

Entered April 3, 1981
JLR

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
DIVISION FOR THE PURPOSE OF
CONSIDERING:

CASE NO. 7176
Order No. R-6628

IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION
DIVISION ON ITS OWN MOTION TO PERMIT MARJORY M. GRIER, U. S.
CASUALTY COMPANY OF NEW YORK, AND ALL OTHER INTERESTED PARTIES
TO APPEAR AND SHOW CAUSE WHY THE RED MOUNTAIN WELLS NOS. 6, 7,
AND 10, ALL LOCATED IN UNIT B OF SECTION 29, TOWNSHIP 20 NORTH,
RANGE 9 WEST, MCKINLEY COUNTY, SHOULD NOT BE PLUGGED AND ABAN-
DONED 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 March 11, 1981,
at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 7th day of April, 1981, 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 Marjory M. Grier is the owner and operator of the
Red Mountain Wells Nos. 6, 7, and 10, all located in Unit B of
Section 29, Township 20 North, Range 9 West, NMPM, McKinley
County, New Mexico.

(3) That U. S. Casualty Company of New York is the surety
on the Oil Conservation Division plugging bond on which Marjory
M. Grier is principal.

(4) That the purpose of said bond is to assure the state
that the subject wells will be properly plugged and abandoned
when not capable of commercial production.

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(5) That in order to prevent waste and protect correlative rights said Red Mountain Wells Nos. 6, 7, and 10 should be plugged and abandoned in accordance with a program approved by the Aztec District Office of the New Mexico Oil Conservation Division on or before April 15, 1981, or the wells should be returned to active drilling status or placed on production.

IT IS THEREFORE ORDERED:

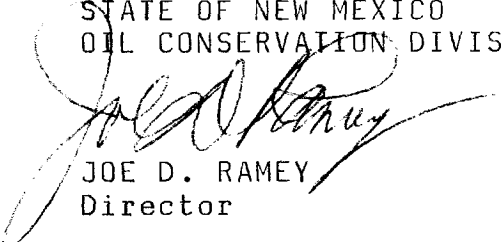
(1) That Marjory M. Grier and U. S. Casualty Company of New York are hereby ordered to plug and abandon the Red Mountain Wells Nos. 6, 7, and 10, all located in Unit B of Section 29, Township 20 North, Range 9 West, NMPM, McKinley County, New Mexico, or in the alternative, to return the wells to active drilling status or place the wells on production on or before April 15, 1981.

(2) That Marjory M. Grier and U. S. Casualty Company of New York, prior to plugging and abandoning the above-described wells, 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) 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 herein-above designated.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION



JOE D. RAMEY
Director

S E A L

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