



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor

Joanna Prukop
Cabinet Secretary

Lori Wrotenbery

Director

Oil Conservation Division

September 17, 2003

Saba Energy of Texas, Inc.
1603 S.E. 19th Street
Suite 202
Edmond, OK 73013

Redlands Insurance Company
City Place II
185 Asylum St.
Hartford, CT 06103

VIA CERTIFIED MAIL, RETURN RECEIPT REQUESTED

Re: Case No. 13163: Application of the New Mexico Oil Conservation Division for an Order Requiring Saba Energy of Texas, Inc., to Properly Plug Six Wells, Imposing Civil Penalties for Failure to Comply, Authorizing the Division to Plug Said Wells and Ordering a Forfeiture of Applicable Plugging Bond; Lea County, New Mexico

Ladies and Gentlemen:

You are hereby notified that the New Mexico Oil Conservation Division has filed the referenced Application, a copy of which is enclosed herewith, seeking an Order requiring you to properly plug and abandon six wells located in Lea County, New Mexico, specifically identified in said application.

A hearing on this application will take place before a Division hearing officer on Thursday, October 9, 2003 at 8:15 a.m., in Porter Hall, First Floor, 1220 South St. Francis Drive in Santa Fe, New Mexico. At that hearing you will have an opportunity to show cause why an order should not be entered as requested in the Application.

You posted a surety bond in the amount of \$50,000, No. RED 1023122 issued by Redlands Insurance Company. That security will be forfeited if an order is entered as requested in the attached application and you fail to comply therewith.

Inquiries concerning this application may be directed to the undersigned in the Santa Fe office of the Division at (505) 476-3451.

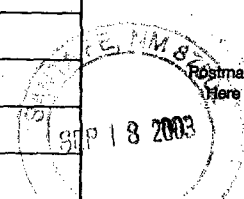
Very truly yours,

Gail MacQuesten
Assistant General Counsel

ec: Chris Williams, District Supervisor
Billy Prichard

7000 0520 0021 6896 3140

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Redlands Insurance Company

Street, Apt., Box or PO Box No.

City Place II

185 Asylum St.

City, State, ZIP+4
Hartford, CT 06103

PS Form 3800, February 2000

See Reverse for Instructions

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