

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

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APPLICATION OF THE OIL CONSERVATION DIVISION, THROUGH THE ENFORCEMENT & COMPLIANCE MANAGER, FOR A COMPLIANCE ORDER AGAINST OPERATOR CORINNE GRACE, FINDING OPERATOR IN VIOLATION OF 19.15.25.8 NMAC AS TO CUEVA UNIT #1, REQUIRING OPERATOR TO PLUG AND ABANDON SAID WELL BY A DATE CERTAIN, AND AUTHORIZING THE DIVISION TO FORFEIT THE APPLICABLE FINANCIAL ASSURANCE AND PLUG THE WELL IN THE EVENT OF OPERATOR'S NON-COMPLIANCE, EDDY COUNTY, NEW MEXICO.

CASE NO. 14560

ENTRY OF APPEARANCE AND
PRE-HEARING STATEMENT

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

APPEARANCES

APPLICANT

Oil Conservation Division

APPLICANT'S ATTORNEY

Sonny Swazo
Oil Conservation Division
Energy, Minerals and Natural
Resources Department
1220 S. St. Francis Drive
Santa Fe, NM 87505
(505) 476-3463
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RESPONDENT

Corinne Grace

RESPONDENT'S ATTORNEY

No appearance has been entered

STATEMENT OF THE CASE

Applicant Oil Conservation Division is seeking an Order requiring Operator Corinne Grace to plug its well, the Cueva Unit #1, by a date certain, and authorizing the OCD to forfeit the applicable financial assurance and plug and abandon the well in the event of Operator's non-compliance with said Order.

The well has been inactive since September 2000. The well is located within the two-year area of the City of Carlsbad Wellhead Protection Program area. The two-year area is determined by the amount of time it would take for contaminants from nearby wells to reach the City's water wells. The well has an open pit, a pile of contaminated soil, and is located near a major drainage.

RESPONDENT'S PROPOSED EVIDENCE

WITNESSES:

ESTIMATED TIME:

Daniel Sanchez
OCD Enforcement & Compliance Manager

30 minutes

PROCEDURAL MATTERS

None.

Respectfully submitted

this 21 day of October 2010 by



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Attorney for the Oil Conservation Division

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing pleading was mailed to the following parties on October 21, 2010:

Corinne Grace
P.O. Box 1418
Carlsbad, NM 88220

Wells Fargo Bank
115 West Fox
Carlsbad, NM 88220



Sonny Swazo