

# NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

**BILL RICHARDSON**  
Governor

**Joanna Prukop**  
Cabinet Secretary

**Mark E. Fesmire, P.E.**  
Director

**Oil Conservation Division**

May 18, 2006

Stevens Operating Corporation  
c/o Donald G. Stevens  
United Bank Plaza, Suite 1250  
Roswell, NM 88201

American Employers Insurance Company  
One Beacon Street  
Boston, MA 02108

**VIA CERTIFIED MAIL, RETURN RECEIPT REQUESTED**

**Re: Case No. 13675: Application of the New Mexico Oil Conservation Division for an Order Requiring Stevens Operating Corporation to Plug Two Wells and Ordering Forfeiture of Applicable Financial Assurance in Event of Operator's Non-Compliance; Chaves County, New Mexico**

Ladies and Gentlemen:

You are hereby notified that the New Mexico Oil Conservation Division has filed the referenced Application (copy enclosed), seeking an order requiring you to properly plug and abandon seven wells in Chaves County, New Mexico, identified in said application.

A hearing on this application will take place before a Division hearing examiner on Thursday, June 8, 2006, 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 in opposition to this application, you must file a pre-hearing statement, as described in Division Rule 1211.B with Division Clerk, Florene Davidson, at Oil Conservation Division, 1220 South St. Francis Drive, Santa Fe, New Mexico 87505, before 5:00 P.M., Mountain Time on Thursday, June 1, 2006.

You posted a surety bond, in the amount of \$50,000, No.AR71396-61 issued by American Employers' Insurance Company. That security will be forfeited if an order is entered as requested in the enclosed Application and you fail to comply therewith.

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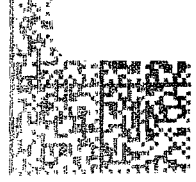
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STATE OF NEW MEXICO  
ENERGY MINERALS AND  
NATURAL RESOURCES DEPARTMENT  
1220 SOUTH SAINT FRANCIS DRIVE  
SANTA FE, NEW MEXICO 87505

4305/4999  
2006/05/25

~~Stevens Operating Corporation  
c/o Donald G. Stevens  
United Bank Plaza, Suite 1250  
Roswell, NM 88201~~

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1. Article Addressed to:

American Employers Insurance Co.  
One Beacon Street  
Boston, MA 02108

May 19, 2006 Ltr.

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