiction of this case is retained for the entry of such further orders as the Division may deem necessary.

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



STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

Loi Wrotenbery
LOI WROTENBERY
Director