

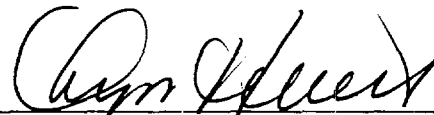
STATE OF NEW MEXICO  
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT  
OIL CONSERVATION DIVISION

APPLICATION OF THE NEW MEXICO OIL CONSERVATION DIVISION  
THROUGH THE SUPERVISOR OF DISTRICT II FOR AN ORDER  
REQUIRING W. J. CONOVER TO PROPERLY PLUG ONE WELL IN OTERO  
COUNTY, NEW MEXICO, AUTHORIZING THE DIVISION TO PLUG SAID  
WELL, AND ORDERING A FORFEITURE OF THE PLUGGING BOND, IF  
ANY.

CASE NO. 12436

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 the 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.

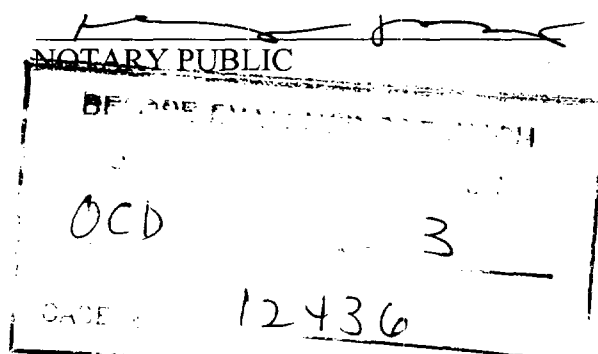


Marilyn S. Hebert

SUBSCRIBED AND SWORN TO before me this 14<sup>th</sup> day of June 2000.

My commission expires:

2/18/2003



Is your **RETURN ADDRESS** completed on the reverse side?

<b>SENDER:</b>	
<ul style="list-style-type: none"><li>■ Complete items 1 and/or 2 for additional services.</li><li>■ Complete items 3, 4a, and 4b.</li><li>■ Print your name and address on the reverse of this form so that we can return this card to you.</li><li>■ Attach this form to the front of the mailpiece, or on the back if space does not permit.</li><li>■ Write "Return Receipt Requested" on the mailpiece below the article number.</li><li>■ The Return Receipt will show to whom the article was delivered and the date delivered.</li></ul>	
<b>3. Article Addressed to:</b>  Mr. Kenneth Owens P.O. Box 1042 287 Magdalena, NM 87841 Altair, Tx 79412	<b>4a. Article Number</b> Z 559 572 883
<b>5. Received By: (Print Name)</b>	<b>4b. Service Type</b> <input type="checkbox"/> Registered <input checked="" type="checkbox"/> Certified <input type="checkbox"/> Express Mail <input type="checkbox"/> Insured <input type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> COD
<b>6. Signature: (Addressee or Agent)</b> X <i>[Signature]</i>	<b>7. Date of Delivery</b> 6-5-00
<b>8. Addressee's Address (Only if requested and fee is paid)</b>	

PS Form 3811, December 1994 102595-97-8-0179 Domestic Return Receipt

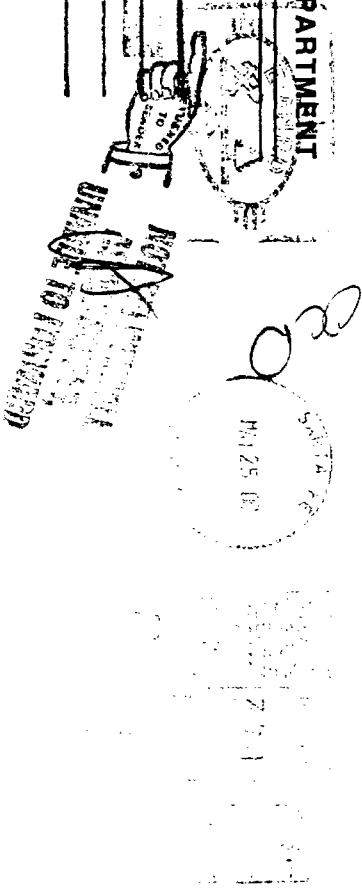
Thank you for using Return Receipt Service.

