

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 EL-MY-RI OIL COMPANY AND OTHER
INTERESTED PARTIES TO APPEAR AND SHOW CAUSE WHY
THE MARTIN WELL NO. 3, LOCATED 2190 FEET FROM THE
SOUTH AND EAST LINES OF SECTION 34, TOWNSHIP 30
NORTH, RANGE 11 WEST, SAN JUAN COUNTY, SHOULD
NOT BE PLUGGED AND ABANDONED IN ACCORDANCE WITH
A DIVISION-APPROVED PLUGGING PROGRAM.

CASE NO. 8653
Order No. R-7994

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 8:00 a.m. on July 31, 1985, at Santa Fe, New Mexico, before Examiner Gilbert P. Quintana.

NOW, on this 1st day of August, 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. 8653 and 8654 were consolidated for purposes of testimony.
- (3) El-My-Ri Oil Company was the last known owner and operator of the Martin No. 3 well, located 2190 feet from the South and East lines of Section 34, Township 30 North, Range 11 West, NMPM, San Juan County, New Mexico.
- (4) El-My-Ri Oil Company apparently no longer exists as a legal entity.
- (5) The Martin No. 3 well is not covered by a plugging bond.
- (6) The well, although converted to a water well in 1963, is venting gas, and has oil standing inside the casing at about 500 feet.

(7) The current condition of the Martin No. 3 well is such that a hazardous situation exists, waste is occurring, and fresh water may be contaminated.

(8) In order to prevent waste, protect fresh water resources, and eliminate potential hazards, El-My-Ri Oil Company should be ordered to plug and abandon the Martin No. 3 well on or before August 15, 1985, in accordance with a program approved by the Aztec District Office of the New Mexico Oil Conservation Division.

(9) If El-My-Ri Oil Company does not plug and abandon the Martin No. 3 well, the Division should proceed to plug the well in accordance with the provisions of the NMSA 70-2-38 (1978), relating to the Oil and Gas Reclamation Fund, and should seek reimbursement for such costs from El-My-Ri Oil Company or its successors or assigns.

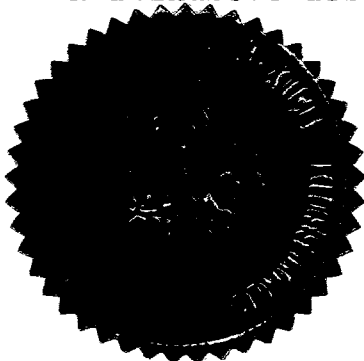
IT IS THEREFORE ORDERED THAT:

(1) El-My-Ri Oil Company is hereby ordered to plug and abandon, in accordance with the Division approved plugging program introduced as an exhibit in this case, the Martin No. 3 well, located 2190 feet from the South and East lines of Section 34, Township 30 North, Range 11 West, San Juan County, New Mexico, on or before August 15, 1985.

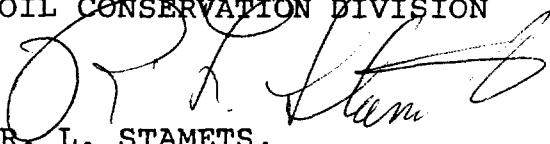
(2) If El-My-Ri Oil Company does not plug and abandon the Martin No. 3 well in accordance with the terms of this order, the Division shall take appropriate steps to have said well plugged pursuant to the terms of NMSA 70-2-38 (1978) relating to the Oil and Gas Reclamation Fund, and seek reimbursement from El-My-Ri Oil Company or its successors for all costs incurred.

(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