CASE 6050: PENGGENG CASE - OCC J. FELIX HICKNAN

W V

ase Number

6050

Application

Transcripts.

Small Exhibits



DIRECTOR JOE D. RAMEY

OIL CONSERVATION COMMISSION

STATE OF NEW MEXICO P. O. BOX 2088 - SANTA FE 87501

LAND COMMISSIONER PHIL R. LUCERO October 26, 1977



EMERY C. ARNOLD

James E. Sperling Re:	
Modrall, Sperling, Roehl, Harris & Sisk	ORDER NO. R-5554
Attorneys at Law P. O. Box 2168	Applicant:
Albuquerque, New Mexico 87103	
	OCC (J. Felix Hickman)
Dear Sir:	· .

Enclosed herewith are two copies of the above-referenced Commission order recently entered in the subject case.

Yours very truly, JOE D. RAMEY Director

JDR/fd

Copy of order also sent to:

Hobbs OCC Artesia OCC Aztec OCC_

Other

BEFORE THE OIL CONSERVATION COMMISSION OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION COMMISSION OF NEW MEXICO FOR THE PURPOSE OF CONSIDERING:

> CASE NO. 6050 Order No. R-5554

IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION COMMISSION ON ITS OWN MOTION TO PERMIT J. FELIX HICKMAN AND ALL OTHER INTERESTED PARTIES TO APPEAR AND SHOW CAUSE WHY THE MALCO STATE COM WELL NO. 1 LOCATED IN UNIT G OF SECTION 16, TOWNSHIP 26 NORTH, RANGE 8 WEST, SAN JUAN COUNTY, NEW MEXICO, SHOULD NOT BE PLUGGED AND ABANDONED IN ACCORDANCE WITH A COMMISSION-APPROVED PLUGGING PROGRAM.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on September 28, 1977, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 25th day of October, 1977, 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 J. Felix Hickman is the owner and operator of the Malco State Com Well No. 1, located in Unit G of Section 16, Township 26 North, Range 8 West, NMPH, San Juan County, New Mexico.
- (3) That in order to prevent waste and protect correlative rights said Malco State Com 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 Commission on or before January 1, 1978, or the well should be returned to active drilling status or placed on production.

-2-Case No. 6050 Order No. R-5554

IT IS THEREFORE ORDERED:

- (1) That J. Felix Hickman is hereby ordered to plug and abandon the Malco State Com Well No. 1, located in Unit G of Section 16, Township 26 North, Range 8 West, NMPM, San Juan County, New Mexico, or in the alternative, to return the well to production status or place the well on production on or before January 1, 1978.
- (2) That J. Felix Hickman, prior to plugging and abandoning the above-described well, shall obtain from the Aztec office of the Commission, a Commission-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 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 hereinabove designated.

STATE OF NEW MEXICO OIL CONSERVATION COMMISSION

PHIL R. LUCERO, Chairman

EMERY C. ARNOLD, Member

JOE D. RAMEY, Member & Secretary

SEAL

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13. I hereby certify that t	he information above is t	rue and complete to the be	est of my knowledge	e and belief.	104	dis /
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Original Sign						
Control #1		in but	Winds .		DAYE	

April 10, 1978 El Paso, Texas 79912 P. O. Box 12307

Mr. Al Kendrick, Supervisor Oil Conservation Com. Dist. #3 1000 Rio Brazos Rd. Aztec, N. M. 87410

Dear Mr. Kendrick:

After talking to you on Monday, April 8th, I immediately called Mr. Baxter of the Bloomfield Oil Field Service and asked him to proceed to plug the Malco #1 Well as per Commission orders and past correspondence, as soon as he can make arrangements and in the meantime I will contact Palmer Oil Co. and ask them to clean up the location which they partly covered up, so that Bloomfield Oil Field Service can get their equipment in place to plug the well.

Mr. Baxter, agreed to call you and verify this, which I am sure he did.

I wish to thank you for your patience and cooperation.

