

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION COMMISSION ON ITS OWN MOTION TO PERMIT ASTRO-TEX OIL CORPORATION OF NEW MEXICO, AMERICAN EMPLOYERS' INSURANCE COMPANY AND ALL OTHER INTERESTED PARTIES TO APPEAR AND SHOW CAUSE WHY THE CAIN WELL NO. 2 LOCATED IN UNIT J OF SECTION 22, TOWNSHIP 15 NORTH, RANGE 33 EAST, NMPM, HARDING COUNTY, NEW MEXICO, SHOULD NOT BE PLUGGED AND ABANDONED IN ACCORDANCE WITH A COMMISSION-APPROVED PLUGGING PROGRAM.

CASE NO. 5581
Order No. R-5119

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on November 5, 1975, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 17th day of November, 1975, 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 Astro-Tex Oil Corporation of New Mexico is the owner and operator of the Cain Well No. 2, located in Unit J of Section 22, Township 15 North, Range 33 East, NMPM, Harding County, New Mexico.

(3) That American Employers' Insurance Company is the surety on the Oil Conservation Commission plugging bond on which Astro-Tex Oil Corporation of New Mexico 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 Cain Well No. 2 should be plugged and abandoned in accordance with a program approved by the Santa Fe District Office of the New Mexico Oil Conservation Commission on or before March 1, 1976, or the well should be returned to active drilling status or placed on production.

IT IS THEREFORE ORDERED:

(1) That Astro-Tax Oil Corporation of New Mexico and American Employers' Insurance Company are hereby ordered to plug and abandon the Cain Well No. 2, located in Unit J of Section 22, Township 15 North, Range 33 East, NMPM, Harding County, New Mexico, on or before March 1, 1976.

PROVIDED HOWEVER, that should the well be returned to active drilling status prior to March 1, 1976, the Secretary-Director of the Commission may extend the time period allowed for the plugging of the well upon a proper showing by the operator.

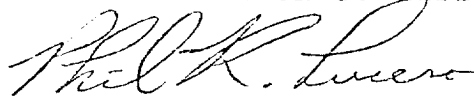
PROVIDED FURTHER, that should the well be placed on commercial production prior to March 1, 1976, the Secretary-Director of the Commission may waive the plugging requirements of this order upon a proper showing by the operator.

(2) That Astro-Tex Oil Corporation of New Mexico and American Employers' Insurance Company, prior to plugging and abandoning the above-described well, shall obtain from the Santa Fe Office of the Commission, a Commission-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 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

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