

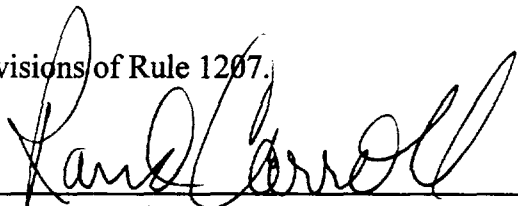
STATE OF NEW MEXICO ENERGY,  
MINERALS AND NATURAL RESOURCES DEPARTMENT  
OIL CONSERVATION DIVISION

APPLICATION OF THE NEW MEXICO OIL CONSERVATION DIVISION THROUGH THE SUPERVISOR OF DISTRICT II FOR AN ORDER REQUIRING FRANK O. COX TO PROPERLY PLUG ITS MCCLAIN RANCH WELL NO. 1 LOCATED IN UNIT M OF SECTION 15, TOWNSHIP 2 SOUTH, RANGE 28 EAST, DE BACA COUNTY, NEW MEXICO, AUTHORIZING THE DIVISION TO PLUG SAID WELL, AND ORDERING A FORFEITURE OF THE PLUGGING BOND, IF ANY.

CASE NO. 11943

AFFIDAVIT REGARDING NOTICE


1. I am over the age of eighteen and have personal knowledge of the matters stated herein.
2. I am the attorney of record for Applicant.
3. Applicant has conducted a good faith, diligent effort to find the correct addresses of interest owners entitled to receive notice of the Application herein.
4. Notice of the Application was provided to the interest owners at their correct addresses by mailing them, by certified mail, a copy of the Application. Copies of the notice letter and certified return receipts are attached hereto.
5. Applicant has complied with the notice provisions of Rule 1207.

  
Rand Carroll

SUBSCRIBED AND SWORN TO before me this 4<sup>th</sup> day of March, 1998,  
by Rand Carroll.

My commission expires:

1-6-2000

  
NOTARY PUBLIC

BEFORE EXAMINER CATAKACH  
OIL CONSERVATION DIVISION

OCD EXHIBIT NO. 3

CASE NO: 11943

2040 South Pacheco  
P.O. Box 6429  
Santa Fe, New Mexico 87505-5472

Mr. Frank O. Cox  
718 Byrd Drive  
Abilene, TX 79608

**CERTIFIED**

P 07h 43l 50E

MAIL

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Rand

**INDEX:**

I also wish to receive the following services (for an extra fee):

- ☐ Addressee's Address
- ☐ Restricted Delivery

Complete items 1 and/or 2 for additional services.

Complete items 3, 4a, and 4b.

Print your name and address on the reverse of this form so that we can return this form to you.

Attach this form to the front of the mailpiece, or on the back if space does not permit.

Write "Return Receipt Requested" on the mailpiece below the article number.

The Return Receipt will show to whom the article was delivered and the date delivered.

**Article Addressed to:**

United New Mexico Bank-Artesia  
PO Drawer 10  
Artesia, NM 88210

**4a. Article Number**  
P 410 431 054

4b. Service Type

<input type="checkbox"/> Registered	<input checked="" type="checkbox"/> Certified
<input type="checkbox"/> Express Mail	<input type="checkbox"/> Insured
<input checked="" type="checkbox"/> Return Receipt for Merchandise	<input type="checkbox"/> COD

7. Date of Delivery **2-78-98**

**3. Addressee's Address (Only if requested and fee is paid)**

Received By: (Print Name)

Signature/ Addressee or Agent

**X** *[Signature]*

Form 3811, December 1994

02595-97-B-0179

# Domestic Return Receipt

**SENDER:**

**GENERAL INSTRUCTIONS:**

- Complete items 1 and/or 2 for additional services.
- Complete items 3, 4a, and 4b.
- Print your name and address on the reverse of this form so that we can return this card to you.
- Attach this form to the front of the mailpiece, or on the back if space does not permit.
- Write "Return Receipt Requested" on the mailpiece below the article number.
- The Return Receipt will show to whom the article was delivered and the date delivered.