Sincerely yours,

/ FELIX HICKMAN

CC: PALMER OIL COMPANY
BOX 2564
BILLINGS, MT. 59103

cc: Mr. Doyle Baxter
Bloomfield Oil Field Service
P. O. Box 1641
Bloomfield, N. M. 87413

Mr. Doyle Baxter

Bloomfield Oil Field Service

Bloomfield, N. M. (Tel. 505-632-3392)

CC: Mr. Al Kendrick, Supervisor Oil Conservation Commission 1000 Rio Brazos Rd, Aztec, N. M. 87410

P. O. Box 12307 El Paso, Texas 79912 April 10, 1978

Production Superientendent Palmer Oil & Gas Co. Billings, Mt. 59103

Dear Sir:

When your company built the location to drill your State LG-3571, 16-1 G 16-26-8 in San Juan County, N. M., you very nearly covered my well, the the Malco No. 1, which is located on practically the same location as the above mentioned well.

The Oil & Gas Commission has ordered me to plug my well, however the Bloomfield Oil Field Service state that that they are unable to get their equipment in place without the use of a Dozer to clear the dirt that was pushed next to the Malco Well when your location was built.

This will cost something around \$500.00 or less and I would appreciate your having this work done or authorizing Bloomfield Oil Field Service (Mr. Baxter) to perform the work at your expense

Thanking you for your cooperation and trusting this can be done as soon as possible, I am

Sincerely yours,

Silve Josephon

FELIX HICKMAN

P.S. Oil Commotion is awar of the and me any, our to get the weel plugged



DIRECTOR
JOE D. RAMEY

OIL CONSERVATION COMMISSION

STATE OF NEW MEXICO 1000 RIO BRAZOS RD. · AZTEC

> 87410 LAND COMMISSIONER PHIL R. LUCERO



STATE GEOLOGIST
EMERY C. ARNOLD

Examiner Nutter

January 10, 1978

7

Mr. J. Felix Hickman P. O. Box 1307

El Paso, Texas

Re: Case No. 6050 Order No. R-5554 Maleo State Com +1 G-16-76N-8W

1113123

Dear Mr. Hickman:

I have received a copy of your request for an extension of time to comply with the referenced order.

I hereby grant an extension to March 31, 1978, because of the rig availability problem. Meanwhile, I suggest that you have your plugging program approved by this office.

If there are questions, please contact us.

Yours very truly,

and in

Supervisor, District #3

xc: 0il Conservation Commission, Santa Fe

ARK:no

February 6, 1978 P. O. Box 12307 El Paso, Texas, 79912

313 1978

Mr. Doyle Baxter
Bloomfield Oil Field Service
P. O. Box 1641
Bloomfield, N. M. 87413

Dear Sir:

With reference to our recent telephone conversation, I would like to have you schedule the plugging of the Hickman Malco Wellin 26 N 8 W., Sec. 16, San Juan County preferably the last week in March or early April, as I would like to be there and it is the only time I can get off from my work.

I am attaching hereto a copy of the log on the well for your information and am sending a copy of this letter to Mr. A. R. Kendrick, Supervisor for the New Mexico Oil Conservation Com. and request that you notify him regarding the schedule.

If this is not possible, please schedule the work for a later date and notify me and I will ask for an extension of the Commission"s order to plug the well.

Thanking you, I am

Very truly yours,

J. FELIX HICKMAN

CC TO:
Mr. A. R. Kendrick
Oil Conservation Commission
1800 Rio Brazos Road
Aztec, N. M. 87401



P. O. Box 1307 El Paso, Texas 7)912 Dec. 24, 1977

Mr. Joe D. Ramey, Secretary Oil Conservation Commission Box 2088 Santa Fe, N. M. 87501

Dear Sir:

RE: CASE NO. 6050 ORDER NO. R-5554

In regard to the above mentioned case and order, this is to advise that I have been unable to get any one to plug this well - every one is too busy working for the big operators who will not release them.

A contractor, Mr. Larry Bedford, had promised he would do it before Jan 1st, but when I checked with him yesterday he said he has been unable to get time to take care of it, but would do so when he could. He would not commit himself as to when, but stated it probably would be at least ninety days or more, therefore I would like the Commission to grant me a six month extension and if I cant get someone to do the job, I will consent to allowing the Commission to plug it.

I am sure you are all aware of the problem of getting anyone to do such a trivial job.

sincerely yours.,

July Norman

J. FELIX HICKMAN

1-9-78

Il rvice groe extension the 3-31-79.



