

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

2008 JUN 3 PM 1 23

APPLICATION OF THE NEW MEXICO OIL CONSERVATION DIVISION, THROUGH THE ENFORCEMENT AND COMPLIANCE MANAGER, FOR A COMPLIANCE ORDER AGAINST CALVIN F. TENNISON PURSUANT TO NMSA 1978, SECTION 70-2-14(B) ORDERING CALVIN F. TENNISON TO RETURN TO COMPLIANCE OR PLUG AND ABANDON ALL WELLS IT OPERATES IN NEW MEXICO BY A DATE CERTAIN AND AUTHORIZING THE DIVISION TO PLUG SAID WELLS AND FORFEIT THE APPLICABLE FINANCIAL ASSURANCE IN THE EVENT OF NON-COMPLIANCE; EDDY COUNTY, NEW MEXICO.

CASE NO. 14137

ENTRY OF APPEARANCE AND
PRE-HEARING STATEMENT

The Oil Conservation Division submits this entry of appearance and pre-hearing statement pursuant to OCD Rule 1211 [19.15.14.1211 NMAC].

APPEARANCES

APPLICANT

Oil Conservation Division

APPLICANT'S ATTORNEY

Gail MacQuesten
Oil Conservation Division
Energy, Minerals and Natural
Resources Department
1220 S. St. Francis Drive
Santa Fe, NM 87505
(505) 476-3451
FAX: 476-3462

RESPONDENTS

Calvin F. Tennison
(no entry of appearance filed
at this time)

Calvin F. Tennison
P.O. Box 4500
Woodland Hills, CA 91365

Calvin F. Tennison
2401 Martin Lane
Carlsbad, NM 88220

Far West Insurance Company
(no entry of appearance filed
at this time)

Far West Insurance Company
P.O. Box 4500
Woodland Hills, CA 91365

STATEMENT OF THE CASE

The Oil Conservation Division (OCD) seeks a compliance order against sole proprietor Calvin F. Tennison finding that Mr. Tennison is in violation of:

- Rule 101 [19.15.3.101 NMAC] because the Operator does not have the appropriate financial assurances in place for his wells;
- Rule 1115 [19.15.13.1115 NMAC] because Operator has ceased filing monthly production reports for his wells;
- Rule 201 [19.15.4.201 NMAC] as to 4 wells, which have not reported production or injection for a continuous period in excess of one year plus ninety days and are neither plugged and abandoned nor on approved temporary abandonment status;
- Rule 50 [19.15.2.50 NMAC] as to the Hanagan State No. 001, which has two open, unregistered pits on location with hydrocarbon contamination.

The OCD seeks an order requiring Mr. Tennison to come into compliance within 30 days, and if he fails to meet that deadline, requiring Mr. Tennison to plug and abandon all his wells by a date certain pursuant to NMSA 1978, Section 70-2-14 (B). Finally, if the wells are not either in compliance or plugged and abandoned by that date, authorizing the OCD to plug and abandon the wells, remediate the well sites, and forfeit any applicable financial assurance.

A notice of hearing sent to Mr. Tennison was returned marked "deceased." The OCD has received notice that Mr. Tennison's surety on his \$50,000 blanket bond was placed in receivership and that all outstanding bonds were cancelled in 2001.

APPLICANT'S PROPOSED EVIDENCE

WITNESS:

ESTIMATED TIME:

Daniel Sanchez, Enforcement and Compliance
Manager

30 minutes

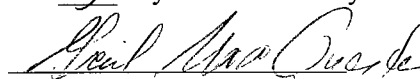
Dorothy Phillips, Financial Assurance Administrator

by affidavit

PROCEDURAL MATTERS

None.

Respectfully submitted
this 3rd day of June 2008 by



Gail MacQuesten
Oil Conservation Division
Energy, Minerals and Natural
Resources Department
1220 S. St. Francis Drive
Santa Fe, NM 87505
(505) 476-3451
Attorney for the Oil Conservation Division

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing pleading was served upon Calvin Tennison and Far West Insurance Company at the addresses indicated above this 3rd day of June 2008.



Gail MacQuesten