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FEB 18 2003

Oil Conservation Division

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

**APPLICATION OF THE NEW MEXICO OIL CONSERVATION DIVISION
THROUGH THE ENVIRONMENTAL BUREAU CHIEF TO REVOKE THE
PERMIT OF JAMAR, INC. TO OPERATE AN OIL TREATMENT PLANT; LEA
COUNTY, NEW MEXICO**

CASE NO. 13027

**APPLICATION TO REVOKE TREATMENT FACILITY PERMIT
AND FORFEIT BOND**

1. By Order No. R-8507, issued in Case No. 9199, the Division granted to Jamar, Inc. ("Jamar") a permit to operate an oil treating plant in the NE/4 NE/4 (Unit A) of Section 8, Township 20 South, Range 37 East, in Lea County, New Mexico.
2. Pursuant to the authority of the said order, Jamar established an oil treating plant ("the subject facility") at the above-described location and commenced operation thereof.
3. More than one year prior to the filing of this application, Jamar ceased operating the subject facility and abandoned the same, leaving at the site hydrocarbon and possibly other chemical contaminants that constitute a danger to fresh water, public health and the environment.
4. Jamar has posted a surety bond in the amount of \$25,000 to secure its obligation to properly close the subject facility, in compliance with O.C.D. Rule 711. Amwest Surety Insurance Company is the surety on said bond, and the number of the bond is 1135611.

WHEREFORE, the Chief of the Environmental Bureau of the Division hereby applies to the Director to enter an order:

- A. Determining that the subject facility has been abandoned.
- B. Rescinding Order No. R-8507, thereby terminating the authority of Jamar to operated the subject facility.
- C. Directing Jamar, Inc. or its corporate successor(s) to clear and reclaim the subject facility in accordance with OCD Rule 711.
- D. Further ordering that if Jamar or its surety fails to plug and abandon the subject facility as ordered by the Director, the Division be authorized: (i) to clear and reclaim the site in accordance with OCD Rule 711; (ii) to declare forfeit the security furnished by the Jamar to the extent necessary to fully reimburse the Division for its expenses incurred in accomplishing the foregoing; and (iii) to take necessary and appropriate measures to recover from Jamar or its corporate successors any costs incurred in excess of the amount of the bond or other security, if any.
- E. For such other and further relief as the Director deems just and proper under the circumstances.

RESPECTFULLY SUBMITTED,



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