STATE OF NEW MEXICO ENERGY AND MINERALS DEPARTMENT OIL CONSERVATION DIVISION

CASE NO. 8290 Order No. R-7710

IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION DIVISION ON ITS OWN MOTION TO PERMIT JACK L. CAYIAS, J. R. ABRAHAM AND ALL OTHER INTERESTED PARTIES TO APPEAR AND SHOW CAUSE WHY THE CHARLES M WELL NO. 1 LOCATED 1850 FEET FROM THE SOUTH LINE AND 790 FEET FROM THE WEST LINE OF SECTION 1, TOWNSHIP 25 NORTH, RANGE 3 WEST, RIO ARRIBA 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 8 a.m. on September 5, 1984, at Santa Fe, New Mexico, before Examiner Gilbert P. Quintana.

NOW, on this 7th day of November, 1984, the Division Director, having considered the testimony, the record, and the recommendations of the Examiner, and being fully advised in the premises,

FINDS THAT:

- (1) Due public notice having been given as required by law, the Division has jurisdiction of this cause and the subject matter thereof.
- (2) Jack L. Cayias and J. R. Abraham are the owners and operator of the Charles M Well No. 1, located 1850 feet from the South line and 790 feet from the West line of Section 1, Township 25 North, Range 3 West, NMPM, Rio Arriba County, New Mexico.
- (3) Union Oil Company of Texas currently holds the lease rights underlying the proration unit on which the Charles M. Well No. 1 is located.
- (4) A plugging bond for the Charles M. Well No. 1 does not currently exist on file with the Oil Conservation Division.
- (5) In order to prevent waste and protect correlative rights said Charles M 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 January 4, 1985, or the well should be returned to active drilling status or placed on production.

-2-Case No. 8290 Order No. R-7710

IT IS THEREFORE ORDERED THAT:

- (1) Jack L. Cayias and J. R. Abraham are hereby ordered to plug and abandon the Charles M Well No. 1 located 1850 feet from the South line and 790 feet from the West line of Section 1, Township 25 North, Range 3 West, NMPM, Rio Arriba County, New Mexico, or in the alternative, to return the well to active drilling status or place the well on production on or before January 4, 1985.
- (2) Jack L. Cayias and J. R. Abraham, 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) 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

R. L. STAMETS,

Director

SEAL