Entered June 28,1913 OLP

BEFORE THE OIL CONSERVATION COMMISSION OF THE STATE OF NEW MEXICO

> CASE NO. 4993 Order No. R-4568

IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION COMMISSION ON ITS OWN MOTION TO PERMIT CORINNE GRACE AND THE TRAVELERS INDEMNITY COMPANY AND ALL OTHER INTERESTED PARTIES TO APPEAR AND SHOW CAUSE WHY THE T. P. STATE WELL NO. 1 LOCATED IN UNIT A OF SECTION 17, TOWNSHIP 10 SOUTH, RANGE 33 EAST, LEA COUNTY, NEW MEXICO, SHOULD NOT BE PLUGGED AND ABANDONED IN ACCORDANCE WITH A COMMISSION-APPROVED PLUGGING PROGRAM.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on June 20, 1973, at Santa Fe, New Mexico, before the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission."

NOW, on this <u>28th</u> day of June, 1973, the Commission, a quorum being present, having considered the testimony presented and the exhibits received at said hearing, 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 cause and the subject matter thereof.

(2) That Corinne Grace is the owner and operator of the T. P. State Well No. 1, located in Unit A of Section 17, Township 10 South, Range 33 East, NMPM, Lea County, New Mexico.

(3) That the operator of said wells has failed to file proper forms with the Commission concerning said well and has not responded to repeated inquiries from the Commission concerning the status of this well.

(4) That a hearing was held before the Commission on June 20, 1973, to permit any interested party to appear and show cause why said well should not be plugged and abandoned.

(5) That the operator appeared before the Commission and requested a reasonable time within which to test said wells and attempt to put them on commercial production.

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(6) That as a condition precedent to granting said request for an extension of time all Commission forms concerning said well should be promptly filed with the Commission.

(7) That the operator should report to the Hobbs office of the Commission in writing on Form C-103 every 30 days outlining what progress has been made toward placing said well on commercial production.

(8) That 90 days from the date of the hearing of this matter, September 20, 1973, should afford the operator sufficient opportunity to test said well and determine its potential for economic production.

(9) That should said well not be placed on production within 90 days, or should not a satisfactory showing be made to the Commission within 90 days that said well is capable of commercial production and will be placed in production at a definite time, said well should be plugged and abandoned.

(10) That in order to prevent waste and protect correlative rights said T. P. State Well No. 1 should be plugged and abandoned in accordance with a program approved by the Hobbs District Office of the New Mexico Oil Conservation Commission on or before September 30, 1973, unless said well has been placed on commercial production by that date, or the time for plugging said well has been extended by order of the Commission.

IT IS THEREFORE ORDERED:

(1) That Corinne Grace and Travelers Indemnity Company are hereby ordered to plug and abandon the T. P. State Well No. 1, located in Unit A of Section 17, Township 10 South, Range 33 East, NMPM, Lea County, New Mexico, on or before September 30, 1973, if said well has not been placed on commercial production by that date or the time for plugging said well has not been extended by order of the Commission.

IT IS FURTHER ORDERED:

(1) That Corinne Grace promptly file all Commission forms and file a written report on Form C-103 with the Hobbs office of the Commission every thirty days outlining what progress has been made toward placing said wells on commercial production.

(2) That Corinne Grace and Travelers Indemnity Company, prior to plugging and abandoning the above-described well, shall obtain from the Hobbs Office of the Commission a Commissionapproved program for said plugging and abandoning, and shall notify said Hobbs Office of the date and hour said work is to be commenced whereupon the Commission may, at its option, witness such work. -3-Case No. 4993 Order No. R-4568

(3) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

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

> STATE OF NEW MEXICO OIL CONSERVATION COMMISSION

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7. R. TRUJILLO, Chairman

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