

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

APPLICATION OF THE NEW MEXICO OIL CONSERVATION DIVISION, THROUGH THE ENFORCEMENT AND COMPLIANCE MANAGER, FOR A COMPLIANCE ORDER AGAINST MARKS AND GARNER PRODUCTION LTD. CO. REQUEST FOR DETERMINATION OF NON-COMPLIANCE WITH OCD RULE 19.15.5.9 NMAC FOR VIOLATION OF AN ORDER REQUIRING CORRECTIVE ACTION.

De Novo CASE NO. 14041

MOVANT'S PRE- HEARING STATEMENT

The Oil Conservation Division submits this pre-hearing statement pursuant to OCD Rule 19.15.4.13 NMAC.

STATEMENT OF THE CASE

The Applicant has requested this Motion Hearing for the sole purpose of reopening this case to obtain an order determining that operator Marks & Garner Production Ltd. Co. (Marks & Garner) is in violation of an order requiring corrective action as to the below-listed 11 wells, and is therefore in violation of OCD Rule 19.15.5.9 NMAC:

▪ <u>Cities Service State #001</u>	<u>30-025-23551</u>
▪ <u>Graham Federal #003</u>	<u>30-025-28655</u>
▪ <u>Jennings Federal #002</u>	<u>30-025-08149</u>
▪ <u>Kemnitz 17 State #001</u>	<u>30-025-28767</u>
▪ <u>State #002</u>	<u>30-015-02889</u>
▪ <u>Theos State #001</u>	<u>30-015-24732</u>
▪ <u>Lea/UA/State #001</u>	<u>30-025-28484</u>
▪ <u>Northeast Maljamar Unit #001</u>	<u>30-025-21291</u>
▪ <u>Red Twelve Levers Fed #008Q</u>	<u>30-015-25090</u>
▪ <u>State #001</u>	<u>30-015-02888</u>
▪ <u>Gulf Hanagan Fed #001</u>	<u>30-025-08144</u>

On 9/11/09 this Commission issued an Order directed to respondent, Marks & Garner, requiring corrective action. The Order articulated the corrective action that the Commission was requiring that Marks & Garner perform, and imposed specific deadlines upon Marks & Garner for the performance. All such deadlines have now long since past, as has any time period for appeal and the order is now final. Marks & Garner has failed and refused to fully perform the required corrective action mandated by the Order. In particular, included among the

EXHIBITS

- A. *Oil Conservation Commission Order No. 12963-A* issued in Case No. 14041, de novo, on September 11, 2009.
- B. *Inactive Well List* from OCD Online for Operator Marks & Garner, OGRID 14070, printed September 30, 2009.
- C. *Inactive Well Additional Financial Assurance Report* from OCD Online for Operator Marks & Garner, OGRID 14070, printed on September 30, 2009.
- D. OCD Online records regarding Marks & Garner wells: *Cities Service State #001, Graham Federal #003, Jennings Federal #002* , 30-025-08149, *Kemnitz 17 State #001, and State #002*
- E. OCD Online records regarding Marks & Garner wells: *Theos State #001, Len/UA/State #001, Northeast Maljamar Unit #001, Red Twelve Levers Fed #008Q, State #001 and Gulf Hanagan Fed #001.*
- F.

Respectfully submitted

This 30th day of September, 2009 by

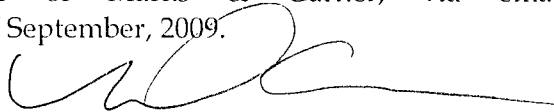


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CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing pleading was served upon counsel for Marks & Garner Production Ltd., Co. via email at epadillapl@qwestoffice.net and upon Quinton Wellborn, manager of Marks & Garner, via email at Qwelborn@valornet.com this 30th day of September, 2009.



Mikal Altomare