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STATE OF NEW MEXICO  
E RCV AND MINERALS DEPARTMI  
OI CONSERVATION DIVISION

IN THE MATTER OF THE HEARING CALLED BY  
THE OIL CONSERVATION DIVISION ON ITS  
OWN MOTION TO PERMIT CASA PETROLEUM,  
INC., U.S. INSURANCE GROUP, AND ALL  
OTHER INTERESTED PARTIES TO APPEAR AND  
SHOW CAUSE WHY THE PETERSON WELL NO. 1  
LOCATED 1980 FEET FROM THE NORTH AND  
WEST LINES (UNIT F) OF SECTION 17, TOWNSHIP  
4 SOUTH, RANGE 33 EAST, ROOSEVELT COUNTY,  
SHOULD NOT BE PLUGGED AND ABANDONED IN  
ACCORDANCE WITH A DIVISION APPROVED  
PLUGGING PROGRAM.

CASE NO. 9041  
Order No. R-8370

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 8:15 a.m. on December 3, 1986, at Santa Fe, New Mexico, before Examiner Michael E. Stogner.

NOW, on this 31st day of December, 1986, 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) Casa Petroleum, Inc. is the owner and operator of the Peterson Well No. 1, located 1980 feet from the North and West lines (Unit F) of Section 17, Township 4 South, Range 33 East, NMPM, Roosevelt County, New Mexico.
- (3) U.S. Insurance Group is the surety on the Oil Conservation Division plugging bond on which Casa Petroleum, Inc. is principal.
- (4) The purpose of said bond is to assure the state that the subject well will be properly plugged and abandoned upon depletion or when not capable of commercial production.
- (5) The current condition of said well is such that waste may occur, correlative rights may be violated, or fresh waters