

(5) The applicant took over operations on the well in May of 1976.

(6) Said well was tested by the Division in 1984 and failed to demonstrate mechanical integrity.

(7) By Order No. R-7954, dated June 7, 1985, the Division authorized the applicant to expand the injection interval in the well to include the interval from 4950 feet to 14,200 feet, provided that the applicant run a new string of casing from the surface to a depth of 5050 feet.

(8) Said order further stipulated that should the applicant fail to install new casing in the well within 120 days from the date of the order, the well should be plugged and abandoned.

(9) To date, the applicant has failed to comply with the provisions of said order.

(10) The current condition of said well is such that waste may occur, correlative rights may be violated, or fresh waters may be contaminated if action is not taken to properly plug and abandon this well.

(11) In order to prevent waste, protect correlative rights, prevent any fresh water contamination and in accordance with the provisions of Order No. R-7954, said Caudill SWD Well No. G-32 should be plugged and abandoned in accordance with a program approved by the Hobbs District Office of the Division on or before February 1, 1987.

IT IS THEREFORE ORDERED THAT:

(1) Fannie Lee Mitchell and United States Fidelity and Guaranty Company are hereby ordered to plug and abandon 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, NMFM, Lea County, New Mexico, on or before February 1, 1987.

(2) Fannie Lee Mitchell and United States Fidelity and Guaranty Company, prior to plugging and abandoning the above described well, shall obtain from the Hobbs Office of the Division, an approved plugging program and shall notify said Hobbs office of the date and time said work is to be commenced whereupon the Division may, at its option, witness such work.

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