OIL CONSERVATION COMMISSION

STATE OF NEW MEXICO 1000 RIO BRAZOS RD. - AZTEC

> 87410 LAND COMMISSIONER PHIL R. LUCERO



DIRECTOR
JOE D. RAMEY

September 30, 1977

Mr. Dan Nutter
Oil Conservation Commission
P. O. Box 2088
Santa Fe, New Mexico

Re: Plugging cases heard on September 28, 1977

Dear Dan:

Proposed time schedules for completion or plugging of the wells is listed below:

Case No. 6048: Noel Reynolds should own well in his name within 30 days if he intends to test it for a sustained period. If he does initiate a test he should be required to test continuously until he determines the well to be either an oil producer or a water well. No piddling around. Six months should be the limit.

Case No. 6049: Since the bond has been cancelled and we are going to do the plugging, 30 days should suffice.

Case No. 6050) Since J. Felix Hickman plans to plug, 60 or 90 days should be ample time. If he runs into trouble we can stall a bit.

Case No. 6051, No. 6053, No. 6054, and No. 6056: All those wells are on Federal leases. We only have a bond for No. 6056. We will probably have to let those for bid and collect the hard way. Sixty days should be sufficient time to contract for plugging at an early date.

We will need the plugging rigs next summer for other holes; so, let's get these done this fall.

If there are other remarks, I will call.

Yours very truly,

A. R. Kendrick Supervisor, District #3

ARK:mc

LAW OFFICES OF

J. R. MODRALL JAMES E. SPERLING JOSEPH E. ROEHL GEORGE T. HARRIS, JR. DANIEL A SISK LELAND S SEDBERRY, JR. ALLEN C. DEWEY, JR. FRANK H. ALLEN, JR. JAMES A. PARKER JOHN R. COONEY KENNETH L. HARRIGAN PETER J. ADANG DALE W. EK DENNIS J. FALK JOE R. G. FULCHER JOE N. G. FULCHER
ARTHUR D. MELEMORES
JAMES P. HOUGHTON
GEORGE J. HOPKINS
PAUL M. FISH
JUDY A. FRY
MARK R. THOMPSON HI
JEFFREY W. LOUBET
BUTH M. SCHIFAMI RUTH M. SCHIFANI THOMAS L.JOHNSON LYNN H SLADE ALAN KONRAD

MODRALL, SPERLING, ROEHL, HARRIS & SISK

PUBLIC SERVICE BUILDING P. O. BOX 2168

ALBUQUERQUE, NEW MEXICO 87103

JOHN F. SIMMS(1865-1954)

TELEPHONE 243-45H AREA CODE 505

September 21, 1977

Mr. Joe D. Ramey Secretary-Director Oil Conservation Commission P. O. Box 2088 Santa Fe, New Mexico 87501

Docket No. 30-77, Case No. 6050

Dear Mr. Ramey:

The captioned matter is set for hearing on September 28, 1977. On behalf of J. Felix Hickman, please be advised that Mr. Hickman agrees that the well which is the subject of the hearing and located in Unit G, Section 16, Township 26 North, Range 8 West, N.M.P.M., should be plugged and abandoned. Mr. Hickman will undertake to salvage such downhole equipment as is feasible and will arrange for the plugging of the well. A report of the plugging of the well will be filed with the Commission on the prescribed Form

It is my understanding that Form C-105 has already been filed with the Commission following the original completion of the well.

Very truly yours,

James E. Sperling

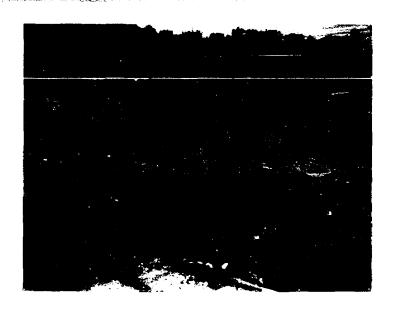
JES/jev

cc: Mr. J. Felix Hickman

RECEIPT FOR CERTIFIED MAIL—30¢

No. 481751

J. Felix Hickman		POSTMARK OR DATE
STREET AND NO.	. 1	
4115 Avenue La Res	olana, NE	
P. O., STATE, AND ZIP CODE		
Albuquerque, New M	exico	
EXTRA SERVICES FOR ADDITION Roturn Receipt	AL FEES Deliver to Addressee Only	
Shows to whom shows to whom, and date delivered delivered delivered 25t fee	50¢ fee	
POD Form 3800 NO INSURANCE COVER	AGE PROVIDED-	See othe



