

District I  
1625 N. French Dr., Hobbs, NM 88240

District II

811 South First, Artesia, NM 88210

District III

1000 Rio Brazos Road, Aztec, NM 87410

District IV

2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico  
Energy Minerals and Natural Resources

Oil Conservation Division  
2040 South Pacheco  
Santa Fe, NM 87505

Form C-104A  
August 11, 2000

Submit 1 copy of the final affected wells  
list along with 2 copies of this form per  
number of wells on that list to appropriate  
District Office

## Change of Operator

### Previous Operator Information:

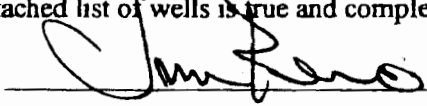
OGRID: 153653  
Name: Ready Oil & Gas Management  
Address: P. O. Box 381  
Address: \_\_\_\_\_  
City, State, Zip: Artesia, NM 88211-0381

### New Operator Information:

Effective Date: August 1, 2001  
New Ogrid: + 99439  
New Name: Jim Pierce  
Address: 200 West First Street  
Address: Suite 859  
City, State, Zip: Roswell, NM 88203

I hereby certify that the rules of the Oil Conservation Division have been complied with and that the information on this form and the attached list of wells is true and complete to the best of my knowledge and belief.

New Operator

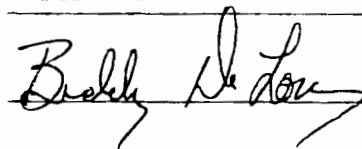
Signature: 

Printed name: Jim Pierce


Title: Owner/Sole Proprietor

Date: August 1, 2001 Phone: (505) 622-7246

Previous operator complete below:

Previous Operator: Ready Oil and Gas Management  
Previous OGRID: #153653  
Signature:   
Printed Name: Buddy DeLong

### NMOCD Approval

Signature:   
Printed Name: SUPERVISOR, DISTRICT II  
District: \_\_\_\_\_  
Date: JAN 04 2002

This is a final list of wells being transferred. If all bedding requirements are satisfied, submit this list to the OGD District with your block.

PREVIOUS OPERATOR: 151513 BARDY OIL & GAS

NEW OPERATOR:

99439 - Tim Pierce

OGD DISTRICT: ANNEBIA

| PROD-<br>ENTRY WELL NAME   | OGD<br>CLUSTER | OGD<br>ENTRY<br>LTR ADI | WELL<br>TYPE | POOL<br>ID POOL NAME              | LAST<br>PROD/IN |
|----------------------------|----------------|-------------------------|--------------|-----------------------------------|-----------------|
| 27553 LEONARD STATE #004   | 301-158-139    | I                       | 30-015-03539 | I 60120 TURKEY TRUCK, QUEEN, EAST | 06-1396 - 28810 |
| 27551 LEONARD A STATE #001 | 312-106-239    | D                       | 30-015-03503 | O 60120 TURKEY TRUCK, QUEEN, EAST | 06-2001 - 28811 |
| 27552 STATE S #002         | 312-158-139    | A                       | 30-015-03562 | O 60120 TURKEY TRUCK, QUEEN, EAST | 10-1396 - 28807 |

Submit 3 Copies To Appropriate District  
Office  
District I  
1625 N. French Dr., Hobbs, NM 88240  
District II  
1301 W. Grand Ave., Artesia, NM 88210  
District III  
1000 Rio Brazos Rd., Aztec, NM 87410  
District IV  
1220 S. St. Francis Dr., Santa Fe, NM  
87505

State of New Mexico  
Energy, Minerals and Natural Resources

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.

