

Entered May 9, 1978
JWR

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION DIVISION ON ITS OWN MOTION TO PERMIT ASTRO-TEX OIL CORP., AMERICAN EMPLOYERS' INSURANCE CO., AND ALL OTHER INTERESTED PARTIES TO APPEAR AND SHOW CAUSE WHY THE CAIN WELL NO. 2 LOCATED IN UNIT J OF SECTION 22, TOWNSHIP 15 NORTH, RANGE 33 EAST, HARDING COUNTY, NEW MEXICO, SHOULD NOT BE PLUGGED AND ABANDONED IN ACCORDANCE WITH A DIVISION-APPROVED PLUGGING PROGRAM.

CASE NO. 6200
Order No. R-5119-A

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on May 3, 1978, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 9th day of May, 1978, the Division Director, 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 Division has jurisdiction of this cause and the subject matter thereof.
- (2) That Astro-Tex Oil Corp. is the owner and operator of the Cain Well No. 2, located in Unit J of Section 22, Township 15 North, Range 33 East, NMPM, Harding County, New Mexico.
- (3) That American Employers' Insurance Co. is the surety on the Oil Conservation Division plugging bond on which Astro-Tex Oil Corp. is principal.
- (4) That 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.
- (5) That in order to prevent waste and protect correlative rights said Cain Well No. 2 should be plugged and abandoned in accordance with a program approved by the Santa Fe District

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Office of the New Mexico Oil Conservation Division on or before July 1, 1978, or the well should be returned to active drilling status or placed on production.

IT IS THEREFORE ORDERED:

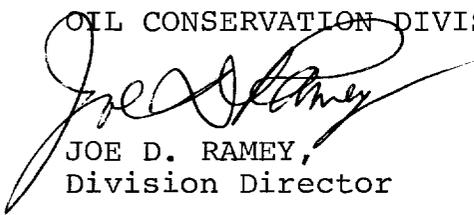
(1) That Astro-Tex Oil Corp. is hereby ordered to plug and abandon the Cain Well No. 2, located in Unit J of Section 22, Township 15 North, Range 33 East, NMPM, Harding County, New Mexico, or in the alternative, to return the well to active drilling status or place the well on production on or before July 1, 1978.

(2) That Astro-Tex Oil Corp., 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) That 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



JOE D. RAMEY,
Division Director

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