

ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION



GARREY CARRUTHERS
GOVERNOR

October 29, 1987

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

Paramount Petroleum Corporation^{Re:}
P. O. Box 22763
Houston, Texas 77027

CASE NO. 9213
ORDER NO. R-8529

Applicant:

OCD (Paramount Petroleum Corporation)

Dear Sir:

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

Sincerely,

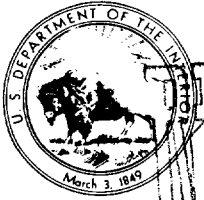
Florence Davidson

FLORENE DAVIDSON
OC Staff Specialist

Copy of order also sent to:

Hobbs OCD X
Artesia OCD X
Aztec OCD X

Other National Surety Corporation



IN REPLY REFER TO:
3160 (922)

United States Department of the Interior

BUREAU OF LAND MANAGEMENT

NEW MEXICO STATE OFFICE

Post Office and Federal Building

P.O. Box 1449

Santa Fe, New Mexico 87504-1449

JUL 29 1987

OIL CONSERVATION DIVISION
SANTA FE

JUL 27 1987

*Set for Hearing
September 23
Case 9213*

New Mexico Oil Conservation Division
Attention: Jeff Taylor, General Counsel
P.O. Box 2088
Santa Fe, NM 87504

Dear Mr. Taylor:

The Bureau of Land Management (BLM) requests that the New Mexico Oil Conservation Division (NMOCD) plug a Totah Gallup Well that is abandoned and leaking wellbore fluid. The well is located on Federal lease SF-079065. The BLM has no funds appropriated to plug wells. The lessee and operator of the Gallup Formation, Paramount Petroleum Corporation (Paramount), has posted an invalid bond with the BLM. There is, therefore, no bond to cover the plugging costs. However, the BLM will continue to exhaust its efforts to recover all plugging costs from Paramount.

The BLM hereby grants permission to the NMOCD to inspect the leaking well. The well is the Aztec Totah Unit Well No. 7, located 650 feet from the South line and 1920 feet from the East line of Section 20, T. 29 N., R. 13 W., San Juan County, New Mexico.

John Keller of the BLM Farmington Resource Area Office, 3534 East 30th Street, Farmington, NM, (505) 327-7397, will provide any assistance you require. The mailing address of the Farmington Office is Caller Service 4104, Farmington, NM 87499-4104.

If you have any questions or require anything further from this office, contact Ron Bartel, Branch of Fluid Minerals, at (505) 988-6169.

Sincerely,

Larry L. Woodard
State Director

cc:
NM (015)
NM (016, John Keller)
NM (943)
Field Solicitor

Mr. L.W. Dreyer
P.O. Box 22763
Houston, TX 77227

Randolph P. Mundt
Associate General Counsel
Meridian Oil Inc.
P.O. Box 4239
Houston, TX 77210

Donald Walker
Meridian Oil Inc.
Engineering Manager
P.O. Box 4289
Farmington, NM 87499-4289



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

GARREY CARRUTHERS
GOVERNOR

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

August 28, 1987

Mr. Jeff Taylor
Oil Conservation Division
P.O. Box 2088
Santa Fe, NM 87504-2088

Case 9213

Re: Paramount Petroleum Corp.
Aztec Totah Unit #16 O-18-29N-13W
Aztec Totah Unit # 7 O-20-29N-13W

Dear Jeff:

The Paramount Petroleum Corp. Aztec Totah Unit, consisting of 39 wells has not produced since 1984.

Please docket a case calling for Paramount Petroleum Corp. and all other interested parties to appear and show cause why the Aztec Totah Unit #16, located 7075 feet from the south line and 2110 from the east line of section 18, township 29 north, range 13 west, and the Aztec totah Unit #7, located 660 feet from the south line and 1980 feet from the east line of section 20, township 29 north, range 13 west, should not be plugged and abandoned in accordance with a Division approved plugging program.

The #16 is the only fee well in the unit, the rest are federal. However, the #7 has a surface leak and presents a pollution hazard. We have agreed to a request by the BLM to plug the well with the reclamation fund. Paramounts plugging bond proved to be bogus.

Yours truly,

Charles Gholson
Deputy Oil & Gas Inspector

CG/dj

xc: Well Files
Operator File
Mr. John Keller - BLM Farmington