Santa Fe, NM 87505

Form C-103  
Revised March 25, 1999

|                                                                                                                                                                                                               |  |                                                                                                      |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|------------------------------------------------------------------------------------------------------|
| <b>SUNDRY NOTICES AND REPORTS ON WELLS</b><br>(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.) |  | WELL API NO.<br>30-015-03582                                                                         |
| 1. Type of Well:<br>Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/>                                                                             |  | 5. Indicate Type of Lease<br>STATE <input checked="" type="checkbox"/> FREE <input type="checkbox"/> |
| 2. Name of Operator<br>Jim Pierce                                                                                                                                                                             |  | 6. State Oil & Gas Lease No.<br>B-9739                                                               |
| 3. Address of Operator<br>200 W. First Street #859, Roswell, NM 88203                                                                                                                                         |  | 7. Lease Name or Unit Agreement Name:<br>State "S"                                                   |
| 4. Well Location<br>Unit Letter <u>A</u> : 330 feet from the <u>North</u> line and 330 feet from the <u>East</u> line<br>Section <u>12</u> Township <u>19S</u> Range <u>29E</u> NMPM Eddy County NM           |  | 8. Well No.<br>2                                                                                     |
| 10. Elevation (Show whether DR, RKB, RT, GR, etc.)<br>3390' L & S                                                                                                                                             |  | 9. Pool name or Wildcat<br>East Turkey Track                                                         |

11. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☒ PLUG AND ABANDON ☐  
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐  
PULL OR ALTER CASING ☐ MULTIPLE COMPLETION ☐  
OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐  
COMMENCE DRILLING OPNS. ☐ PLUG AND ABANDONMENT ☐  
CASING TEST AND CEMENT JOB ☐  
OTHER: ☐

12. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

1. Pull tubing and rods
2. Clean out shot hole
3. Return to production!

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE [Signature] TITLE Owner/Sole Proprietor DATE 04/24/03

Type or print name: Jim Pierce

Telephone No. 505-622-7246

(This space for State use)

APPROVED BY [Signature]

TITLE Wild Sep II

DATE

APR 28 2003

Conditions of approval, if any:

**JIM PIERCE**

OIL AND GAS PROPERTIES  
SUITE 859  
PETROLEUM BUILDING  
200 WEST FIRST  
ROSWELL, NEW MEXICO 88203

PHONE 505-622-7246  
FAX 505-622-1711  
EMAIL: jplandman@dfn.com

April 24, 2003

NMOCD

New Mexico Energy, Minerals and Natural Resources Department  
1301 West Grand Avenue  
Artesia, NM 88210

Attention: Mr. Van Barton, Field Rep. II

RE: Form C-103 submittals  
Leonard State #4/30-015-03539  
Leonard "A" State #1/30-015-03603  
State "S" #2/30-015-03582  
Section 12, T19S, R29E, NMPM,  
Eddy County, NM



Dear Mr. Barton:

Included herewith are original Form C-103's stipulating the proposed actions being initiated in bringing the captioned wells into compliance.

Service companies will be on these wells beginning Tuesday, April 29, 2003, to begin subject procedures.

Since previous field representatives, "Ready Oil and Gas Management" and "Morexco", failed to get subject wells into compliance, I have approached Mr. Tim Collier to complete all necessary remedial work to bring subject wells into compliance.

I believe that Tim has been in contact with you recently.

I appreciate your help and consideration in this matter.

Please contact us should you have questions, need additional information, or have further instructions.

Truly,

  
Jim Pierce, RLP

Encl.

Xc: Mr. Tim Collier



# NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

**BILL RICHARDSON**

Governor

**Joanna Prukop**

Cabinet Secretary

**Lori Wrotenbery**

Director

**Oil Conservation Division**

10 March 2003

TO: Jim Pierce  
Petroleum Bldg. 200 W. 1<sup>st</sup>, Suite 8549  
Roswell, New Mexico 88203

RE: PETITION FOR COMPLIANCE HEARING

|                      |            |                   |
|----------------------|------------|-------------------|
| State "S" # 2        | A-12-19-29 | API# 30-015-03582 |
| Leonard "A" State #1 | B-12-19-29 | API# 30-015-03603 |
| Leonard State # 4    | I-1-19-29  | API# 30-015-03539 |

Dear Mr. Pierce,

I am in receipt of your fax dated March 7, 2003. If the wells are in compliance prior to the hearing, it will be waived. For this to happen, all paperwork must be filed correctly and the wells in physical compliance.

