

Entered May 9, 1978  
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STATE OF NEW MEXICO  
ENERGY AND MINERALS DEPARTMENT  
OIL CONSERVATION DIVISION

CASE NO. 6212  
Order No. R-5722

IN THE MATTER OF THE HEARING CALLED BY THE  
OIL CONSERVATION DIVISION ON ITS OWN MOTION  
TO PERMIT CLAY-NEILL AND ALL OTHER INTERESTED  
PARTIES TO APPEAR AND SHOW CAUSE WHY THE  
STATE WELL NO. 1 LOCATED IN UNIT C OF SECTION  
9, TOWNSHIP 19 NORTH, RANGE 30 EAST, HARDING  
COUNTY, NEW MEXICO, 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 May 3, 1978,  
at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 9th day of May, 1978, 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 Clay-Neill is the owner and operator of the  
State Well No. 1 located in Unit C of Section 9, Township 19  
North, Range 30 East, NMPM, Harding County, New Mexico.

(3) That American Employers' Insurance Company is the  
surety on the Oil Conservation Division plugging bond on which  
Clyde B. Neill 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 State Well No. 1 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  
July 1, 1978, or the well should be returned to active drilling  
status or placed on production.

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IT IS THEREFORE ORDERED:

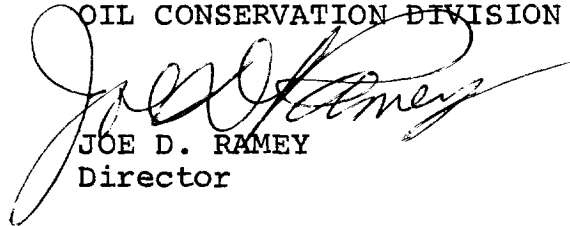
(1) That Clay-Neill is hereby ordered to plug and abandon the State Well No. 1, located in Unit C of Section 9, Township 19 North, Range 30 East, NMPM, Harding County, New Mexico, or in the alternative, to return the well to active drilling status or place the well on production on or before July 1, 1978.

(2) That Clay-Neill, 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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