State of New Mexico

**ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT**

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

First Notice  
Second Notice  
Return



Fold at line over top of envelope to  
the right of the return address

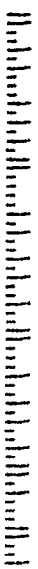
**CERTIFIED**

Z 559 572 A60

Burt Breedlove  
General Adjuster/Western Division  
American Manufacturers Mutual Insurance Co.  
80 Blue Ravine Road  
Folsom, CA 95630-4702

**MAIL**

95630-4702



Z 559 572 882

US Postal Service  
Receipt for Certified Mail  
Do not use for International Mail (See reverse)

Sent to		W. J. Conover	
Street & Number		6804 Slide Road	
Post Office, State, & ZIP Code		Lubbock, TX 79424	
Postage		\$	
Certified Fee			
Special Delivery Fee			
Restricted Delivery Fee			
Return Receipt Showing to Whom & Date Delivered			
Return Receipt Showing to Whom, Date, & Addressee's Address			
TOTAL Postage & Fees		\$	
Postmark or Date			

Fold at line over top of envelope to the right of the return address

CERTIFIED

Z 559 572 882

MAIL

Z 559 572 883

US Postal Service  
Receipt for Certified Mail  
No Insurance Coverage Provided.  
Do not use for International Mail (See reverse)

Sent to		Mr, Kenneth Owens	
Street & Number		PO Box 1042	
Post Office, State, & ZIP Code		Magdalena, NM 87825	
Postage		\$	
Certified Fee			
Special Delivery Fee			
Restricted Delivery Fee			
Return Receipt Showing to Whom & Date Delivered			
Return Receipt Showing to Whom, Date, & Addressee's Address			
TOTAL Postage & Fees		\$	
Postmark or Date			

Fold at line over top of envelope to the right of the return address

CERTIFIED

Z 559 572 883

MAIL

PS Form 3800, April 1995

Sent to		Burt Breedlove	
Street & Number		General Adjustment Div.	
Post Office, State, & ZIP Code		American Manufacturers	
Postage		80 Blue Ravine Rd	
Certified Fee		Folsom CA 95630-4702	
Special Delivery Fee			
Restricted Delivery Fee			
Return Receipt Showing to Whom & Date Delivered			
Return Receipt Showing to Whom, Date, & Addressee's Address			
TOTAL Postage & Fees		\$	
Postmark or Date			

Fold at line over top of envelope to the right of the return address

CERTIFIED

Z 559 572 880

MAIL

State of New Mexico

**ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT**

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

MEMO

FROM: [redacted]

DATE: JUN - 1 - 1980

RETURN

*John H.*



*Spivey*

Fold at line over top of envelope to  
the right of the return address

**CERTIFIED**

W. J. Conover  
6804 Slide Road  
Lubbock, Texas 79424

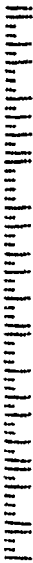
Z 559 572 AAZ

NM 6429 10N

MAIL



87505/5472





# NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON

Governor

Jennifer A. Salisbury

Cabinet Secretary

May 25, 2000

Lori Wrotenbery

Director

Oil Conservation Division

W. J. Conover  
6804 Slide Road  
Lubbock, TX 79424

**CERTIFIED MAIL  
RETURN RECEIPT REQUESTED**

Mr. Kenneth Owens  
Post Office Box 1042  
Magdalena, NM 87825

Burt Breedlove  
General Adjuster/Western Division  
American Manufacturers Mutual Insurance Co.  
80 Blue Ravine Rd  
Folsom, CA 95630-4702

**Re: Case No. 12436**

Application of the New Mexico Oil Conservation Division for an order requiring  
W.J. Conover to plug one well in Otero County, New Mexico


Dear Gentlemen:

This letter is to advise you that the New Mexico Oil Conservation Division has filed the enclosed application for a hearing requiring W. J. Conover and other interested parties to appear and show cause why certain wells should not be ordered plugged and abandoned.

This application has been set for hearing before an Examiner of the Oil Conservation Division on June 15, 2000. You are not required to attend this hearing, but as 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 are required by Division Rule 1208.B, enclosed, to file a Prehearing Statement three days in advance of the hearing.

Best regards,

  
Marilyn S. Hebert  
Attorney

c: Tim Gum, District Supervisor  
Mike Stubblefield, OCD Artesia

(10) This paragraph has been moved and renumbered to 19 NMAC 15.N.1207.A.(7). [1-1-86...2-1-96; A, 7-15-99]

(11) This paragraph has been moved and renumbered to 19 NMAC 15.N.1207.A.(8). [1-1-86...2-1-96; A, 7-15-99]

1207.B.           Type and Content of Notice.       Any notice required by this rule shall be sent by certified mail, return receipt requested, to the last known address of the person to whom notice is to be given at least 20 days prior to the date of hearing of the application and shall include: a copy of the application; the date, time and place of the hearing; and the means by which protests may be made. [1-1-86...2-1-96; A, 7-15-99]

