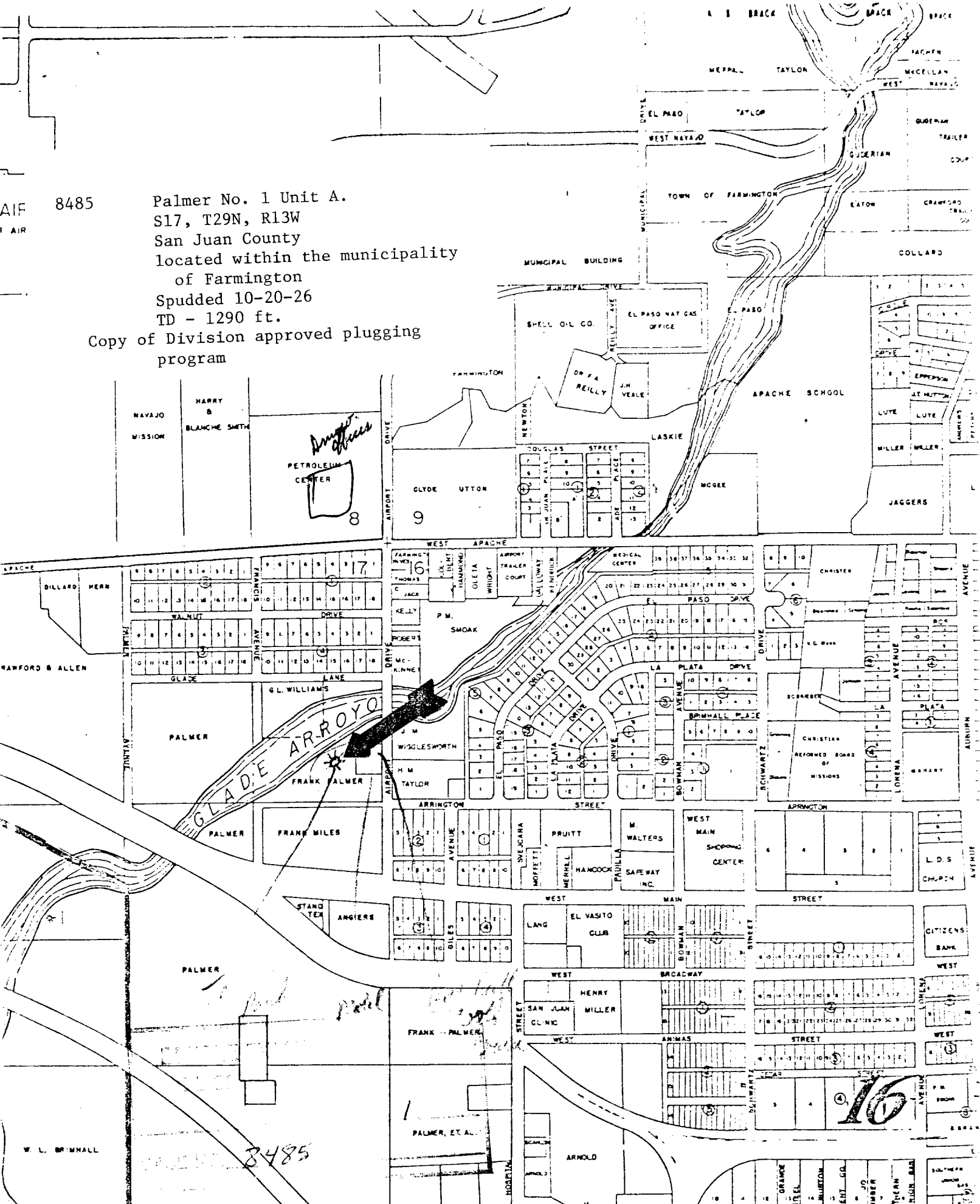


AF
AIR

8485

Palmer No. 1 Unit A.
S17, T29N, R13W
San Juan County
located within the municipality
of Farmington
Spudded 10-20-26
TD - 1290 ft.

Copy of Division approved plugging
program



Amigo Office
PETROLEUM CENTER
8

9

16

8485

W. L. BRIMHALL

COUNTY San Juan STATE NEW MEXICO
 SEC. 17 T. 29N R. 13W
 FIELD OR AREA _____ LOCATION 300'/N, 300'/E
 LEASE Palmer WELL NO. 1
 COMPANY San Juan Petr. Co. SPD. 10-20-26 COMPLETED 2--28
 ELEV. 5281' T. D. 1290' P. B. _____
 CASING _____
 SHOT OR ACID _____
 PERF. _____
 I. P. 300,000 cu. ft. gas
 PRODUCING FORM _____
 PRODUCTIVE DEPTH OR INTERVAL _____

REMARKS:

P&A
no data

DEPARTMENT OF MINES AND METALS
 STATE OF NEW MEXICO
 2
 8485

COUNTY San Juan

STATE NEW MEXICO SENECA
SEC. 17 T. 29N R. 13W

FIELD OR AREA Palmer Farmington

LOCATION 300' N, 300' E
WELL NO. 1

LEASE San Juan Petr. Co.

