Entered June 15, 1928

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 BLACK DIAMOND OIL COMPANY AND ALL OTHER INTERESTED PARTIES TO APPEAR AND SHOW CAUSE WHY THE WELL NO. 1 LOCATED IN UNIT C OF SECTION 27, TOWNSHIP 29 NORTH, RANGE 11 WEST, SAN JUAN COUNTY, NEW MEXICO, SHOULD NOT BE PLUGGED AND ABANDONED IN ACCORDANCE WITH A DIVISION-APPROVED PLUGGING PROGRAM.

> CASE NO. 6235 Order No. R-5741

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on June 7, 1978, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this <u>15th</u> day of June, 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 Black Diamond Oil Company is the owner and operator of the Well No. 1, located in Unit C of Section 27, Township 29 North, Range 11 West, NMPM, San Juan County, New Mexico.

(3) That in order to prevent waste and protect correlative rights said 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 Division on or before July 15, 1978, or the well should be returned to active drilling status or placed on production.

IT IS THEREFORE ORDERED:

(1) That Black Diamond Oil Company is hereby ordered to plug and abandon the Well No. 1, located in Unit C of Section 27, Township 29 North, Range 11 West, NMPM, San Juan 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 15, 1978. -2-Case No. 6235 Order No. R-5741

(2) That Black Diamond Oil Company, prior to plugging and abandoning the above-described well, shall obtain from the Aztec office of the Division, a Division-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 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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