Entered august 27, 1957

BEFORE THE OIL CONSERVATION COMMISSION OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION COMMISSION OF THE STATE OF NEW MEXICO FOR THE PURPOSE OF CONSIDERING:

> CASE NO. 1278 Order No. R-1040

IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION COMMISSION UPON ITS OWN MOTION TO PERMIT ROY T. SHORT AND HARTFORD ACCIDENT AND INDEMNITY COMPANY AND ALL OTHER INTERESTED PARTIES TO APPEAR AND SHOW CAUSE WHY THE ROY T. SHORT, ET AL, MILLARD EIDSON NO. B-3 WELL, LOCATED IN THE SW/4 SE/4 OF SECTION 26, TOWNSHIP 16 SOUTH, RANGE 35 EAST, IN THE SHOE BAR AREA OF LEA COUNTY, NEW MEXICO, SHOULD NOT BE ORDERED PLUGGED AND ABANDONED IN ACCORDANCE WITH THE RULES AND REGULATIONS OF THE OIL CONSERVATION COMMISSION OF NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on July 17, 1957, at Santa Fe, New Mexico, before the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission."

NOW, on this $\frac{2}{36}$ day of August, 1957, the Commission, a quorum being present, having considered the testimony and evidence adduced, and being fully advised in the premises,

FINDS:

(1) That due public notice having been given as required by law, the Commission has jurisdiction of this case and the subject matter thereof.

(2) That the Millard Eidson "B" No. 3 Well located in the SW/4 SE/4 of Section 26, Township 16 South, Range 35 East, NMPM, Lea County, New Mexico, was originally drilled by the Western Natural Gas Company in May of 1954, and that said well was completed as a dry hole and plugged and abandoned by the Western Natural Gas Company on September 16, 1954.

(3) That on August 28, 1956, Roy T. Short notified the Commission on Form C-102 that he was the operator of the abovedescribed Millard Eidson "B" No. 3 Well and that he intended to re-enter and drill out said well in an attempt to discover commercial hydrocarbon production. -2-Case No. 1278 Order No. R-1040

(4) That no commercial hydrocarbon production was discovered as a result of the aforementioned workover by Roy T. Short.

(5) That the said Millard Eidson "B" No. 3 Well has been abandoned without having first been plugged in accordance with Commission Rules and Regulations.

(6) That Roy T. Short's operations on the said Millard Eidson "B" No. 3 Well were covered by a One-Well Bond (Commission Form 39-Bl) in the amount of \$5,000.00, executed by Roy T. Short, individual, as principal, and Hartford Accident and Indemnity Company, a Connecticut Corporation, as surety; which bond is conditioned upon the plugging of the said well in accordance with the program approved by the Oil Conservation Commission. the program approved by the Oil Conservation Commission.

(7) That the said Millard Eidson "B" No. 3 Well should be ordered to be plugged in such a way as to confine the oil, gas and water in the respective strata in which they are found.

IT IS THEREFORE ORDERED:

That Roy T. Short, individual, and Hartford Accident (1) and Indemnity Company, a Connecticut Corporation, be and the same are hereby directed, jointly and individually, to plug the Millard Eidson "B" No. 3 Well, located 660 feet from the South line and 1980 feet from the East line of Section 26, Township 16 South, Range 35 East, NMPM, Lea County, New Mexico, in accordance with a program approved by the Oil Conservation Commission and in such a manner as to confine the oil, gas, and water in the respective strata in which they are found.

(2) That the above named Roy T. Short and Hartford Accident and Indemnity Company, or either of them, shall, within thirty days of the date of this order, file with the Commission office in Hobbs, New Mexico, Commission Form C-102 setting forth the proposed plugging program for the said Millard Eidson No. B-3 Well.

(3) That the above named Roy T. Short and Hartford Indemnity Company or either of them, shall, within thirty days of the date of approval of said Form C-102 by the Commission or its authorized representative, complete said plugging operation in the approved manner, and shall file Commission Form C-103, Report of Plugging, in accordance with the Commission Rules and Regulations.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

> STATE OF NEW MEXICO OIL CONSERVATION COMMISSION

I meet

EDWIN L. MECHEM, Chairman

MURRAY E. MORGAN, Member A. J. Parter.

A. L. PORTER, Jr., Member & Secretary

SEAL