

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

**IN THE MATTER OF THE HEARING CALLED BY
THE OIL CONSERVATION DIVISION FOR THE
PURPOSE OF CONSIDERING:**

**CASE NO. 15271
ORDER NO. R-13971**

APPLICATION OF THE NEW MEXICO OIL CONSERVATION DIVISION ("OCD") COMPLIANCE AND ENFORCEMENT MANAGER FOR A COMPLIANCE ORDER AGAINST CANYON E & P COMPANY, FINDING THAT THE OPERATOR IS IN VIOLATION OF THE OIL AND GAS ACT, NMSA 1978, SECTIONS 70-2-1 *et seq.* AND OCD RULES, NMAC 19.15.2 *et seq.*, REQUIRING OPERATOR TO RETURN TO COMPLIANCE WITH DIVISION RULES BY A DATE CERTAIN, AND IN THE EVENT OF NON-COMPLIANCE, REQUEST FOR ADDITIONAL SANCTIONS.

ORDER OF THE DIVISION

BY THE DIVISION:

This case came on for hearing at 8:15 a.m. on March 19, 2015, at Santa Fe, New Mexico, before Examiner Phillip R. Goetze.

NOW, on this 2nd day of April, 2015, the Division Director, having considered the testimony, the record and the recommendations of the Examiner,

FINDS THAT:

(1) Due public notice has been given, and the Division has jurisdiction of this case and of the subject matter

(2) The Division seeks a compliance order against Canyon E & P Company ("Canyon", "Respondent", or "Operator") finding the Operator is in violation of Division Rules 19.15.5.9, 19.15.25.8, and 19.15.8.9 NMAC, as to 227 wells, requiring the shut-in of all wells until the responsible operator plugs and abandons all wells within thirty (30) days of the issuance of this order. The Division further seeks authorization to plug and abandon all the wells if the Operator fails to meet that deadline and forfeit the applicable financial assurances and recover costs from the Operator in accordance with Division Rule 19.15.8.13 NMAC.

(3) Canyon appeared at the hearing through legal counsel but presented no evidence. Prior to hearing, counsel for Canyon filed a *Motion to Dismiss* for the portion

of the application which identified the complaint against the directors and officers, of Canyon, jointly and severally.

(4) The Division appeared at the hearing through legal counsel and presented the following testimony:

- (a) Canyon is registered under OGRID No. 269864 and Corporation No. 4201893.
- (b) The Division identified J. Michael Myers and Karen Myers as Directors and Lisa Waun as Vice President, as the officers of Canyon.
- (c) Canyon has one blanket bond on file with the Division, bond No. B005180 in the amount of \$50,000.
- (d) Canyon has 116 single well bonds, all issued by U.S. Specialty Insurance Company (see Exhibit "A").
- (e) Canyon had all authority to transport from the producing oil and gas wells revoked by the Division on October 31, 2014, for failing to report production as required by Rule 19.15.7.24 NMAC.
- (f) Canyon has made no attempt to reinstate authority to transport following the revocation.
- (g) All of Operator's 227 wells have been inactive in excess of a period of one (1) year plus 90 days, and are not plugged or abandoned, nor placed in temporary abandonment status in violation of Rule 19.15.25.8 NMAC.
- (h) Operator currently has 61 wells that require additional bonding in violation of Rule 19.15.8.9 NMAC.
- (i) Operator is out of compliance with Rule 19.15.5.9 NMAC by having 227 wells out of compliance with Rule 19.15.25.8 NMAC which allows no more than five (5) wells out of compliance for an operator with a total well number between 101 and 500.

(5) Respondent's counsel noted the bankruptcy status of the Operator and, as a result, there are liens on the assets of Canyon including the wells identified in this application.

The Division Concludes as Follows:

(6) Canyon is the operator of record for the subject wells and is responsible for compliance with the Oil and Gas Act and Division Rules.

(7) NMSA 1978, Section 70-2-14(B) provides, in relevant part, *"If any of the requirements of the Oil and Gas Act [70-2-1 NMSA 1978] or the rules promulgated pursuant to that act have not been complied with, the oil conservation division, after notice and hearing, may order any well plugged and abandoned by the operator or surety or both in accordance with division rules."*

(8) Division Rule 19.15.5.10(B) authorizes the Division to commence compliance proceedings for violation of a provision of the Oil and Gas Act, NMSA 1978, Sections 70-2-1 through 70-2-38 or a provision of a rule or order issued pursuant to the act.

(9) As established by the evidence provided at hearing, Canyon is in violation of Division Rule 19.15.25.8 NMAC, (the inactive well rule), Rule 19.15.8.9 NMAC (the financial assurance rule) and Rule 19.15.5.9 NMAC (the compliance rule).

(10) The financial status of the Operator that involves the bankruptcy proceedings is outside the authority of the Division and, therefore, is not relevant to the compliance proceedings.

IT IS THEREFORE ORDERED THAT:

(1) All 227 wells operated by Canyon E & P Company ("Canyon" or "Operator"), including wells with injection authority under Division Rule 19.15.26 NMAC, are hereby ordered to be immediately shut-in (see Exhibit "A").

(2) Canyon shall plug and abandon all wells within thirty (30) days of the issuance date of this order.