SPD. 10-20-26 COMPLETED 2--28
T. D. 129 P. B.

ELEV. 5281'

CASING (Miller)

SHOT OR ACID

PERF. _____

I. P. 300,000 cu. ft. gas

PRODUCING FORM. P.C.

PRODUCTIVE DEPTH OR INTERVAL 1065-1232'

GAS

REMARKS:

P&A Aug. 1935

Case 8485

Well reworked 10-14-51

8485

4

2 N, R 13 W.

KNOW ALL MEN BY THESE PRESENTS: That we SAN JUAN PETROLEUM CORPORATION of the County of San Juan and State of New Mexico, as principal and NATIONAL SURETY COMPANY of the County of New York, in the State of New York, as surety, are held and firmly bound unto the State of New Mexico, in the sum of One Thousand Dollars (\$1,000.00), lawful money of the United States, for the payment of which, well and truly to be made, we bind ourselves, and each of us, and each of our heirs, executors, administrators, successors or assigns, firmly by these presents.

DATED this 6th day of January, A. D. 1927.

THE CONDITION OF THE FOREGOING OBLIGATION IS THAT:

WHEREAS, the above bounden principal will shortly commence and prosecute the drilling of a well to prospect for oil and gas to be known as the Palmer Well No. 1, on the following described state (or patented) land: To wit, E $\frac{1}{2}$ SW $\frac{1}{2}$ and S $\frac{1}{2}$ SE $\frac{1}{4}$ Section 7; SE $\frac{1}{4}$ SW $\frac{1}{4}$ SE $\frac{1}{4}$ NE $\frac{1}{4}$, NE $\frac{1}{4}$ SE $\frac{1}{4}$ and East 30 acres SE $\frac{1}{4}$ SE $\frac{1}{4}$ Section 8; S $\frac{1}{2}$ SW $\frac{1}{4}$, Except 6 acres on East line, Section 9; E $\frac{1}{2}$ of E $\frac{1}{2}$, NW $\frac{1}{4}$ Section 18; NE $\frac{1}{4}$ except 10 acres (SE $\frac{1}{4}$ NE $\frac{1}{4}$ NE $\frac{1}{4}$) Section 18; N $\frac{1}{2}$ and E $\frac{1}{2}$ SE $\frac{1}{4}$ Section 17; SW $\frac{1}{4}$ SW $\frac{1}{4}$ Section 16; NE $\frac{1}{4}$ NE $\frac{1}{4}$ Section 20; NW $\frac{1}{4}$ NW $\frac{1}{4}$ Section 21; all in Township 29 North Range 13 West N. M. P. M., which is leased by San Juan Petroleum Corporation Lease No. _____ Assignment No. _____.

NOW, THEREFORE, if the above principal shall comply with all the laws, rules and regulations of the State of New Mexico and the State Geologist dealing with oil and gas up to and including the final plugging and abandonment of the well, then the above obligation is to be void and of no effect; otherwise it shall remain in full force and effect.

THIS BOND shall continue for one year from the effective date hereof, but may be renewed from year to year upon written notice thereof to said Obligee from said surety.

SAN JUAN PETROLEUM CORPORATION

By: 5 C. Michener
President.

8485

ATTEST

By: Edgar M. Gibly
Vice-President.

ILLEGIBLE

Countersigned by:

E. P. Needham
New Mexico

NATIONAL SURETY COMPANY

Thomas H. Ryan
New York

Subscribed and sworn to before me this 6th day of January, A. D. 1927.



STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
 OIL CONSERVATION DIVISION

TONEY ANAYA
 GOVERNOR

February 18, 1985

POST OFFICE BOX 2088
 STATE LAND OFFICE BUILDING
 SANTA FE, NEW MEXICO 87501
 (505) 827-5800

CERTIFIED - RETURN
 RECEIPT REQUESTED

National Surety Corporation
 3333 California Street
 San Francisco, California

Re: San Juan Petroleum Company
 Palmer Well No. 1, located
 in Unit A of Section 17,
 Township 29 North, Range
 13 West, San Juan County
 Plugging Bond

Gentlemen:

Enclosed is a copy of the docket of the Examiner
 Hearing to be held on Wednesday, February 27, 1985, at
 8 o'clock a.m. in the Oil Conservation Division Conference
 Room, State Land Office Building, Santa Fe, New Mexico.
 Case 8485 concerns the above captioned subject matter.

Sincerely,

6
 JEFF TAYLOR
 General Counsel

JT/fd
 enc.

