

Entered May 9, 1978
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STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

CASE NO. 6212
Order No. R-5722

IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION DIVISION ON ITS OWN MOTION TO PERMIT CLAY-NEILL AND ALL OTHER INTERESTED PARTIES TO APPEAR AND SHOW CAUSE WHY THE STATE WELL NO. 1 LOCATED IN UNIT C OF SECTION 9, TOWNSHIP 19 NORTH, RANGE 30 EAST, HARDING COUNTY, NEW MEXICO, SHOULD NOT BE PLUGGED AND ABANDONED IN ACCORDANCE WITH A DIVISION-APPROVED PLUGGING PROGRAM.

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 Clay-Neill is the owner and operator of the State Well No. 1 located in Unit C of Section 9, Township 19 North, Range 30 East, NMPM, Harding County, New Mexico.

(3) That American Employers' Insurance Company is the surety on the Oil Conservation Division plugging bond on which Clyde B. Neill 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 State Well No. 1 should be plugged and abandoned in accordance with a program approved by the Santa Fe District 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.

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IT IS THEREFORE ORDERED:

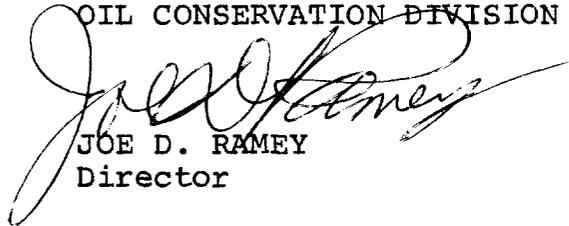
(1) That Clay-Neill is hereby ordered to plug and abandon the State Well No. 1, located in Unit C of Section 9, Township 19 North, Range 30 East, NMPM, Harding County, New Mexico, or in the alternative, to return the well to active drilling status or place the well on production on or before July 1, 1978.

(2) That Clay-Neill, 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
Director

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