

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

**APPLICATION OF THE NEW MEXICO OIL CONSERVATION DIVISION FOR
AN ORDER REQUIRING K.P. KAUFFMAN COMPANY, INC. TO PLUG ONE
WELL AND ORDERING A FORFEITURE OF APPLICABLE FINANCIAL
ASSURANCE IN EVENT OF OPERAOR'S NON-COMPLIANCE; LEA
COUNTY, NEW MEXICO.**

CASE NO. 13709

APPLICATION FOR PLUGGING AND FORFEITURE OF BOND

1. K.P. Kauffman Company, Inc. ("Operator") is the operator of the following well (the subject well) in Lea County, New Mexico:

<u>Well Name</u>	<u>API No.</u>	<u>Location</u>
Mesa Queen 7 State #1	30-025-29200	660 FSL/1040FEL P-7-16S-32E

2. Operator has posted the following applicable financial assurance:
\$50,000 blanket surety bond number LPM8756552 issued by Fidelity and Deposit Company of Maryland ("surety").

3. The subject well has been inactive for more than one year plus ninety days, and has not been approved for temporary abandonment.

WHEREFORE, the Supervisor of District I of the Division requests an order:

- A. Determining that the subject well should be plugged and abandoned in accordance with a Division-approved plugging program.
- B. Directing the Operator to plug the subject well by a date certain, and thereafter to remediate the site in accordance with OCD Rules.

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- C. Ordering that if the Operator or surety does not plug the subject well within the time provided, the Division be authorized: (i) to plug the subject well and remediate the site; (ii) to declare forfeit the above-described financial assurance; and (iii) to take necessary and appropriate measures to recover from the Operator any costs of plugging the subject wells in excess of the amount of the applicable financial assurance.

RESPECTFULLY SUBMITTED,

A handwritten signature in cursive script, reading "David K. Brooks", is written over a horizontal line.

David K. Brooks
Assistant General Counsel
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Resources Department of the State of
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Case No. 13709. **Application of the New Mexico Oil Conservation Division for an Order Requiring K.P. Kauffman Company, Inc. to Plug 1 Well and Ordering Forfeiture of Applicable Financial Assurance in Event of Operator's Non-Compliance, Lea County, New Mexico.** The Applicant seeks an order requiring Southeastern Petroleum Inc. to plug the following wells and to forfeit applicable security:

<u>Well Name</u>	<u>API No.</u>	<u>Location</u>
Mesa Queen 7 State #1	30-025-29200	660 FSL/1040FEL P-7-16S-32E

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