

Railroad Commission of Texas

OIL AND GAS DIVISION

ARTHUR H. BARBECK
Chief Engineer

COMMISSIONERS
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BYRON TUNNELL
FRED OSBORNE, Secretary



AUSTIN, TEXAS

October 25, 1967

MEMORANDUM TO THE COMMISSION

DOCKET NO. 6-57,826

IN RE:

Proper Plugging of the Dalco Production
Co. No. 1 I. C. Sherrow, East Texas
Field, Rusk County, Texas

DATE OF HEARING:

September 7, 1967

There were no appearances for this hearing, which was a show cause hearing called under the authority of Article 6005.

According to Commission records, the subject well was a deviated well originally drilled by E. W. Scates, with an SW-1 changing the operator to Dalco Production Company effective August 1, 1965, received July 15, 1965. The file includes a note from the Kilgore office of the Commission stating that Dalco Production Company, advised by letter dated March 31, 1966, that it was not fair for Dalco to be required to plug the wells since they did not drill the well.

The statute defines the operator as the person who is responsible for the physical operation and control of the well at the time the well is about to be abandoned, or ceases operation, but also defines the duty of the operator as being to properly plug the well when required, and in accordance with the Commission's rules and regulations which are in effect at the time of plugging.

In the opinion of the writer, for Commission purposes in applying the statute, absent some unusual circumstance, the filing of an SW-1 to take over a lease includes all of the responsibilities of the previous operator.

It is the recommendation of the writer that order be issued to Dalco Production Company to plug the subject well.

Respectfully submitted,

J. Brooks Peden
Senior Legal Examiner

JBP:da

RECOMMENDATION APPROVED:

RECOMMENDATION DENIED:

	Chief Engineer	_____
_____	Chairman	_____
	Commissioner	_____
_____	Commissioner	_____
DCA <u>11-6-67</u>	EFFECTIVE	_____