

Case No. 6315
Order No. R-5806

(5) That in order to prevent waste and protect correlative rights said Continental State Well No. 5 should be plugged and abandoned in accordance with a program approved by the Artesia District Office of the New Mexico Oil Conservation Division on or before November 30, 1978, or the well should be returned to active drilling status or placed on production.

IT IS THEREFORE ORDERED:

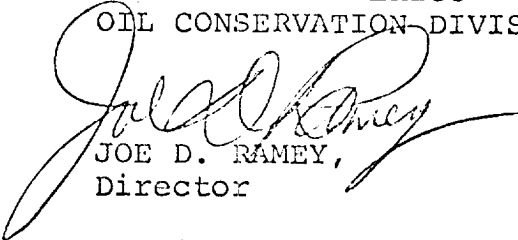
(1) That Hugh L. Johnston, Sr. is hereby ordered to plug and abandon the Continental State Well No. 5, located in Unit C of Section 30, Township 17 South, Range 29 East, NMPM, Eddy County, New Mexico, or in the alternative, to return the well to active drilling status or place the well on production on or before November 30, 1978.

(2) That Hugh L. Johnston, Sr., prior to plugging and abandoning the above-described well, shall obtain from the Artesia office of the Division, a Division-approved program for said plugging and abandoning, and shall notify said Artesia 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 herein-above designated.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION


JOE D. RAMEY,
Director

S E A L

dr/

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
DIVISION FOR THE PURPOSE OF
CONSIDERING:

CASE NO. 6315
Order No. R-5806

IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION
DIVISION ON ITS OWN MOTION TO PERMIT HUGH L. JOHNSTON, SR.,
GENERAL INSURANCE CO. OF AMERICA, AND ALL OTHER INTERESTED
PARTIES TO APPEAR AND SHOW CAUSE WHY THE CONTINENTAL STATE
WELL NO. 5, LOCATED IN UNIT C OF SECTION 30, TOWNSHIP 17
SOUTH, RANGE 29 EAST, EDDY 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 September 13,
1978, at Santa Fe, New Mexico, before Examiner Richard L.
Stamets.

NOW, on this 20th day of September, 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 Hugh L. Johnston, Sr. is the owner and operator
of the Continental State Well No. 5, located in Unit C of
Section 30, Township 17 South, Range 29 East, NMPM, Eddy
County, New Mexico.

(3) That General Insurance Co. of America is the surety
on the Oil Conservation Division plugging bond on which
Hugh L. Johnston, Sr. 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.