

NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON Governor

Joanna Prukop
Cabinet Secretary

Mark E. Fesmire, P.E.
Director
Oil Conservation Division

August 11, 2004

B. Bernard Lankford
P.O. Box 238
Midland, TX 79702
Certified Mail No.

The Travelers Indemnity Company
1 Tower Square
Hartford, CT 06183
Certified Mail No. 7059 3220 0009 7873 1582

CASE 13336: APPLICATION OF THE NEW MEXICO OIL CONSERVATION DIVISION, THROUGH THE SUPERVISOR OF DISTRICT I, FOR AN ORDER REQUIRING B. BERNARD LANKFORD TO BRING ONE WELL INTO COMPLIANCE WITH 19.15.4.201 NMAC, ASSESSING AN APPROPRIATE CIVIL PENALTY IN THE EVENT OF NON-COMPLIANCE, AUTHORIZING THE DIVISION TO PLUG SAID WELL AND ORDERING A FORFEITURE OF THE APPLICABLE PLUGGING BOND; LEA COUNTY, NEW MEXICO.

Ladies and Gentlemen:

You are hereby notified that the New Mexico Oil Conservation Division has filed the above-captioned Application seeking an order requiring you to bring the Spears State #1 well, API #30-025-22098, into compliance with Division rules by plugging and abandoning the well, securing temporary abandonment status for the well, or returning the well to a Division-approved beneficial use. A copy of the Application is enclosed.

A hearing on this application will take place before a Division hearing officer on Thursday, September 2, 2004, 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. If you intend to present evidence at the hearing, you should file a pre-hearing statement at least four days in advance of the hearing, as required by 19.15.14.1208.B NMAC.

B. Bernard Lankford posted a \$5,000 single well plugging bond, number 510E5648, through The Travelers Indemnity Company to secure its obligation to plug and abandon the Spears State #1 well, API #30-025-22098, in compliance with Division rules. That security will be forfeited if an order is entered as requested in the attached application and that well is not brought into compliance with Division rules by the date set by the order.

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 and Billy Prichard, District I

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