

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

APPLICATION OF THE NEW MEXICO OIL CONSERVATION
DIVISION THROUGH THE SUPERVISOR OF DISTRICT III
FOR AN ORDER REQUIRING THE GRAHAM #1 WELL,
(API NO. 30-045-08066), LOCATED IN UNIT H,
SEC. 20, T-29-N, R-11-W, SAN JUAN COUNTY, NEW MEXICO,
TO BE PROPERLY PLUGGED, AUTHORIZING THE DIVISION TO
PLUG SAID WELL AND ORDERING A FORFEITURE
OF THE PLUGGING BOND, IF ANY.

JAN 2 1984

CASE NO. 1204

APPLICATION FOR PLUGGING

1. Coal Creek Oil Co. (hereinafter called "Operator") is the operator of the Graham #1 Well, located in Unit H of Sec. 20, Township 29 North, Range 11 West, San Juan County, New Mexico.

2. The subject well has not produced hydrocarbon substance or has otherwise been inactive for more than one year or is no longer usable for beneficial purposes and no permit for temporary abandonment has been requested by the Operator and approved by the Division.

3. By virtue of the failure to use the well for beneficial purposes or to have an approved current temporary abandonment permit, the subject well is presumed to have been abandoned and is required to be plugged.

4. By authority of Section 70-2-12 N.M.S.A. 1978, the Rules and Regulations of the Division require wells which are inactive for more than one year or are no longer usable for

beneficial purposes to be properly plugged.

5. Demand has been made upon the Operator to either place the subject well to beneficial use, obtain approval for temporary abandonment or properly plug and abandon the same and the Operator has failed to do so.

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

1. Determining whether or not the Graham #1 well should be plugged in accordance with a Division-approved plugging program:

2. Upon determination that said well should be plugged directing Coal Creek Oil Co. as Operator to plug said well.

3. Further ordering that if operator fails to plug and abandon said well as ordered by the Director, that the Division be authorized:

a. to plug said well;

b. to recover from the Operator any costs of plugging in excess
of the amount of the bond.

4. For such other and further relief as the Division seems just and proper.

RESPECTFULLY SUBMITTED,

A handwritten signature in black ink, appearing to read "Rand Carroll", written over a horizontal line.

RAND CARROLL

Legal Counsel

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