

Entered July 20, 1977

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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. 5973
Order No. R-5487

IN THE MATTER OF THE HEARING CALLED BY THE
OIL CONSERVATION COMMISSION ON ITS OWN MOTION
TO PERMIT G&B OIL COMPANY, AMERICAN EMPLOYERS
INSURANCE COMPANY, AND ALL OTHER INTERESTED
PARTIES TO APPEAR AND SHOW CAUSE WHY THE DONELLA
WELL NO. 1, SAN JUAN 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 July 6, 1977,
at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 19th day of July, 1977, 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 G&B Oil Company is the owner and operator of the
Donella Well No. 1, located in Unit P of Section 3, Township 29
North, Range 15 West, NMPM, San Juan County, New Mexico.

(3) That American Employers Insurance Company is the
surety on the Oil Conservation Commission plugging bond on which
G&B Oil Company 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 Donella Well No. 1 should be plugged and abandoned
in accordance with a program approved by the Aztec District Office
of the New Mexico Oil Conservation Commission on or before
September 15, 1977, or the well should be returned to active
drilling status or placed on production.

IT IS THEREFORE ORDERED:

(1) That G&B Oil Company and American Employers Insurance Company are hereby ordered to plug and abandon the Donella Well No. 1, located in Unit P of Section 3, Township 29 North, Range 15 West, NMPM, San Juan County, New Mexico, on or before September 15, 1977.

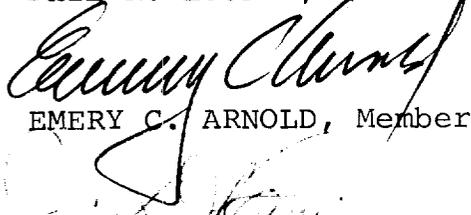
(2) That G&B Oil Company and American Employers Insurance Company, prior to plugging and abandoning the above-described well, shall obtain from the Aztec office of the Commission, a Commission-approved program for said plugging and abandoning, and shall notify said Aztec office of the date and hour said work is to be commenced whereupon the Commission may, at its option, witness such work.

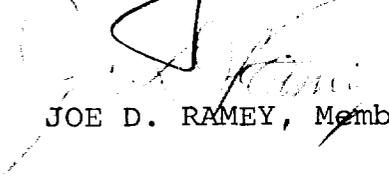
(3) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year herein-above designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION


PHIL R. LUCERO, Chairman


EMERY C. ARNOLD, Member


JOE D. RAMEY, Member & Secretary

S E A L

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