

**STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION**

2009 SEP 15 PM 1 13

**APPLICATION OF THE NEW MEXICO OIL CONSERVATION DIVISION,
THROUGH THE SUPERVISOR OF DISTRICT I, FOR AN ORDER REQUIRING
MILLARD DECK ESTATE TO BRING TWO WELLS INTO COMPLIANCE
WITH 19.15.4.201 NMAC, ASSESSING AN APPROPRIATE CIVIL PENALTY IN
THE EVENT OF NON-COMPLIANCE, AND AUTHORIZING THE DIVISION
TO PLUG SAID WELLS, LEA COUNTY, NEW MEXICO.**

CASE NO. 13361

APPLICATION FOR COMPLIANCE ORDER

1. The records of the Oil Conservation Division ("Division") identify "Millard Deck Estate" as the operator of record for the following wells under OGRID 14894 (hereinafter the "subject wells"):

- a. Alexander #001, API #30-025-06429, located at Unit Letter E, Section 7, Township 21 South, Range 37 East, in Lea County, New Mexico; and
- b. Lea 407 State #005, API #30-025-03535, located at Unit Letter D, Section 33, Township 21 South, Range 35 East, in Lea County, New Mexico.

2. The financial assurances posted for these wells have been cancelled.

3. Division rule 19.15.4.201 NMAC requires an operator to plug and abandon or temporarily abandon a well in accordance with Division rules within 90 days after a period of one year of continuous inactivity.

4. The subject wells have been inactive for a continuous period exceeding one year plus 90 days, and have neither been plugged and abandoned pursuant to 19.15.4.202 NMAC nor temporarily abandoned pursuant to 19.15.4.203 NMAC.

5. Division rule 19.15.101(M) NMAC authorizes the Director to order the operator to plug and abandon any well not in compliance with 19.15.4.201 NMAC by a date certain, and to authorize the Division to plug such well in accordance with a Division-approved plugging program if, after the time provided in such order, the operator has failed to plug the well.

6. The Oil and Gas Act provides that any person who knowingly and willfully violates any order issued pursuant to that act shall be subject to a civil penalty of not more than one thousand dollars per day for each violation. NMSA 1978, section 70-2-31(A).

WHEREFORE, the Supervisor of District I of the Division hereby applies to the Director to enter an order:

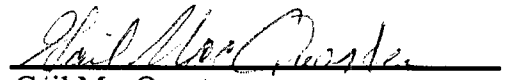
- A. Determining that the subject wells are not in compliance with 19.15.4.201 NMAC;
- B. Requiring the operator to bring the subject wells into compliance with 19.15.4.201 NMAC within a date certain by plugging and abandoning the wells in accordance with 19.15.4.202 NMAC, securing temporary abandonment status for the subject wells in accordance with 19.15.4.203 NMAC, or returning the subject wells to a Division-approved beneficial use; and
- C. Further, if the subject wells are not brought into compliance with 19.15.4.201 NMAC by the date set by the order:

(1) Authorizing the Division to plug the subject wells in accordance with a Division-approved plugging program; and

(2) Assessing a penalty of not less than \$1000 against the operator.

D. For such other and further relief as the Director deems just and proper under the circumstances.

RESPECTFULLY SUBMITTED,
this 15th day of September, 2004 by



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Case No. 13361. Application of the New Mexico Oil Conservation Division for a Compliance Order. The Applicant seeks an order requiring Millard Deck Estate to bring two wells into compliance with 19.15.4.201 NMAC, imposing a civil penalty and authorizing the Division to plug said wells in the event of noncompliance, and for such other relief as the Director deems appropriate. The affected wells are: Alexander #001, API #30-025-06429, located at Unit Letter E, Section 7, Township 21 South, Range 37 East, approximately three miles east of Oil Center, in Lea County, New Mexico; and Lea 407 State #005, API #30-025-03535, located at Unit Letter D, Section 33, Township 21 South, Range 35 East, approximately 12 miles west of Eunice in Lea County, New Mexico.