Bostand Housenker 4, 1470 A.A.P.

BEFORE THE OIL CONSERVATION COMMISSION OF THE STATE OF NEW MEXICO

CASE NO. 5344 Order No. R-4898

IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION COMMISSION ON ITS OWN MOTION TO PERMIT AMERICAN FUELS CORPORATION AND AETNA CASUALTY AND SURETY COMPANY, AND ALL OTHER INTERESTED PARTIES TO APPEAR AND SHOW CAUSE WHY CERTAIN AMERICAN FUELS WELLS ON THE W-S RANCH IN COLFAX 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 October 16, 1974, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this <u>4th</u> day of November, 1974, the Commission, a quorum being present, having considered the testimony, the record, and the recommendations of the Examiner, 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 American Fuels Corporation is the owner and operator of the following described wells in Colfax County:

NM-B Well No. 1, located in Unit G of Section 6, Township 30 North, Range 19 East;

NM-B Well No. 2, located in Unit P of Section 16, Township 30 North, Range 18 East;

NM-B Well No. 4, located in Unit H of Section 18, Township 30 North, Range 18 East;

NM-B Well No. 5, located in Unit P of Section 30, Township 30 North, Range 19 East; and

NM-B Well No. 10, located in Unit N of Section 24, Township 31 North, Range 19 East.

(3) That the surface locations of said Wells Nos. 1, 2,5, and 10 have not been cleaned and levelled as required by Commission Rules and Regulations. -2-Case No. 5344 Order No. R-4898

(4) That Commission Form C-105 "Well Log" has not been filed with the Commission for said Wells Nos. 4, 5, and 10 as required by Commission Rules and Regulations.

(5) That said Wells Nos. 2, 4, 5, and 10 are not capable of production in commercial quantities.

(6) That in order to confine all oil, gas, and water to the strata in which they are found, said Wells 2, 4, 5, and 10 should be plugged and abandoned in accordance with a Commissionapproved plugging program on or before February 1, 1975.

(7) That the surface locations of said Wells Nos. 1, 2,5, and 10 should be cleaned and levelled in accordance with Commission Rules and Regulations.

(8) That Commission's Form C-105 "Well Log" should be filed with reference to said Wells Nos. 4, 5, and 10.

IT IS THEREFORE ORDERED:

(1) That American Fuels Corporation and Aetna Casualty and Surety Company are hereby ordered to plug and abandon the following wells in Colfax County, New Mexico, on or before February 1, 1975:

NM-B Well No. 2, located in Unit P of Section 16, Township 30 North, Range 18 East;

NM-B Well No. 4, located in Unit H of Section 18, Township 30 North, Range 18 East;

NM-B Well No. 5, located in Unit P of Section 30, Township 30 North, Range 19 East; and

NM-B Well No. 10, located in Unit N of Section 24, Township 31 North, Range 19 East.

(2) That American Fuels Corporation and Aetna Casualty and Surety Company, prior to plugging and abandoning the abovedescribed wells, shall obtain from the Santa Fe Office of the Commission, a Commission-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 Commission may, at its option, witness such work.

(3) That American Fuels Corporation and Aetna Casualty and Surety Company are hereby ordered to clean and level the surface location of Wells Nos. 2, 5, and 10, as described in Order No. (1) above, and the NM-B Well No. 1, located in Unit G of Section 6, Township 30 North, Range 19 East, NMPM, Colfax County, New Mexico, in accordance with Commission Rules and Regulations on or before February 1, 1975. -3-Case No. 5344 Order No. R-4898

(4) That American Fuels Corporation is hereby ordered to complete and submit to the Commission on or before January 1, 1975, Commission Form C-105, "Well Log" for the NM-B Wells Nos. 4, 5, and 10 as described above.

(5) 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

I. R. TRUJILLO, Chairman

Mall 1 ALEX J. ARMIJO, Member

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

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