

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

**APPLICATION OF THE NEW MEXICO OIL CONSERVATION DIVISION  
THROUGH THE SUPERVISOR OF DISTRICT III FOR AN ORDER REQUIRING GEO  
ENGINEERING INC. TO PROPERLY PLUG FORTY-FIVE WELLS LOCATED IN  
TOWNSHIP 20 NORTH, RANGE 9 WEST, MCKINLEY COUNTY, NEW MEXICO,  
AUTHORIZING THE DIVISION TO PLUG SAID WELLS, AND ORDERING A  
FORFEITURE OF THE PLUGGING BOND.**

CASE NO. 11813

**APPLICATION FOR PLUGGING AND FORFEITURE OF BOND**

1. Geo Engineering Inc. (the "Operator") is the operator of the forty-five wells located in Township 20 North, Range 9 West, McKinley County, New Mexico, listed on the attached Exhibit "A" to this application.
  
2. Operator has posted a surety bond in the amount of \$50,000 for said wells in compliance with Section 70-2-14 NMSA 1978 and Rule 101 of the Rules and Regulations of the Oil Conservation Division, which bond is conditioned upon compliance with the statutes of the State of New Mexico and the Rules and Regulations of the Division with respect to the proper plugging and abandonment of the wells operated by Operator. American Manufacturers Mutual Insurance Co. is surety on the bond, Bond No. 3SE 438 800 00.
  
3. The subject wells have not produced hydrocarbon or carbon dioxide substance or have otherwise been inactive for more than one year or are no longer usable for beneficial purposes and no permit for temporary abandonment has been requested by the Operator and approved by the Division.

4. By virtue of the failure to use the wells for beneficial purposes or to have approved current temporary abandonment permits, the subject wells are presumed to have been abandoned and are required to be plugged.

5. By authority of Section 70-2-14 NMSA 1978, the Rules and Regulations of the Division require wells which are inactive for more than one year or are no longer usable for beneficial purposes to be properly plugged.

6. Demand has been made or attempted to be made upon the Operator to either place the subject wells to beneficial use, obtain approval for temporary abandonment or properly plug and abandon the same and the Operator has failed to do so.

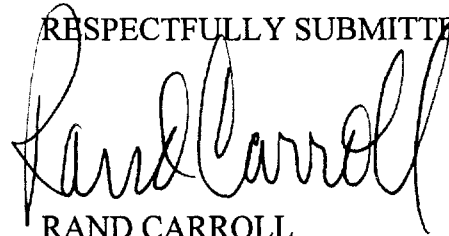
WHEREFORE, the Supervisor of District III of the Oil Conservation Division applies to the Director to enter an order:

- A. Determining whether or not the wells should be plugged in accordance with a Division-approved plugging program.
- B. Upon a determination that said wells should be plugged, directing Operator to plug said wells.
- C. Further ordering that if Operator fails to plug and abandon said wells as ordered by the Director, that the Division be authorized:
  - i. to plug said wells;
  - ii. to declare forfeit on said bond, if any, and to take such action to foreclose on said bond, and
  - iii. to recover from the Operator any costs of plugging said wells in excess

of the amount of the bond, if any.

D. For such other and further relief as the Division seems just and proper.

RESPECTFULLY SUBMITTED,

A handwritten signature in black ink, appearing to read "Rand Carroll". The signature is fluid and cursive, with the first name "Rand" and last name "Carroll" clearly distinguishable.

