

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

2007 MAY 16 PM 1:19

APPLICATION OF THE NEW MEXICO OIL CONSERVATION DIVISION, THROUGH THE ENFORCEMENT AND COMPLIANCE MANAGER, FOR A COMPLIANCE ORDER AGAINST NORTHSTAR OIL & GAS FINDING THAT THE OPERATOR IS IN VIOLATION OF 19.15.4.201 NMAC AS TO TWO WELLS, DETERMINING THAT THE VIOLATION IS KNOWING AND WILLFUL AND IMPOSING A PENALTY, REQUIRING OPERATOR TO BRING SAID WELLS INTO COMPLIANCE WITH 19.15.4.201 NMAC BY A DATE CERTAIN, AND IN THE EVENT OF NON-COMPLIANCE DECLARING THE WELLS ABANDONED, AUTHORIZING THE DIVISION TO PLUG THE WELLS AND FORFEIT THE APPLICABLE FINANCIAL ASSURANCE, SAN JUAN COUNTY, NEW MEXICO.

CASE NO. 13920

ENTRY OF APPEARANCE AND
PRE-HEARING STATEMENT

The Oil Conservation Division submits this entry of appearance and pre-hearing statement pursuant to OCD Rule 1211 [19.15.14.1211 NMAC].

APPEARANCES

APPLICANT

Oil Conservation Division

APPLICANT'S ATTORNEY

Gail MacQuesten
Oil Conservation Division
Energy, Minerals and Natural
Resources Department
1220 S. St. Francis Drive
Santa Fe, NM 87505
(505) 476-3451
FAX: 476-3462

RESPONDENT

Northstar Oil & Gas
(no entry of appearance filed
at this time)

Northstar Oil & Gas
P.O. Box 168
Sewickley, PA 15143

Northstar Oil & Gas
311 N. Behrend
Farmington, NM 87401

Northstar Oil L& Gas
P.O. Box 93
Farmington, NM 87401

STATEMENT OF THE CASE

The Oil Conservation Division (OCD) seeks a compliance order against Northstar Oil & Gas (Northstar) finding that Northstar knowingly and willfully violated 19.15.4.201 NMAC as to the two wells identified in the order, imposing penalties for that knowing and willful violation, requiring Northstar to plug or otherwise return the wells to compliance by a date certain, and if Northstar fails to comply, authorizing the OCD to plug the wells and forfeit the applicable financial assurances. Northstar has posted a \$50,000 cash bond.

APPLICANT'S PROPOSED EVIDENCE

WITNESS:	ESTIMATED TIME:
Daniel Sanchez, Enforcement and Compliance Manager	20 minutes
Charlie Perrin, Supervisor, District III	10 minutes
Dorothy Phillips, Financial Assurance Administrator	by affidavit

PROCEDURAL MATTERS

The legal advertisement for this case was issued under the caption used for Commission Hearings. The OCD requests a ruling on whether it needs to re-advertise the case.

The OCD asks that Charlie Perrin be allowed to testify by telephone.

Respectfully submitted
this 16th day of May 2007 by



Gail MacQuesten
Oil Conservation Division
Energy, Minerals and Natural
Resources Department
1220 S. St. Francis Drive
Santa Fe, NM 87505
(505) 476-3451

Attorney for the Oil Conservation Division

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing pleading was served upon Northstar Oil & Gas at the addresses indicated above this 16th day of May 2007.



Gail MacQuesten