



# NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

**BILL RICHARDSON**  
Governor

**Joanna Prukop**  
Cabinet Secretary  
Acting Director  
Oil Conservation Division

May 21, 2004

rec. 6/3/04  
JLP

Bettis, Boyle & Stovall  
P.O. Box 1240  
Graham, TX 76450

cc: Derrick

Re: Case No. 12758-A  
Orders No. R-11712-B and R-11712-C

Ladies and Gentlemen:

Enclosed please find copies of Orders No. R-11712-B, issued by the Division on April 21, 2004, and R-11712-C, issued on May 20, 2004.

Order No. R-11712-B directs you to bring your eight wells that are the subject of the order into compliance with OCD Rules by (1) plugging them, (2) securing OCD approval for temporary abandonment, or (3) restoring such wells to production, within 4 months from the date of that order. It also requires you to pay a civil penalty to the OCD in the amount of \$8,000, payment of which is due 30 days after the date of the order. Your attention is called to pages 4-7 and 29-32 of the Order.

Order No. R-11712-C extends the above deadlines so that the time for compliance runs from the entry of the latter order on May 20, 2004. Accordingly, you have until September 20, 2004 to bring your wells into compliance, and until June 21, 2004 to pay the \$8,000 penalty.

If you want to challenge these orders, you may file appeal for *de novo* review by the three-member Oil Conservation Commission. Such appeal must be filed no later than Monday, June 21, 2004.

Should you have questions, please feel free to call the undersigned at (505)-476-3450.

Very truly yours,

David K. Brooks  
Assistant General Counsel

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