PS Form 3800, Feb. 1982

Sent to	National Surety Corp.
Street and No.	3333 California Street
P.O., State and ZIP Code	San Francisco, Calif.
Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to whom and Date Delivered	
Return Receipt Showing to Whom	
Date and Address of Delivery	
TOTAL Postage and Fees	\$
Postmark or Date	

(See Reverse)
 NO INSURANCE COVERAGE PROVIDED—
 NOT FOR INTERNATIONAL MAIL
 RECEIPT FOR CERTIFIED MAIL
 P 505 905 765



STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
 OIL CONSERVATION DIVISION
 AZTEC DISTRICT OFFICE

TONY ANAYA
 GOVERNOR

1000 RIO BRAZOS ROAD
 AZTEC, NEW MEXICO 87410
 (505) 334-6178

DIVISION APPROVED PLUGGING PROGRAM

J. Warren Miller
 Palmer #1
 300' FNL, 300' FEL
 A-17-T29N-R13W, and Juan County, N.M.

Downhole Equipment
 Unknown
 Presumed T.D. 1291'

1. Locate well.
2. Enter and clean out/or drill out to 1291'.
3. Set cement plug inside and outside casing, if present, from T.D. to 900', to isolate Pictured Cliffs formation.
4. Set a cement plug inside and outside casing, if present, from 400' to surface, to isolate Farmington S.S. formation.
5. Set dry hole marker.
6. Clean and restore location to original condition.
7. All plugs shall be of Class A, B, or C neat cement and may be accelerated by up to 3% CaCl₂.
8. All plugs are to be separated by gel mud of minimum nine pounds per gallon.

BEFORE REPAIR	DATE
OK	7
8485	

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

CASE NO. 8485
Order No. R-7851

IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION DIVISION ON ITS OWN MOTION TO PERMIT SAN JUAN PETROLEUM COMPANY, NATIONAL SURETY CO., AND ALL OTHER INTERESTED PARTIES TO APPEAR AND SHOW CAUSE WHY THE PALMER WELL NO. 1 LOCATED 300 FEET FROM THE NORTH LINE AND 300 FEET FROM THE EAST LINE (UNIT A) OF SECTION 17, TOWNSHIP 29 NORTH, RANGE 13 WEST, SAN JUAN COUNTY, 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 8 a.m. on February 27, 1985, at Santa Fe, New Mexico, before Examiner Michael E. Stogner.

NOW, on this 14th day of March, 1985, the Division Director, having considered the testimony, the record, and the recommendations of the Examiner, and being fully advised in the premises,

FINDS THAT:

- (1) Due public notice having been given as required by law, the Division has jurisdiction of this cause and the subject matter thereof.
- (2) Division Cases Nos. 8485, 8486, 8487, 8488, 8489, and 8490 were consolidated for purposes of testimony.
- (3) San Juan Petroleum Company was the last known owner and operator of the Palmer Well No. 1 located in the NE/4 NE/4 (Unit A) of Section 17, Township 29 North, Range 13 West, NMPM, Farmington City Limits, San Juan County, New Mexico.
- (4) The records on file with the New Mexico Oil Conservation Division show said well to be located 300 feet from the North and East lines of said Section 17 and the well was plugged and abandoned in an unknown manner in 1935.
- (5) The subject well has not been located at the above-described location but is believed to be within the NE/4 NE/4 of said Section 17.
- (6) National Surety Company is the surety on the Oil Conservation Division plugging bond on which San Juan Petroleum Company is principal.

Case No. 8485
Order No. R-7851

(7) 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.

(8) The current condition of said well could be such that a hazardous situation exists, waste may occur, correlative rights may be violated, and/or fresh waters may be contaminated if action is not taken to properly plug and abandon the well.

(9) San Juan Petroleum Company and National Surety Company should be ordered to plug and abandon said Palmer Well No. 1 in accordance with a program approved by the Aztec District Office of the New Mexico Oil Conservation Division on or before April 15, 1985.

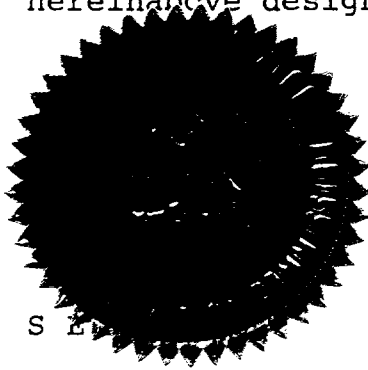
IT IS THEREFORE ORDERED THAT:

(1) San Juan Petroleum Company and National Surety Company are hereby ordered to plug and abandon the Palmer Well No. 1, located in the NE/4 NE/4 (Unit A) of Section 17, Township 29 North, Range 13 West, NMPM, Farmington City Limits, San Juan County, New Mexico, on or before April 15, 1985.

(2) San Juan Petroleum Company and/or National Surety 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) 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

R. L. STAMETS,
Director