RAND CARROLL

Legal Counsel

New Mexico Oil Conservation Division

2040 South Pacheco

Santa Fe, NM 87505

(505) 827-8156

OPERATOR	WELL NAME	WELL NO	UT	SEC	TWN	RGE	FTAGE	NS	FTAGE	EW	API NUMBER	STATUS	POOL
ENGINEERING INC	SANTA FE PACIFIC	113	P	21	20N	09W	165/S		965/E		30-031-20433	TA	CHACO WASH MESAVER
ENGINEERING INC	SANTA FE PACIFIC	110	P	21	20N	09W	360/S		360/E		30-031-20060	TA	CHACO WASH MESAVER
ENGINEERING INC	SANTA FE PACIFIC	19	P	21	20N	09W	500/S		660/E		30-031-20861	TA	CHACO WASH MESAVER
ENGINEERING INC	SANTA FE PACIFIC	102	P	21	20N	09W	565/S		165/E		30-031-20062	TA	CHACO WASH MESAVER
ENGINEERING INC	SANTA FE PACIFIC	101	P	21	20N	09W	565/S		565/E		30-031-20061	TA	CHACO WASH MESAVER
ENGINEERING INC	SANTA FE PACIFIC	117	N	22	20N	09W	330/S		1650/W		30-031-20445	TA	CHACO WASH MESAVER
ENGINEERING INC	SANTA FE PACIFIC	116	N	22	20N	09W	990/S		1650/W		30-031-20445	TA	CHACO WASH MESAVER
ENGINEERING INC	SANTA FE PACIFIC	114	N	22	20N	09W	990/S		1980/W		30-031-20431	TA	CHACO WASH MESAVER
ENGINEERING INC	STATE	6	A	28	20N	09W	330/N		990/E		30-031-20484	TA	CHACO WASH MESAVER
ENGINEERING INC	STATE	34	A	28	20N	09W	660/N		330/E		30-031-20901	TA	CHACO WASH MESAVER
ENGINEERING INC	STATE	21	A	28	20N	09W	660/N		660/E		30-031-20644	TA	CHACO WASH MESAVER
ENGINEERING INC	STATE	8	A	28	20N	09W	707/N		1273/E		30-031-20618	TA	CHACO WASH MESAVER
ENGINEERING INC	STATE	1	A	28	20N	09W	970/N		970/E		30-031-20477	TA	CHACO WASH MESAVER
ENGINEERING INC	STATE	9	B	28	20N	09W	330/N		1650/E		30-031-20620	TA	CHACO WASH MESAVER
ENGINEERING INC	STATE	25	B	28	20N	09W	350/N		2260/E		30-031-20765	TA	CHACO WASH MESAVER
ENGINEERING INC	STATE	10	B	28	20N	09W	47/N		1367/E		30-031-20621	TA	CHACO WASH MESAVER
ENGINEERING INC	STATE	26	B	28	20N	09W	620/N		1965/E		30-031-20766	TA	CHACO WASH MESAVER
ENGINEERING INC	STATE	13	B	28	20N	09W	660/N		1650/E		30-031-20623	TA	CHACO WASH MESAVER
ENGINEERING INC	STATE	22	B	28	20N	09W	990/N		1650/E		30-031-20480	TA	CHACO WASH MESAVER
ENGINEERING INC	STATE	3	B	28	20N	09W	990/N		2310/E		30-031-20483	TA	CHACO WASH MESAVER
ENGINEERING INC	STATE	22	B	28	20N	09W	990/N		2635/E		30-031-20645	TA	CHACO WASH MESAVER
ENGINEERING INC	SANTA FE PACIFIC	9	O	20	20N	09W	110/S		1910/E		30-031-05393	TA	CHACO WASH MESAVER
ENGINEERING INC	SANTA FE PACIFIC	36	O	20	20N	09W	265/S		2150/E		30-031-20398	TA	CHACO WASH MESAVER
ENGINEERING INC	SANTA FE PACIFIC	38	O	20	20N	09W	275/S		2510/E		30-031-20426	TA	CHACO WASH MESAVER
ENGINEERING INC	SANTA FE PACIFIC	4	O	20	20N	09W	320/S		1920/E		30-031-60027	TA	CHACO WASH MESAVER
ENGINEERING INC	SANTA FE PACIFIC	23	O	20	20N	09W	490/S		2300/E		30-031-05400	TA	CHACO WASH MESAVER
ENGINEERING INC	SANTA FE PACIFIC	47	O	20	20N	09W	580/S		1400/E		30-031-20565	TA	CHACO WASH MESAVER
ENGINEERING INC	SANTA FE PACIFIC	3	O	20	20N	09W	65/S		1713/E			TA	CHACO WASH MESAVER
ENGINEERING INC	SANTA FE PACIFIC	12	P	20	20N	09W	1085/S		860/E		30-031-60028	TA	CHACO WASH MESAVER
ENGINEERING INC	SANTA FE PACIFIC	24	P	20	20N	09W	450/S		1145/E		30-031-05396	TA	CHACO WASH MESAVER
ENGINEERING INC	SANTA FE PACIFIC	10	P	20	20N	09W	990/S		1280/E		30-031-05415	TA	CHACO WASH MESAVER
ENGINEERING INC	SANTA FE PACIFIC	7	A	29	20N	09W	225/N		1265/E		30-031-05377	TA	CHACO WASH MESAVER
ENGINEERING INC	SANTA FE PACIFIC	8	A	29	20N	09W	5/N		1130/E		30-031-05385	TA	CHACO WASH MESAVER
ENGINEERING INC	SANTA FE PACIFIC	42	B	29	20N	09W	105/N		1610/E		30-031-20559	TA	CHACO WASH MESAVER
ENGINEERING INC	SANTA FE PACIFIC	22	B	29	20N	09W	1115/N		2325/E		30-031-05357	TA	CHACO WASH MESAVER
ENGINEERING INC	SANTA FE PACIFIC	35	B	29	20N	09W	160/N		2135/E		30-031-20397	TA	CHACO WASH MESAVER
ENGINEERING INC	SANTA FE PACIFIC	20	B	29	20N	09W	300/N		1800/E		30-031-05358	TA	CHACO WASH MESAVER
ENGINEERING INC	SANTA FE PACIFIC	1	B	29	20N	09W	330/N		1620/E			TA	CHACO WASH MESAVER
ENGINEERING INC	SANTA FE PACIFIC	43	B	29	20N	09W	420/N		1940/E		30-031-20579	TA	CHACO WASH MESAVER
ENGINEERING INC	SANTA FE PACIFIC	33	B	29	20N	09W	600/N		2450/E		30-031-05646	TA	CHACO WASH MESAVER
ENGINEERING INC	SANTA FE PACIFIC	5	B	29	20N	09W	615/N		1920/E			TA	CHACO WASH MESAVER
ENGINEERING INC	SANTA FE PACIFIC	13	C	29	20N	09W	452/N		2740/E		30-031-20980	TA	CHACO WASH MESAVER
ENGINEERING INC	SANTA FE PACIFIC	21	C	29	20N	09W	834/N		2113/W		30-031-05360	TA	CHACO WASH MESAVER
ENGINEERING INC	SANTA FE PACIFIC	20	F	29	20N	09W	1344/N		2555/W		30-031-05356	TA	CHACO WASH MESAVER

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