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STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

CASE NO. 7686
Order No. R-7121

IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION DIVISION ON ITS OWN MOTION TO PERMIT ENERGETICS CORPORATION, UNITED STATES FIDELITY AND GUARANTY COMPANY, AND ALL OTHER INTERESTED PARTIES TO APPEAR AND SHOW CAUSE WHY THE HANES CORPORATION WELL NO. 1, LOCATED IN UNIT F OF SECTION 9, TOWNSHIP 24 SOUTH, RANGE 2 EAST, DONA ANA COUNTY, SHOULD NOT BE PLUGGED AND ABANDONED IN ACCORDANCE WITH A DIVISION-APPROVED PLUGGING PROGRAM.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on October 27, 1982, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 8th day of November, 1982, the Division Director, 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 Division has jurisdiction of this cause and the subject matter thereof.
- (2) That Energetics Corporation is the owner and operator of the Hanes Corporation Well No. 1, located in Unit F of Section 9, Township 24 South, Range 2 East, NMPM, Dona Ana County, New Mexico.
- (3) That United States Fidelity and Guaranty is the surety on the Oil Conservation Division plugging bond on which Energetics Corporation is principal.
- (4) That the purpose of said bond is to assure the state that the subject well will be properly plugged and abandoned when not capable of commercial production.
- (5) That in order to prevent waste and protect correlative rights said well should be plugged and abandoned in accordance with a program approved by the Santa Fe District Office of the New Mexico Oil Conservation Division on or before January 1, 1983, or the well should be returned to active drilling status or placed on production.

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IT IS THEREFORE ORDERED:

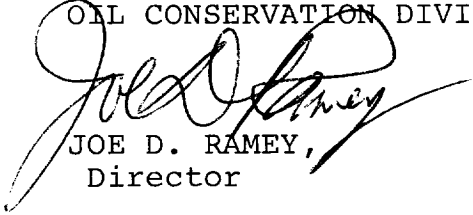
(1) That Energetics Corporation and United States Fidelity and Guaranty are hereby ordered to plug and abandon the Hanes Corporation Well No. 1, located in Unit F of Section 9, Township 24 South, Range 2 East, NMPM, Dona Ana County, New Mexico, or in the alternative, to return the well to active drilling status or place the well on production on or before January 1, 1983.

(2) That Energetics Corporation and United States Fidelity and Guaranty Company, prior to plugging and abandoning the above-described well, shall obtain from the Santa Fe office of the Division, a Division-approved program for said plugging and abandoning, and shall notify said Santa Fe office of the date and hour said work is to be commenced whereupon the Division may, at its option, witness such work.

(3) That jurisdiction of this cause 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


JOE D. RAMEY,
Director

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