

OIL CONSERVATION DIV.
OCT 10 AM 3:45

**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 I FOR AN ORDER REQUIRING
TO PROPERLY PLUG ONE WELL IN ROOSEVELT COUNTY, NEW MEXICO,
AUTHORIZING THE DIVISION TO PLUG SAID WELL, AND ORDERING A
FORFEITURE OF THE PLUGGING BOND, IF ANY.**

CASE NO. 12530

APPLICATION FOR PLUGGING AND FORFEITURE OF BOND

1. Poe Properties, Inc. ("Operator") is the operator of the Ivey Well No. 1, API # 30-041-20723, located in Unit J of Section 29, Township 4 South, Range 33 East in Roosevelt County, New Mexico.
2. The subject well has not produced hydrocarbon or carbon dioxide substance or has 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 or approved by the Division.
3. 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.
4. 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.
5. 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 I of the Oil Conservation Division applies to the Director to enter an order:

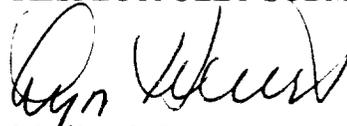
A. Determining whether the well should be plugged in accordance with a Division-approved plugging program.

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

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,



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