

Entered June 13, 1978

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STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION COMMISSION ON ITS OWN MOTION TO PERMIT CORINNE GRACE, THE TRAVELERS INDEMNITY CO., AND ALL OTHER INTERESTED PARTIES TO APPEAR AND SHOW CAUSE WHY CERTAIN WELLS IN EDDY AND LEA COUNTIES, NEW MEXICO, SHOULD NOT BE PLUGGED AND ABANDONED IN ACCORDANCE WITH A DIVISION-APPROVED PLUGGING PROGRAM.

CASE NO. 6234
Order No. R-5734

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on May 31, 1978, at Santa Fe, New Mexico, before the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission."

NOW, on this 13th day of June, 1978, the Commission, a quorum being present, having considered the testimony presented and the exhibits received at said hearing, 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 Corinne Grace is the owner and operator of the following wells:

In Lea County, New Mexico

TOWNSHIP 12 SOUTH, RANGE 34 EAST, NMPM

Punch Well No. 1 located in Unit J of Section 11
Ranger Lake Well No. 1 located in Unit N of Section 11
Ranger Lake Well No. 3 located in Unit N of Section 11
Texas Pacific AH State Well No. 1 located in Unit F of Section 14
Ranger SWD Well No. 1 located in Unit H of Section 15

TOWNSHIP 14 SOUTH, RANGE 36 EAST, NMPM

Governor McDonald Well No. 1 located in Unit C of Section 20

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In Eddy County, New Mexico

TOWNSHIP 24 SOUTH, RANGE 27 EAST, NMPM

Sulphate Aunt Well No. 1 located in Unit C of Section 3
Sulphate Uncle Well No. 1 located in Unit L of Section 23

TOWNSHIP 25 SOUTH, RANGE 27 EAST, NMPM

Sulphate Brother Well No. 1 located in Unit L of Section 3
Sulphate Cousin Well No. 1 located in Unit E of Section 15

(3) That The Travelers Indemnity Company is the surety on the Oil Conservation Division plugging bond on which Corinne Grace is principal.

(4) That the purpose of said bond is to assure the state that the subject wells will be properly plugged and abandoned when not capable of commercial production.

(5) That the subject wells pose a hazard to hydrocarbon reserves, or could cause contamination of fresh water supplies, or injury to livestock and other properties, or threaten the public health, safety and welfare.

(6) That the leases on which the aforesaid Governor McDonald Well No. 1, Sulphate Aunt Well No. 1, Sulphate Uncle Well No. 1, Sulphate Brother Well No. 1 and Sulphate Cousin Well No. 1 are located have expired, thereby denying to the operator Corinne Grace beneficial use of the aforesaid wells.

(7) That in order to prevent waste, protect correlative rights, prevent contamination of fresh waters, prevent injury to livestock and neighboring properties, and to protect the public health, safety and welfare,

- A. the aforesaid wells in Lea County, New Mexico, should be plugged and abandoned in accordance with a plugging program approved by the Hobbs District Office of the Oil Conservation Division; and
- B. the aforesaid wells in Eddy County, New Mexico, should be plugged and abandoned in accordance with a plugging program approved by the Artesia District Office of the Oil Conservation Division.

(8) That the plugging of all of the aforesaid wells should be accomplished on or before October 1, 1978.

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IT IS THEREFORE ORDERED:

(1) That Corinne Grace is hereby ordered to plug and abandon the following wells on or before October 1, 1978:

In Lea County, New Mexico

TOWNSHIP 12 SOUTH, RANGE 34 EAST, NMPM

Punch Well No. 1 located in Unit J of Section 11
Ranger Lake Well No. 1 located in Unit N of Section 11
Ranger Lake Well No. 3 located in Unit N of Section 11
Texas Pacific AH State Well No. 1 located in Unit F of Section 14
Ranger SWD Well No. 1 located in Unit H of Section 15

TOWNSHIP 14 SOUTH, RANGE 36 EAST, NMPM

Governor McDonald Well No. 1 located in Unit C of Section 20

In Eddy County, New Mexico

TOWNSHIP 24 SOUTH, RANGE 27 EAST, NMPM

Sulphate Aunt Well No. 1 located in Unit C of Section 3
Sulphate Uncle Well No. 1 located in Unit L of Section 23

TOWNSHIP 25 SOUTH, RANGE 27 EAST, NMPM

Sulphate Brother Well No. 1 located in Unit L of Section 3
Sulphate Cousin Well No. 1 located in Unit E of Section 15

(2) That Corinne Grace, prior to plugging and abandoning the aforesaid wells in Lea County, shall obtain from the Hobbs office of the Division, a Division-approved program for said plugging and abandoning, and shall notify said Hobbs office of the date and hour said work is to be commenced whereupon the Division may, at its option, witness such work;

(3) That Corinne Grace, prior to plugging and abandoning the aforesaid wells in Eddy County, shall obtain from the Artesia office of the Division, a Division-approved program for said plugging and abandoning, and shall notify said Artesia office of the date and hour said work is to be commenced whereupon the Division may, at its option, witness such work.

(4) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

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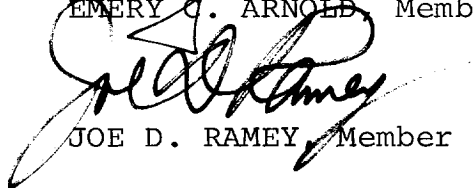
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DONE at Santa Fe, New Mexico, on the day and year herein-
above designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

PHIL R. LUCERO, Chairman


EMERY C. ARNOLD, Member


JOE D. RAMEY, Member & Secretary

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