OPTIONAL SERVICES
Return receipt (10¢ or 35¢)
Deliver to addressee only—50¢
Special delivery

Local delivery

Special delivery

Local delivery

1036130

9-20-77 MALCO STATE COM#1 6-16.26N-8W

BEFORE EXAMINER NUTTER

OIL CONSERVATION COMMISSION

EXHIGIT NO. /

CASE NO. 6050

OIL CONSERVATION COMMISSION

STATE OF NEW MEXICO P. O. BOX 2088 - SANTA FE

87501

DIRECTOR JOE D. RAMEY

LAND COMMISSIONER PHIL R. LUCERO September 19, 1977



CERTIFIED - RETURN RECEIPT REQUESTED

J. Felix Hickman 4115 Avenue La Resolana, NE Albuquerque, New Mexico

> Re: Malco State Com Well No. 1, located in Unit G of Section 16, Township 26 North, Range 8 West, San Juan County

Plugging Bond

Gentlemen:

Enclosed is a copy of the docket of the Examiner Hearing to be held on Wednesday, September 28, 1977, at 9 o'clock a.m. in the Oil Conservation Commission Conference Room, State Land Office Building, Santa Fe, New Mexico. Case 6050 concerns the above captioned subject matter.

Very truly yours,

XNN TESCHENDORF General Counsel

LT/fd enc.

Dockets Nos. 31-77 and 32-77 are tentatively set for hearing on October 12 and 26, 1977. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: EXAMINER HEARING - WEDNESDAY - SEPTEMBER 28, 1977

9 A.M. - OIL CONSERVATION COMMISSION CONFERENCE ROOM STATE LAND OFFICE BUILDING, SANTA FE, NEW MEXICO

The following cases will be heard before Daniel S. Hutter, Examiner, or Richard L. Stamets, Alternate Examiner:

CASE 6048: In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit Saguaro Oil Company and all other interested parties to appear and show cause why the Moran State Well No. 1 located in Unit A of Section 36, Township 18 North, Range 9 West, McKinley County, New Mexico, should not be plugged and abandoned in accordance with a Commission-approved plugging program.

CASE 6049: In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit Douglas Kenaston, Mints-Kenaston Drilling Co., and all other interested parties to appear and show cause why the Masden-Selby Well No. 1 located in Unit I of Section 21, Township 29 North, Range 11 West, San Juan County, New Mexico, should not be plugged and abandoned in accordance with a Commission-approved plugging program.

In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit J. Felix Nickman and all other interested parties to appear and show cause why the Malco State Com Well No. 1 located in Unit C of Section 16, Township 26 North, Range 8 West, San Juan County, New Mexico, should not be plugged and abandoned in accordance with a Commission-approved plugging program.

CASE 6051: In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit B. C. West and N. W. McIntosh and all other interested parties to appear and show cause why the Rollins and Dodgen Well No. 2 located in Unit D of Section 28, Township 18 North, Range 3 West, Sandoval County, New Mexico, should not be plugged and abandoned in accordance with a Commission-approved plugging program.

CASE 6052: In the watter of the hearing called by the Oil Conservation Commission on its own motion to permit Western Energy Corporation and all other interested parties to appear and show cause why the Ute Well No. 2 located in Unit O of Section 23, Township 31 North, Range 16 West, San Juan County, New Mexico, should not be plugged and abandoned in accordance with a Commission-approved plugging program.

CASE 6053: In the matter of the hearing called by the Oil Conservation Commission on its own metion to permit Noel Reynolds and all other interested parties to appear and show cause why the Torreon Water Well No. 1 located in Unit J of Section 28, Township 18 North, Range 3 West, Sandoval County, New Mexico, should not be plugged and abandoned in accordance with a Commission-approved plugging program.

