

Entered March 9, 1983
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STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

CASE NO. 7805
Order No. R-7235

IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION DIVISION ON ITS OWN MOTION TO PERMIT GEOPHONIC RESOURCES, INC., WESTERN SURETY COMPANY, AND ALL OTHER INTERESTED PARTIES TO APPEAR AND SHOW CAUSE WHY THE MARY KAY WELL NO. 2-C LOCATED IN SECTION 16, TOWNSHIP 26 NORTH, RANGE 36 EAST, UNION 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 March 2, 1983, at Santa Fe, New Mexico, before Examiner Michael E. Stogner.

NOW, on this 9th day of March, 1983, 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 the records filed with the New Mexico Oil Conservation Division reflect "Geoponic Resources, Inc." as being the owner and operator of subject well and that this is in error since the plugging bond shows "Geophonic Resources, Inc." as the owner and operator of subject well.

(3) That Geophonic Resources, Inc. is the owner and operator of the Mary Kay Well No. 2-C, located 990 feet from the North line and 1980 feet from the West line of Section 16, Township 26 North, Range 36 East, NMPM, Union County, New Mexico.

(4) That Western Surety Company is the surety on the Oil Conservation Division plugging bond on which Geophonic Resources, Inc. is principal.

(5) 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.

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(6) That in order to prevent waste and protect correlative rights said above described well 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 May 1, 1983, or the well should be returned to active drilling status or placed on production.

IT IS THEREFORE ORDERED:

(1) That Geophonic Resources, Inc. and Western Surety Company are hereby ordered to plug and abandon the Mary Kay Well No. 2-C, located 990 feet from the North line and 1980 feet from the West line of Section 16, Township 26 North, Range 36 East, NMPM, Union County, New Mexico.

(2) That in the alternative said well may be returned to approved active drilling status or be placed on production.

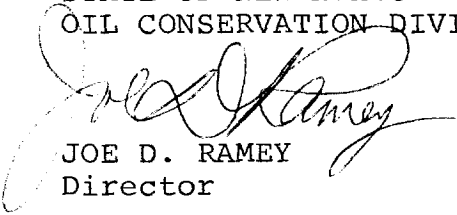
(3) That said well shall be plugged and abandoned, returned to drilling, or placed on production on or before May 1, 1983.

(4) That Geophonic Resources, Inc. and/or Western Surety Company, 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.

(5) 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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