STATE OF NEW MEXICO ENERGY AND MINERALS DEPARTMENT OIL CONSERVATION DIVISION

CASE NO. 8486 Order No. R-7852

IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION DIVISION ON ITS OWN MOTION TO PERMIT WARREN J. MILLER, SAN JUAN PETROLEUM COMPANY, THE MARYLAND CASUALTY COMPANY AND ALL OTHER INTERESTED PARTIES TO APPEAR AND SHOW CAUSE WHY THE UMBENHOUR WELL NO. 1 LOCATED IN THE SE/4 SW/4 (UNIT N) OF SECTION 9, TOWNSHIP 29 NORTH, RANGE 13 WEST, SAN JUAN 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 8 a.m. on February 27, 1985, at Santa Fe, New Mexico, before Examiner Michael E. Stogner.

NOW, on this <u>15th</u> day of March, 1985, the Division Director, having considered the testimony, the record, and the recommendations of the Examiner, and being fully advised in the premises,

FINDS THAT:

- (1) Due public notice having been given as required by law, the Division has jurisdiction of this cause and the subject matter thereof.
- (2) Division Case Nos. 8485, 8486, 8487, 8488, 8489 and 8490 were consolidated for purposes of testimony.
- (3) San Juan Petroleum Company is shown on the completion records on file with the New Mexico Oil Conservation Division as the last known operator of the Umbenhour Well No. 1 located in the SE/4 SW/4 (Unit N) of Section 9, Township 29 North, Range 13 West, NMPM, Farmington City Limits, San Juan County, New Mexico.
- (4) The plugging bond for the subject well shows the owner and operator to be Warren J. Miller.
- (5) The subject well was plugged and abandoned in an unknown manner in January 1932 and its exact location to date has not been determined.

- (6) Maryland Casualty Company is the surety on the Oil Conservation Division plugging bond on which Warren J. Miller is principal.
- (7) 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.
- (8). The current condition of said well could be such that waste may occur, correlative rights maybe violated and/or fresh waters may be contaminated if action is not taken to properly plug and abandon the well.
- (9) San Juan Petroleum Company, Warren J. Miller, and Maryland Casualty Company, in order to prevent waste and protect correlative rights, should be ordered to plug and abandon said Umbenhour Well No. 1 in accordance with a program approved by the Aztec District Office of the New Mexico Oil Conservation Division on or before April 15, 1985.

IT IS THEREFORE ORDERED THAT:

- (1) San Juan Petroleum Company, Warren J. Miller, and Maryland Casualty Company are hereby ordered to plug and abandon the Umbenhour Well No. 1, located in the SE/4 SW/4 (Unit N) of Section 9, Township 29 North, Range 13 West, NMPM, Farmington City Limits, San Juan County, New Mexico, on or before April 15, 1985.
- (2) San Juan Petroleum Company, Warren J. Miller and/or Maryland Casualty Company, prior to plugging and abandoning the above-described well, shall obtain from the Aztec office of the Division, a Division-approved program for said plugging and abandoning, and shall notify said Aztec office of the date and hour said work is to be commenced whereupon the Division may, at its option, witness such work.
- (3) Jurisdiction of this cause is retained for the entry of such further orders as the Division may deem necessary.

Case No. 8486 Order No. R-7852

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

S E

STATE OF NEW MEXICO OIL CONSERVATION DIVISION

R. L. STAMETS,

Director