Copy of petition to David Brooks attached.

Van Barton  
Field Rep. II

(tblWellMaster.api\_wellno Like '30015035820000')

30015035820000

STATE S No.002

O S A 12 19 S 29 E

|                | Date Perfm.      | Insp. Purpose / Type | Viol? | Comment                                                                    |
|----------------|------------------|----------------------|-------|----------------------------------------------------------------------------|
| IMLB0312051403 | 4/30/2003 2:16:3 | NRA CV               | No    | No change at well site. No work has begun.                                 |
| IMLB0306446906 | 3/5/2003 1:01:35 | NRA CV               | No    | No work done at well site. Pumpjack dismantled, no flowline. No well sign. |
| IGEG0225545990 | 9/12/2002 12:46: | NRA RP               | Yes   | Violation of Rule 201 - Idle well, last reported production Oct 1994.      |



# NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

**BILL RICHARDSON**

Governor

**Joanna Prukop**

Cabinet Secretary

**Lori Wrotenberg**

Director

**Oil Conservation Division**

30 January 2003

**Via Certified Mail**

Jim Pierce

Petroleum Bldg. 200 W. 1st, Suite 859

Roswell, New Mexico 88203

**RE:**

State "S" #2

A-12-19-29

API# 30-015-03582

Leonard "A" State # 1

B-12-19-29

API# 30-015-03603

Leonard State # 4

I-1-19-29

API# 30-015-03539

Dear Mr. Pierce,

This letter is being sent in part because all of the other correspondence dating back to 17 June, 2002 have caused the wells to be brought into compliance.

Rule 201 of the New Mexico Oil Conservation Division provides as follows:

**201 WELLS TO BE PROPERLY ABANDONED**

201.A. The operator of any well drilled for oil, gas or injection; for seismic, core or other exploration, or for a service well, whether cased or uncased, shall be responsible for the plugging thereof. [7-12-90...2-1-96]

201.B. A well shall be either properly plugged and abandoned or temporarily abandoned in accordance with these rules within ninety (90) days after:

- (1) A sixty (60) day period following suspension of drilling operations, or
- (2) A determination that a well is no longer usable for beneficial purposes, or
- (3) A period of one (1) year in which a well has been continuously inactive.

While a single well bond may cover your wells, this does not entitle them to be left out of compliance indefinitely. Please submit a form C-103 detailing how they will be brought into compliance. Please have these forms in the Artesia office on or before 28 February, 2003.

Thank you for your help

Van Barton

Field Rep. II



# NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

**BILL RICHARDSON**

Governor

**Joanna Prukop**  
Cabinet Secretary

**Lori Wrotenbery**  
Director  
Oil Conservation Division

30 January 2003

**Via Certified Mail**

Jim Pierce  
Petroleum Bldg. 200 W. 1st, Suite 859  
Roswell, New Mexico 88203

RE:

State "S" #2 <sup>3/5/03 NIC</sup> A-12-19-29 API# 30-015-03582  
Leonard "A" State # 1 <sup>3/5/03 NIC</sup> B-12-19-29 API# 30-015-03603  
Leonard State # <sup>4-3/5/03 NIC</sup> I-1-19-29 API# 30-015-03539

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Thank you for your help

Van Barton  
Field Rep. II



**JIM PIERCE**

OIL AND GAS PROPERTIES  
SUITE 850  
PETROLEUM BUILDING  
200 WEST FIRST  
ROSWELL, NEW MEXICO 88203

PHONE 505-822-7246  
FAX 505-822-1711  
EMAIL: jplandman@dm.com

March 7, 2003

New Mexico Energy, Minerals and Natural Resources Department  
Oil Conservation division  
1301 West Grand Avenue  
Artesia, NM 88210

Attention: Mr. Van Barton, Field Representative

Re: Well Compliance Reports  
State "S" #2/API# 30-015-03582  
Leonard "A" State #1/API# 30-015-03603  
Leonard State #4/API# 30-015-03539  
Eddy County, NM

Dear Mr. Barton:

It has just been brought to my attention that my field operations representative, Morexco, Inc., did not provide you with the forms C-103 regarding the captioned wells, per your letter dated January 30, 2003 (copy provided).