**3. Article Addressed to:**

Frank O. Cox  
718 Byrd Drive  
Abilene, TX 79608

4a. Article Number  
P 410 431 053

**4b. Service Type**

☐ Registered  
☐ Express Mail  
☐ Return Receipt for Merchandise

7. Date of Delivery 2/25/98

**8. Addressee's Address (Only if requested and fee is paid)**

6. Signature: (Addressee or Agent)

**X** 

PS Form 3811, December 1994

102595-97-B-0179

# Domestic Return Receipt

**Thank you for using Return Receipt Service.**



NEW MEXICO ENERGY, MINERALS  
& NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION  
2040 South Pacheco Street  
Santa Fe, New Mexico 87505  
(505) 827-7131

February 13, 1998

**Certified Mail**  
**Return Receipt Requested**

Frank O. Cox  
718 Byrd Drive  
Abilene, TX 79608

United New Mexico Bank-Artesia  
P.O. Drawer 10  
Artesia, NM 88210

*Case No. 11949*

RE: Application of the New Mexico Oil Conservation Division for an order requiring Frank O. Cox to properly plug its McClain Ranch Well No. 1 located in Units M in Section 15, Township 2 South, Range 28 East, De Baca County, NM, authorizing the Division to plug said well, and ordering a forfeiture of any plugging bond

United New Mexico Bank-Artesia Acct. No: 5000050936

Dear Sir/Madam:

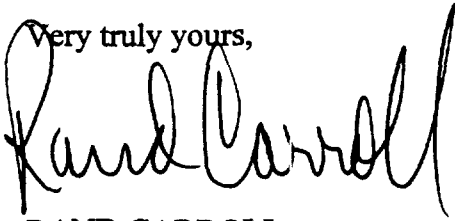
This letter is to advise you that the New Mexico Oil Conservation Division has filed the enclosed application seeking a Show Cause Hearing requiring Frank O. Cox and other interested parties to appear and show cause why the above-referenced well should not be ordered plugged and abandoned.

This application has been set for hearing before an Examiner of the Oil Conservation Division on March 5, 1998. You are not required to attend this hearing, but as an owner of an interest that may be affected by an order issued in this case, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from challenging the matter at a later date.

Parties appearing in cases have been requested by the Division (Memorandum 2-90--- Enclosed) to file a Prehearing Statement substantially in the form prescribed by the Division. Prehearing

statements should be filed by 4:00 o'clock p.m. on the Friday before a scheduled hearing.

Very truly yours,

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  
ATTORNEY FOR THE NEW MEXICO OIL CONSERVATION DIVISION  
Enclosures

c: Ray Smith, OCD Artesia  
Tim Gum, OCD Artesia District Supervisor

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

**RECEIVED**

FEB 10 1998

*Oil Conservation Division*

**APPLICATION OF THE NEW MEXICO OIL CONSERVATION DIVISION THROUGH THE SUPERVISOR OF DISTRICT II FOR AN ORDER REQUIRING FRANK O. COX TO PROPERLY PLUG ITS MCCLAIN RANCH WELL NO. 1 LOCATED IN UNIT M OF SECTION 15, TOWNSHIP 2 SOUTH, RANGE 28 EAST, DE BACA COUNTY, NEW MEXICO, AUTHORIZING THE DIVISION TO PLUG SAID WELL, AND ORDERING A FORFEITURE OF THE PLUGGING BOND, IF ANY.**

**CASE NO. \_\_\_\_\_**

**APPLICATION FOR PLUGGING AND FORFEITURE OF BOND**

1. Frank O. Cox (the "Operator") is the operator of a well, the McClain Ranch Well No. 1, located in Unit M of Section 15, Township 2 South, Range 28 East, De Baca County, New Mexico.

2. Operator has posted a cash bond in the amount of \$7,500 for said well 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 well operated by Operator. The cash bond is deposited with United New Mexico Bank-Artesia, Account No. 5000050936.

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 II 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;

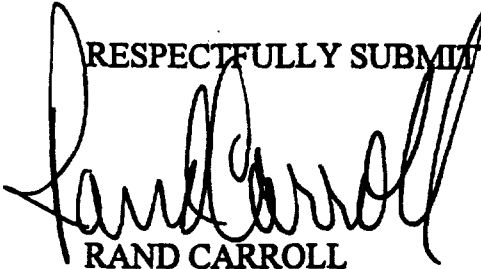
ii. to declare forfeit on said bond, if any, and to take such action to

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 deems just and proper,  
including the assessment of fines.

RESPECTFULLY SUBMITTED,

A handwritten signature in black ink, appearing to read "Rand Carroll", is written over the typed name.

RAND CARROLL

Legal Counsel

New Mexico Oil Conservation Division

2040 South Pacheco

Santa Fe, NM 87505

(505) 827-8156