

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

**IN THE MATTER OF THE HEARING CALLED BY THE OIL  
CONSERVATION DIVISION FOR THE PURPOSE OF CONSIDERING:**

**CASE NO. 12974**

**APPLICATION OF THE NEW MEXICO OIL CONSERVATION DIVISION  
THROUGH THE SUPERVISOR OF DISTRICT I, FOR AN ORDER REQUIRING  
HULEN H. LEMON TO PROPERLY PLUG AND ABANDON ONE (1) WELL(S),  
ASSESSING AN APPROPRIATE CIVIL PENALTY IN EVENT OF OPERATOR'S  
FAILURE TO COMPLY, AUTHORIZING THE DIVISION TO PLUG SAID  
WELL(S) AND ORDERING A FORFEITURE OF APPLICABLE PLUGGING  
BOND, IF ANY; LEA, NEW MEXICO.**

**PRE-HEARING STATEMENT**

This Pre-Hearing Statement is submitted by the Oil Conservation Division as required by Rule 1208.B.

**PARTIES**

**APPLICANT**

New Mexico Oil Conservation Division

**ATTORNEY**

David K. Brooks  
Energy Minerals and Natural  
Resources Department of the State of  
New Mexico  
1220 South St. Francis Drive  
Santa Fe, NM 87505  
(505) - 476-3450  
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**RESPONDENT**

Hulen H. Lemon

American Employers" Insurance Company

**ATTORNEY**

No appearance entered.

No appearance entered.

**STATEMENT OF THE CASE**

Applicant will show that the above named operator is the operator of the well(s) identified in the Application, that such wells are inactive and have been inactive for a longer time than authorized by Rule 201, and have not been temporarily abandoned. Applicant will offer evidenced that the condition of the well(s) is such that plugging thereof is necessary for the prevention of waste, protection of correlative rights and protection of the environment, and that, in event of the operator's failure to plug same, the Division should be authorized to plug said well(s), to forfeit any financial assurance furnished by operator, and to seek reimbursement from operator for any excess of plugging costs incurred by the Division over and above the amount realized from forfeiture of such financial assurance. Also to be considered will be the propriety of the plugging procedure proposed by the Division staff.

**PROPOSED EVIDENCE**

<u>WITNESS</u>	<u>EST. TIME</u>	<u>EXHIBITS</u>
Jane Prouty	5 min.	1
Dorothy Phillips	2 min.	1
Billy Prichard (by telephone)	15 min.	4

**PROCEDURAL MATTERS**

None anticipated.

RESPECTFULLY SUBMITTED,



David K. Brooks  
Assistant General Counsel  
Energy, Minerals and Natural  
Resources Department of the State of  
New Mexico  
1220 S. St. Francis Drive  
Santa Fe, NM 87505  
(505)-476-3450

Attorney for The New Mexico Oil  
Conservation Division

## CERTIFICATE OF SERVICE

I hereby certify that copies of this Pre-Hearing Statement have been served on respondent(s) by mailing same to the same to each respondent at the address to which notice of this hearing was directed.

  
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David K. Brooks