and May 28, 110

BEFORE THE OIL CONSERVATION COMMISSION OF THE STATE OF NEW MEXICO

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

> CASE NO. 5429 Order No. R-5031

IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION COMMISSION ON ITS OWN MOTION TO PERMIT CHARLES M. GOAD AND UNITED STATES FIDELITY & GUARANTY COMPANY AND ALL OTHER INTERESTED PARTIES TO APPEAR AND SHOW CAUSE WHY THE CHARLES M. GOAD, STATE NO. 1 WELL LOCATED IN UNIT M OF SECTION 28, TOWNSHIP 2 SOUTH, RANGE 26 EAST, DE BACA 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 May 14, 1975, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this <u>28th</u> day of May, 1975, 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 Charles M. Goad is the owner and operator of the State No. 1 Well, located in Unit M of Section 28, Township 2 South, Range 26 East, NMPM, De Baca County, New Mexico.

(3) That said well was commenced on July 24, 1968, and during 1968 was drilled to a total depth of some 800 feet.

(4) That no additional work of serious consequence was done on said well and it was, with another well, ordered to be plugged by Commission Order No. R-4252, dated February 8, 1972.

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(5) That subsequent to issuance of said Order No. R-4252, ownership of the well was transferred and the Commission authorized additional work to be done on said well.

(6) That said well was deepened to a total depth of 1308 feet, and no work has been performed on the well since April 20, 1972.

(7) That the well may constitute a hazard and a threat to the inviolability of ground waters in the area.

(8) That in order to prevent waste, to protect correlative rights and to confine any oil, gas, or water in the strata in which they are found, said State No. 1 Well should be shown capable of commercial production of hydrocarbons or should be plugged and abandoned in accordance with a program approved by the Artesia District Office of the New Mexico Oil Conservation Commission on or before October 28, 1975.

IT IS THEREFORE ORDERED:

(1) That Charles M. Goad and United States Fidelity & Guaranty Company are hereby ordered to plug and abandon the State No. 1 Well located in Unit M of Section 28, Township 2 South, Range 26 East, NMPM, De Baca County, New Mexico, on or before October 28, 1975, unless it has been shown that said well is capable of producing hydrocarbons in paying quantities.

(2) That Charles M. Goad and United States Fidelity & Guaranty Company, prior to plugging and abandoning the abovedescribed well, shall obtain from said Artesia Office of the Commission, a Commission-approved program for said plugging and abandoning, and shall notify the Artesia office of the date and hour said work is to be commenced whereupon the Commission may, at its option, witness such work.

(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 CONFERVATION COMMISSION TRUJILLO, Chairman Lo ducero LUCEBO, Member itin PORTER, Jr., Member Secretary

SEAL jr/

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