Entered Same 21, 1962 app.

BEFORE THE OIL CONSERVATION COMMISSION OF THE STATE OF NEW MEXICO

> CASE No. 2560 Order No. R-2256

IN THE MATTER OF THE HEARING CALLED ON THE MOTION OF THE OIL CONSERVATION COMMISSION TO CONSIDER THE REVISION OF RULES 201 AND 1105.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on May 16, 1962, at Hobbs, New Mexico, before the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission."

NOW, on this 7th day of June, 1962, 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 Rules 201 and 1105 presently require that offset operators be notified prior to the commencement of well plugging operations.

(3) That it appears that such notification is burdensome to all operators and that in the past the plugging of offset wells has infrequently been witnessed.

IT IS THEREFORE ORDERED:

(1) That Rule 201 of the Commission Rules and Regulations is hereby revised to read in its entirety as follows:

RULE 201. NOTICE

Notice of intention to plug must be filed with the Commission by the owner or his agent prior to the commencement of plugging operations on Form C-102, which notice shall state the name and location of the well and the name of the operator.

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> In the case of a newly completed dry hole, the operator may commence plugging by securing the approval of the Commission as to the method of plugging and the time plugging operations are to begin. He shall, however, file the regular notification form.

(2) That the third paragraph of Rule 1105 of the Commission Rules and Regulations is hereby revised to read as follows:

In the case of well-plugging operations, the notice shall give a detailed statement of the proposed work, including length and depth of plugs, plans for mudding, cementing, shooting, testing and removing casing, and the date of the proposed plugging operations. Failure to file notice before plugging shall constitute grounds for delaying the release of the bond. If not previously filed, a complete log of the well on Form C-105 shall accompany the notice of intention to plug the well, and the bond will not be released until this is complied with.

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

> STATE OF NEW MEXICO OIL CONSERVATION COMMISSION

EDWIN L. MECHEM, Chairman

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A. L. PORTER, Jr., Member & Secretary

SEAL

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