STATE OF NEW MEXICO ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT OIL CONSERVATION DIVISION

CASE NO. 9169 Order No. R-8509

IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION DIVISION ON ITS OWN MOTION TO PERMIT C.R. (CARL) ROBINSON AND JOHN ILEY; EASTERN INDEMNITY OF MARYLAND; AND ALL OTHER INTERESTED PARTIES TO APPEAR AND SHOW CAUSE WHY THE O.F. BACA WELL NO. 1 IN VALENCIA 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 8:15 a.m. on September 9, 1987, at Santa Fe, New Mexico, before Examiner Michael E. Stogner.

NOW, on this <u>18th</u> day of September, 1987, 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) C.R. (Carl) Robinson and John Iley are the owners and C.R. (Carl) Robinson is the operator of the O.F. Baca Well No. 1, located 660 feet from the North line and 1920 feet from the West line (Unit C) of Section 3, Township 5 North, Range 4 East, NMPM, Valencia County, New Mexico.

(3) Eastern Indemnity Company of Maryland is the surety on the Oil Conservation Division plugging bond on which C.R. (Carl) Robinson and John Iley are principals.

(4) 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. The current condition of said well is such that waste may occur, correlative rights may be violated or fresh waters may be contaminated if action is not taken to properly plug and abandon the same. Page 2 Case No. 9169 Order No. R-8509

> (5) In order to prevent waste, to protect correlative rights and to protect fresh waters, said O.F. Baca Well No. 1 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 October 15, 1987, or the well should be returned to active drilling status or placed on production.

IT IS THEREFORE ORDERED THAT:

(1) C.R. (Carl) Robinson and John Iley are hereby ordered to plug and abandon the O.F. Baca Well No. 1, located 660 feet from the North Line and 1920 feet from the West line (Unit C) of Section 3, Township 5 North, Range 4 East, NMPM, Valencia County, New Mexico, on or before October 15, 1987.

(2) C.R. (Carl) Robinson, John Iley and Eastern Indemnity Company of Maryland, 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.

(3) <u>IN THE ALTERNATIVE</u>, the Supervisor of the Division's district office at Santa Fe may permit said well to be completed or recompleted as a producer provided that an acceptable plan for such work is filed with such office prior to October 15, 1987, provided that such work shall be completed within 180 days following approval for such work by the District Supervisor.

(4) Should these parties fail or refuse to carry out such provisions in accordance with the terms of this order, the Division shall then take such actions as are deemed necessary to have the well properly plugged.

(5) 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 WILLIAM J. LEMAY Director

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