

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION DIVISION ON ITS OWN MOTION TO PERMIT JOHN CARANTA d/b/a CARDEL OIL COMPANY, FIDELITY AND DEPOSIT COMPANY, AND ALL OTHER INTERESTED PARTIES TO APPEAR AND SHOW CAUSE WHY THE CARANTA WELL NO. 1 LOCATED 1980 FEET FROM THE SOUTH AND EAST LINES (UNIT J) OF SECTION 28, TOWNSHIP 32 NORTH, RANGE 1 WEST, RIO ARRIBA COUNTY, SHOULD NOT BE PLUGGED AND ABANDONED IN ACCORDANCE WITH A DIVISION APPROVED PLUGGING PROGRAM.

CASE No. 8968
Order No. R-8304

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 8:15 a.m. on August 20, 1986, at Santa Fe, New Mexico, before Examiner David R. Catanach.

NOW, on this 17th day of September, 1986, 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) John Caranta d/b/a Cardel Oil Company is the owner and operator of the Caranta No. 1 Well located 1980 feet from the South and East lines (Unit J) of Section 23, Township 32 North, Range 1 West, NMPM, Rio Arriba County, New Mexico.
- (3) Fidelity and Deposit Company is the surety on the Oil Conservation Division plugging bond on which John Caranta d/b/a Cardel Oil Company is principal.
- (4) The purpose of said bond is to assure the state that the subject well will be properly plugged and abandoned upon depletion or when not capable of commercial production.
- (5) The current condition of said well is such that waste may occur, correlative rights may be violated, or fresh waters

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may be contaminated if action is not taken to properly plug and abandon the well.

(6) In order to prevent waste, protect correlative rights, and prevent any fresh water contamination, said Caranta No. 1 well should be plugged and abandoned on or before October 15, 1986 in accordance with the plugging program submitted as evidence in this case by the Division and denoted as Exhibit No. (1) thereto.

IT IS THEREFORE ORDERED THAT:

(1) John Caranta, d/b/a Cardel Oil Company and Fidelity and Deposit Company are hereby ordered to plug and abandon the Caranta No. 1 Well located 1980 feet from the South and East lines (Unit J) of Section 23, Township 32 North, Range 1 West, NMPM, Rio Arriba County, New Mexico, on or before October 15, 1986.

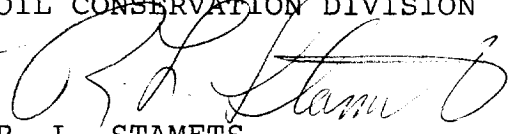
(2) John Caranta d/b/a Cardel Oil Company and Fidelity and Deposit Company, prior to plugging and abandoning the above described well, shall obtain from the Aztec office of the Division an approved plugging program and shall notify said Aztec office of the date and time said work is to be commenced whereupon the Division may, at its option, witness such work.

(3) Should John Caranta d/b/a Cardel Oil Company or Fidelity and Deposit Company fail or refuse to properly plug and abandon the Caranta No. 1 well in accordance with the terms of this Order, the Division shall take such steps as are necessary to have the well properly plugged.

(4) 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

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