I have enlisted the services of another field operations manager who will hand deliver said C-103's to the Artesia District II office Monday, March 10, 2003.

I have also made arrangements with a company to 'swab' subject wells in an effort to produce oil and gas, prior to the installation of the additional equipment necessary to produce by pumping.

All flow lines and tanks have been inspected and/or repaired to enable this company to move fluid and produce subject wells on or before Friday, March 14, 2003.

Production reports will be provided accordingly.

Again, I appreciate your continued help and consideration in this matter.

Please contact us should you have questions or need additional information.

Truly,



Jim Pierce, RLP



## NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

**BILL RICHARDSON**

Governor

Joanna Pralok  
Cabinet Secretary

Lori Wrotenbery

Director

Oil Conservation Division

30 January 2003

**Via Certified Mail**Jim Pierce  
Petroleum Bldg. 200 W. 1st, Suite 859  
Roswell, New Mexico 88203

RE:

State "S" #2

A-12-19-29

API# 30-015-03582

Leonard "A" State # 1

B-12-19-29

API# 30-015-03603

Leonard State # 4

I-1-19-29

API# 30-015-03539

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Thank you for your help

Van Barton  
Field Rep. II



# NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

**BILL RICHARDSON**  
Governor  
**Joanna Prukop**  
Cabinet Secretary

**Lori Wrotenbery**  
Director  
Oil Conservation Division

30 January 2003

File  
Copy

**Via Certified Mail**

Jim Pierce  
Petroleum Bldg. 200 W. 1st, Suite 859  
Roswell, New Mexico 88203

**RE:**

|                       |            |                   |
|-----------------------|------------|-------------------|
| State "S" #2          | A-12-19-29 | API# 30-015-03582 |
| Leonard "A" State # 1 | B-12-19-29 | API# 30-015-03603 |
| Leonard State # 4     | I-1-19-29  | API# 30-015-03539 |

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Thank you for your help

Van Barton  
Field Rep. II



# NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

**GARY E. JOHNSON**

Governor  
**Betty Rivera**  
Cabinet Secretary

**Lori Wrotenbery**

Director  
Oil Conservation Division

23 December 2002

Jim Pierce  
Petroleum Bldg. 200 W. 1<sup>st</sup>, Suite 859  
Roswell, New Mexico 88203

RE: State "S" # 2            30-015-03582  
Leonard A State # 1    30-015-03603  
Leonard State # 4       30-015-03539

Dear Mr. Pierce,

I am in receipt of your letter dated 11-27-02. Please advise us of how and in what time frame you expect these wells to be brought into compliance.

Thank you very much for your help in resolving this matter.

Respectfully,

Van Barton  
Field Rep.II



## NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON

Governor

Betty Rivera

Cabinet Secretary

Lori Wrotenbery

Director

Oil Conservation Division

10/24/2002

Jim Pierce  
Petroleum Bldg Ste 859  
Roswell, NM 88201

Re: State S #2 30-015-03582  
Leonard A St #1 30-015-03603  
Tenneco St #1 30-015-24904

Dear Sir:

In reply to your letter of October 15, 2002 in regards to these wells, your request for a 60 day extension is denied.

I have included as attachments the applicable Rules for you to use as guidelines for bringing these wells into compliance.

In reference to the Tenneco State #1, I have researched our production files and find that forms C-115 have not be filed showing production since September 2001 as required by Rule 1115. In addition, there have been no forms C-141 submitted indicating the spill on this well as required by Rule 116. Records of this office indicate your company as Operator of Record, therefore the reporting requirement, compliance and remediation is your responsibility.

Please be advised that these wells must be brought into physical compliance on or before November 30, 2002 to avoid further enforcement action to include being summoned to show cause why these wells should not be plugged and abandoned and civil penalties assessed.

