Entered May 24,

STATE OF NEW MEXICO ENERGY AND MINERALS DEPARTMENT OIL CONSERVATION DIVISION

CASE NO. 7540 Order No. R-6977

IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION DIVISION ON ITS OWN MOTION TO PERMIT PAULY-ANDERSON-PRITCHARD, WILLIAM H. PAULY, AND ALL OTHER INTERESTED PARTIES TO APPEAR AND SHOW CAUSE WHY THE MALOY WELL NO. 1, LOCATED IN UNIT P, SECTION 16, TOWNSHIP 29 NORTH, RANGE 11 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 9 a.m. on May 12, 1982, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this <u>24th</u> day of May, 1982, 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 Pauly-Anderson-Pritchard and William H. Pauly are the owners and operators of the Maloy Well No. 1, located in Unit P of Section 16, Township 29 North, Range 11 West, NMPM, San Juan County, New Mexico.

(3) That in order to prevent waste and protect correlative rights said Maloy Well No. 1 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 June 30, 1982, or the well should be returned to active drilling status or placed on production.

IT IS THEREFORE ORDERED:

(1) That Pauly-Anderson-Pritchard and William H. Pauly are hereby ordered to plug and abandon the Maloy Well No. 1, located in Unit P of Section 16, Township 29 North, Range 11 West, NMPM, San Juan County, New Mexico, or in the alternative, to return the well to active drilling status or place the well on production on or before June 30, 1982. -2-Case No. 7540 Order No. R-6977

(2) That Pauly-Anderson-Pritchard and William H. Pauly, 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) 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 Ame 4 JOE D. RAMEY, Director

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