

IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION DIVISION ON ITS OWN MOTION TO PERMIT FANNIE LEE MITCHELL, UNITED STATES FIDELITY AND GUARANTY COMPANY, AND ALL OTHER INTERESTED PARTIES TO APPEAR AND SHOW CAUSE WHY THE CAUDILL SWD WELL NO. G-32 LOCATED 1980 FEET FROM THE NORTH LINE AND 1830 FEET FROM THE EAST LINE (UNIT G) OF SECTION 32, TOWNSHIP 15 SOUTH, RANGE 36 EAST, LEA COUNTY, NEW MEXICO, SHOULD NOT BE PLUGGED AND ABANDONED IN ACCORDANCE WITH A DIVISION APPROVED PLUGGING PROGRAM.

> CASE NO. 9042 Order No. R-8371

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 8:15 a.m. on December 17, 1986, at Santa Fe, New Mexico, before Examiner David R. Catanach.

NOW on this <u>31st</u> 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) Fannie Lee Mitchell is the owner and operator of the Caudill SWD Well No. G-32, located 1980 feet from the North line and 1830 feet from the East line (Unit G) of Section 32, Township 15 South, Range 36 East, NMPM, Lea County, New Mexico.

(3) United States Fidelity and Guaranty Company is the surety on the Oil Conservation plugging bond on which Fannie Lee Mitchell is principal.

(4) Administrative Order No. SWD-17, dated October 22, 1958, authorized Shell Oil Company to use said well to dispose of produced water in the Devonian formation from 14,200 feet to 14,433 feet.