1207.C.           At the hearing, the applicant shall make a record, either by testimony or affidavit signed by the applicant or its authorized representative, that: (a) the notice provisions of this rule have been complied with; (b) the applicant has conducted a good-faith diligent effort to find the correct address of all persons entitled to notice; and (c) pursuant to this rule, notice has been given at that correct address as required by this rule. In addition, the record shall contain the name and address of each person to whom notice was sent and, where proof of receipt is available, a copy of the proof. [1-1-86...2-1-96; A, 7-15-99]

1207.D.           Evidence of failure to provide notice as required in this rule may, upon proper showing, be considered cause for reopening the case. [1-1-86...2-1-96; A, 7-15-99]

1207.E.           In the case of an administrative application where the required notice was sent and a timely filed protest was made, the Division shall notify the applicant and the protesting party in writing that the case has been set for hearing and the date of the hearing. No further notice is required. [7-15-99]

## **1208 PLEADINGS: COPIES [9-15-55...2-1-96; A, 7-15-99]**

1208.A.           For pleadings and correspondence filed in cases pending before a Division Examiner, two copies must be filed with the Division. For pleadings and correspondence filed in cases pending before the Commission, five copies must be filed with the Division. The Division will disseminate copies to the members of the Commission. The party filing the pleading or correspondence shall at the same time either hand deliver or transmit by facsimile or electronic mail to any party who has entered an appearance therein or the attorneys of record, a copy of the pleading or correspondence. An appearance of any interested party shall be made either by letter addressed to the Division or in person at any proceeding before the Commission or before a Division Examiner, with notice of such appearance to the parties of record. [9-15-55...2-1-96; A, 7-15-99]

1208.B.           Parties to an adjudicatory proceeding must file a prehearing statement three days in advance of a scheduled hearing before the Division or the Commission. The statement must include: the names of the parties and their attorneys; a concise statement of the case; the names of all witnesses the party will call to testify at the hearing; the approximate time the party will need to present its case; and identification of any procedural matters that are to be resolved prior to the hearing. [7-15-99]

OIL CONSERVATION DIVISION  
634447  
7:11

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  
W. J. CONOVER TO PROPERLY PLUG ONE WELL IN OTERO COUNTY, NEW  
MEXICO, AUTHORIZING THE DIVISION TO PLUG SAID WELL, AND ORDERING  
A FORFEITURE OF THE PLUGGING BOND, IF ANY.**

CASE NO. 12436

**APPLICATION FOR PLUGGING AND FORFEITURE OF BOND**

1. W. J. Conover ("Operator") is the operator of a well in Otero, County, New Mexico, the J. M. Lewelling Well No. 1 located 660 feet from the North line and 660 feet from the West line in Unit D, Section 12, Township 12 South, Range 9 East.

2. Operator has posted a one-well surety bond in the amount of \$10,000.00 for said well in compliance with NMSA 1978, § 70-2-14 and Rule 101 of the Rules of the Oil Conservation Division ("Division"), which bond is conditioned upon compliance with the statutes of the State of New Mexico and the Rules of the Division with respect to the proper plugging and abandonment of the well operated by Operator. American Manufacturers Mutual Insurance Company is the surety .

3. The subject well has not produced hydrocarbon or carbon dioxide substance or has otherwise been inactive for more than one year or is no longer usable for beneficial purposes and no permit for temporary abandonment has been requested by the Operator or approved by the Division.

4. By virtue of the failure to use the well for beneficial purposes or to have approved a current temporary abandonment permit, the well is presumed to have been abandoned and is required to be plugged.



5. By authority of NMSA 1978, § 70-2-14 the Rules of the Division require wells that 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 either to place the subject well 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:

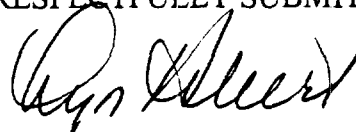
A. Determining the well should be plugged in accordance with a Division-approved plugging program.

B. Upon a determination that the well should be plugged, directing Operator to plug the well.

C. Further ordering that if Operator fails to plug and abandon the well as ordered by the Director, that the Division be authorized: i. to plug the well; ii. to declare forfeit on the bond, if any, and to take such action to foreclose on the bond; and iii. to recover from the Operator any costs of plugging the well 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,



Marilyn S. Hebert, Attorney  
New Mexico Oil Conservation Division  
2040 South Pacheco  
Santa Fe, NM 87505  
(505) 827-8156