CASE 6054: In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit John F. Staver and all other interested parties to appear and show cause why the Paperthin Well No. 1 located in Unit F of Section 26, Township 19 North, Range 5 West, McKinley County, New Mexico, should not be plugged and abandoned in accordance with a Commission-approved plugging program.

CASE 6055: In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit Han-San, Inc., and all other interested parties to appear and show cause why the Grevey Well No. 4 located in Unit E of Section 26, Township 26 North, Range 1 East, Rio Arriba County, New Mexico, should not be plugged and abandoned in accordance with a Commission-approved plugging program.

CASE 6056: In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit Julius Chodorov, American Employers' Insurance Company, and all other interested parties to appear and show cause why the Ute Well No. 1 located in Unit F of Section 20, Township 31 North, Range 15 West, San Juan County, New Mexico, should not be plugged and abandoned in accordance with a Commission-approved plugging program.

CASE 6021: (Readvertised)

ASE 6050:

Application of Yates Petroleum Corporation for salt water disposal, Chaves County, New Mexico. Applicant, In the above-styled cause, seeks authority to dispose of produced salt water into the San Andres formation in the interval from 963 feet to 1560 feet in its Federal NJ Well No. 1 located in Unit A of Section 31, Township 6 South, Range 26 East, Linda-San Andres Pool, Chaves County, New Mexico.

CASE 5983: (Continued from September 14, 1977, Examiner Hearing)

Application of Yates Petroleum Corporation for the amendment of Order No. R-5445, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks the amendment of Order No. R-5445 to provide for a 200 percent risk factor for drilling the unit well rather than 20 percent. Said order pooled the N/2 of Section 19, Township 20 South, Range 25 East, Eddy County, New Mexico.

OIL CONSERVATION COMMISSION P. O. BOX 2088 SANTA FE, NEW MEXICO 87501

September 19, 1977

CERTIFIED - RETURN RECEIPT REQUESTED

J. Felix Hickman 4115 Avenue La Resolana, NE Albuquerque, New Mexico

> Re: Malco State Com Well No. 1, located in Unit G of Section 16, Township 26 North, Range 8 West, San Juan County Plugging Bond

Gentlemen:

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Very truly yours,

LYNN TESCHENDORF General Counsel

LT/fd enc. Dockets Nos. 31-77 and 32-77 are tentatively set for hearing on October 12 and 26, 1977. Applications for hearing must be filed at least 22 days in advance of hearing date.

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CASE 6052: In the matter of the hearing called by the 0il Conservation Commission on its own motion to permit Western Energy Corporation and all other interested parties to appear and show cause why the Ute Well No. 2 located in Unit 0 of Section 23, Township 31 North, Range 16 West, San Juan County, New Mexico, should not be plugged and abandoned in accordance with a Commission-approved plugging program.

CASE 6053: In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit Nocl Raynolds and all other interested parties to appear and show cause why the Torreon Water Well No. 1 located in Unit J of Section 28, Township 18 North, Range 3 West, Sandoval County, New Mexico, should not be plugged and abandoned in accordance with a Commission-approved plugging program.

CASE 6054: In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit

John F. Staver and all other interested parties to appear and show cause why the Paperthin Well

No. 1 located in Unit F of Section 26, Township 19 North, Range 5 West, McKinley County, New Mexico,
should not be plugged and abandoned in accordance with a Commission-approved plugging program.

CASE 6055: In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit Han-San, Inc., and all other interested parties to appear and show cause why the Grevey Well No.

4 located in Unit E of Section 26, Township 26 North, Range 1 East, Rio Arriba County, New Nexico, should not be plugged and abandoned in accordance with a Commission-approved plugging program.

CASE 6056: In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit Julius Chodorow, American Employers' Insurance Company, and all other interested parties to appear and show cause why the Ute Well No. 1 located in Unit F of Section 20, Township 31 North, Runge 15 West, San Juan County, New Mexico, should not be plugged and abandoned in accordance with a Commission-approved plugging program.

CASE 6021: (Readvertised)

Application of Yares Petroleum Corporation for salt water disposal, Chaves County, New Hexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the San Andres formation in the interval from 963 feet to 1560 feet in its Federal HJ Well No. 1 located in Unit A of Section 31, Township 6 South, Range 26 East, Linda-San Andres Pool, Chaves County, New Mexico.