Respectfully,

Gerry Guye  
Compliance Officer  
District II - Artesia

Incl:  
Rule 116  
Rule 1115

# NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

**GARY E. JOHNSON**  
Governor  
**Betty Rivera**  
Cabinet Secretary

**Lori Wrotenbery**  
Director  
Oil Conservation Division

13-Sep-02

**JIM PIERCE**  
#859 PETROLEUM BUILDING  
ROSWELL NM 88201

Dear Operator:

A review of our records and recent inspection(s) indicate that the subject well(s) has been shut-in for an extended period of time. Rule 201 of the Rules and Regulation of the Oil Conservation Division provides that a well may be shut-in no longer than sixty days after suspension of drilling operations, upon determining that the well is no longer usable (e.g., a dry hole), or one year after last production. To comply with guidelines as established in the Rules and Regulations, corrective actions must be taken immediately and the situation brought into compliance.

The detail section below indicates preliminary findings and/or probable nature of the violation. This is a subjective determination based on one or more factors of the results of the inspection.

The following options are available:

1. Immediately restore the well(s) to production, injection or disposal as applicable.
2. Request 'Temporary Abandoned' status pursuant to Rule 203, which requires that you set a plug and conduct a mechanical integrity test.
3. Submit a proposal to 'Plug and Abandon' the well(s) pursuant to Rule 202, proceed with plugging procedures on a timely basis after the proposal has been evaluated, amended and/or approved.

To avoid further action, we request that you exercise one of the above options no later than the "Corrective Action" due date indicated below.

Please be advised that this Notice of Violation may be followed by an application for an order to Show Cause why the bond should not be forfeited, the well plugged and civil penalties assessed. Please notify this office at least 24 hours prior to any repair and/or plugging, subsequent mechanical integrity test, or to request TA status for the well(s).

## **IDLE WELL INSPECTION DETAIL SECTION**

|                                |                                                                       |                                  |                                      |
|--------------------------------|-----------------------------------------------------------------------|----------------------------------|--------------------------------------|
| <b>STATE S 002</b>             | <b>A-12-19S-29E</b>                                                   | <b>30-015-03582-00-0</b>         | <b>Inspection No. iGEG0225545990</b> |
| <b>Inspection Date:</b>        | 9/12/2002 12:46:05 PM                                                 | <b>Corrective Action Due by:</b> |                                      |
| <b>Type Inspection</b>         | <b>Inspector</b>                                                      | <b>Violation?</b>                | <b>*Significant Non-Compliance?</b>  |
| Routine/Periodic               | Gerry Guye                                                            | Yes                              | No                                   |
| <b>Comments on Inspection:</b> | Violation of Rule 201 - Idle well, last reported production Oct 1994. |                                  |                                      |

|                                |                                                               |                                  |                                      |
|--------------------------------|---------------------------------------------------------------|----------------------------------|--------------------------------------|
| <b>LEONARD A STATE 001</b>     | <b>B-12-19S-29E</b>                                           | <b>30-015-03603-00-0</b>         | <b>Inspection No. iGEG0225542301</b> |
| <b>Inspection Date:</b>        | 9/12/2002 11:44:48 AM                                         | <b>Corrective Action Due by:</b> | 10-18-02                             |
| <b>Type Inspection</b>         | <b>Inspector</b>                                              | <b>Violation?</b>                | <b>*Significant Non-Compliance?</b>  |
| Routine/Periodic               | Gerry Guye                                                    | Yes                              | No                                   |
| <b>Comments on Inspection:</b> | Idle well - Violation of Rule 201. Not capable of production. |                                  |                                      |

|                          |                    |                          |                                      |
|--------------------------|--------------------|--------------------------|--------------------------------------|
| <b>TENNECO STATE 001</b> | <b>4-2-19S-29E</b> | <b>30-015-24904-00-0</b> | <b>Inspection No. iGEG0225544981</b> |
|--------------------------|--------------------|--------------------------|--------------------------------------|