CASE 5983: (Continued from September 14, 1977, Examiner Hearing)

Application of Yates Petroleum Corporation for the amendment of Order No. R-5445, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks the amendment of Order No. R-5445 to provide for a 200 percent risk factor for drilling the unit well rather than 20 percent. Said order pooled the N/2 of Section 19, Township 20 South, Range 25 East, Eddy County, New Mexico.



DIRECTOR
JOE D. RAMEY

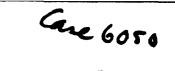
OIL CONSERVATION COMMISSION

STATE OF NEW MEXICO 1000 RIO BRAZOS RD. - AZTEC

87410

LAND COMMISSIONER
PHIL R. LUCERO

August 22, 1977





STATE GEOLOGIST
EMERY C. ARNOLD

Ms. Lynn Teschendorf Oil Conservation Commission P. O. Box 2088 Santa Fe, New Mexico 87501

Re: J. Felix Hickman

Malco State Com #1

G-16-26N-8W

San Juan County

Dear Ms. Teschendorf:

Please docket a case to allow the operator of the subject well and other interested parties to appear and show why the well should not be properly plugged and abandoned.

If there are questions please contact us.

Yours very truly,

A. R. Kendrick Supervisor, District #3

xc: Operator:

Bond was canalled in 1958.

BEFORE THE OIL CONSERVATION COMMISSION OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION COMMISSION OF NEW MEXICO FOR THE PURPOSE OF CONSIDERING:

CASE NO. 6050

Order No. R- 5554

IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION COMMISSION ON ITS OWN MOTION TO PERMIT J. FELIX HICKMAN AND ALL OTHER INTERESTED PARTIES TO APPEAR AND SHOW CAUSE WHY THE MALCO STATE COM WELL NO. 1 LOCATED IN UNIT G OF SECTION 16, TOWNSHIP 26 NORTH, RANGE 8 WEST, SAN JUAN COUNTY, NEW MEXICO, SHOULD NOT BE PLUGGED AND ABANDONED IN ACCORDANCE WITH A COMMISSION-APPROVED PLUGGING PROGRAM.

ORDER OF THE COMMISSION

RY	THE	COMMISSIO	V :
DI	T117	COLTITION TO	

This cause came on for hearing at 9 a.m. on September 28 19 77 , at Santa Fe, New Mexico, before Examiner Daniel S. Nutter NOW, on this day of October , 1977, 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 J. Felix Hickman is the owner and operator of the Malco State Com Well No. 1 located in Unit G of Section 16, Township 26 North 8 West , NMPM, San Juan County, New Mexico. (3) That surety on the Oil Conservation Commission plugging bond on which J. Felix Hickman is principal (4) That the purpose of said bond is to assure the state that the subject well (s) with be properly plugged and abandoned when not capable of commercial production-(3) That in order to prevent waste and protect correlative rights said Malco State Com Well No. 1 be plugged and abandoned in accordance with a program approved by Aztec District Office of the New Mexico Oil the Conservation Commission on or before January 1

1978 , or the well should be returned to active drilling

status or placed on production.

1	IT IS THEREFORE ORDERED:
((1) That J. Felix Hickman
	is are hereby ordered to plug and abandon the
Ma	alco State Com Well No. 1
ocated	in Unit G of Section 16 , Township 26 North
	8 West , NMPM, San Juan County, New Mexico,
	O west , was it said the said
M.	the wall to production start
or E	native, to beturn the well to production state
Jan .	cay 1, 1978.
	(2) That J. Felix Hickman
	, prior to plugging and abandoning the above-
descri	ibed well, shall obtain from the <u>Aztec</u> office of
Commis	ssion, a Commission-approved program for said plugging and
	oning, and shall notify said <u>Aztec</u> office of the dat
	our said work is to be commenced whereupon the Commission m
at its	s option, witness such work.
	(3) That jurisdiction of this cause is retained for the
entry	of such further orders as the Commission may deem necessar
	DONE at Santa Fe, New Mexico, on the day and year hereinab
desigr	nated.
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