(3) If Canyon fails to comply, the operator shall be found in violation of this order pursuant to Division Rule 19.15.5.11 NMAC.

(4) If after thirty (30) days the Operator has not commenced the work described in Ordering Paragraph (2), Canyon shall be in violation of this order and the Division shall be authorized:

- (a) to plug and abandon the subject wells that are out of compliance with Division Rules;
- (b) to restore and remediate the well locations;
- (c) to direct forfeiture of the applicable financial assurances of the Operator;
- (d) to recover costs from the Operator in accordance with Division Rule 19.15.8.13 NMAC; and
- (e) to have opportunity to seek indemnification from the Operator as provided in NMSA 1978, Section 70-2-14(E) if there are not

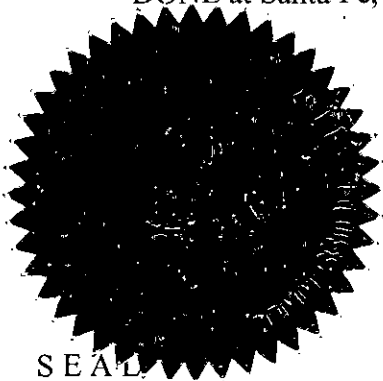
sufficient funds to cover all costs the Division incurs plugging and abandoning the well and restoring and remediating the well locations.

(5) Notwithstanding Ordering Paragraphs (1) through (4), Canyon shall have sixty (60) days to plug or transfer the twenty-nine (29) wells in the Twin Lakes San Andres Unit (Property Code 308697; see List ID No. 197 through No. 225 of Exhibit "A") before they are determined to be abandoned.

(6) The Respondent's *Motion to Dismiss* the complaint against the directors, and officers, of Canyon, jointly and severally, since Applicant made no allegations against these parties in the original application, is hereby granted.

(7) Jurisdiction of this case is retained for the entry of such further orders as the Division may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.



STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

David R. Catanach

DAVID R. CATANACH
Director

EXHIBIT "A"
CASE NO. 15271
ORDER NO. R-13971
CANYON E & P COMPANY – LIST OF OPERATOR’S WELL

List ID No.	Well API No.	Well Name	Well Type	Last Production or Injection	19.15.8.9 NMAC Violation	Single Well Bond Amount	Bond In Place	U.S. Specialty Insurance Co. Bond ID
1	30-041-20787	ARCHER #001	Oil	Oct-03		9350	9350	B006029
2	30-041-20798	ARCHER #002	Oil	Oct-03		9325	9325	B006030
3	30-025-09721	ARNOTT RAMSEY #001	Gas	Jun-08		8441	8441	B005874
4	30-015-00940	ARTESIA METEX UNIT #001	Oil	May-12	Yes	7048	0	
5	30-015-00939	ARTESIA METEX UNIT #002	Oil	Mar-07	Yes	7048	0	
6	30-015-00938	ARTESIA METEX UNIT #003	Oil	May-11		7064	7064	B005891
7	30-015-01944	ARTESIA METEX UNIT #004	Oil	Feb-12	Yes	7232	0	
8	30-015-00945	ARTESIA METEX UNIT #005	Oil	May-13	Yes	7053	0	
9	30-015-00941	ARTESIA METEX UNIT #006	Oil	Jun-11		6990	6990	B005894
10	30-015-01197	ARTESIA METEX UNIT #007	Oil	May-13	Yes	7044	0	
11	30-015-00944	ARTESIA METEX UNIT #008	Oil	May-13		7041	7041	B005895
12	30-015-01943	ARTESIA METEX UNIT #010	Oil	May-13	Yes	7081	0	
13	30-015-01940	ARTESIA METEX UNIT #011	Oil	Aug-12		7324	7324	B005896
14	30-015-01964	ARTESIA METEX UNIT #012	Oil	Mar-07		7363	7363	B005897
15	30-015-01951	ARTESIA METEX UNIT #013	Oil	Sep-11	Yes	7335	0	
16	30-015-01947	ARTESIA METEX UNIT #014	Oil	Jun-11	Yes	7150	0	
17	30-015-01954	ARTESIA METEX UNIT #015	Injection	Aug-06		7500	0	
18	30-015-00942	ARTESIA METEX UNIT #016	Injection	Dec-05		7147	7147	B005900
19	30-015-00947	ARTESIA METEX UNIT #017	Injection	Nov-98		7035	7035	B005901
20	30-015-00946	ARTESIA METEX UNIT #018	Oil	Jun-11	Yes	7068	0	
21	30-015-01195	ARTESIA METEX UNIT #019	Oil	Jun-11	Yes	7348	0	
22	30-015-01196	ARTESIA METEX UNIT #020	Oil	Mar-07		7097	7097	B005904
23	30-015-01942	ARTESIA METEX UNIT #021	Oil	Jun-11		7100	7100	B005905
24	30-015-01965	ARTESIA METEX UNIT #022	Oil	May-13		7283	7283	B005906
25	30-015-01941	ARTESIA METEX UNIT #023	Oil	May-13		7058	7058	B005907
26	30-015-01949	ARTESIA METEX UNIT #024	Oil	Dec-05		7145	7145	B005908
27	30-015-01946	ARTESIA METEX UNIT #025	Oil	Jun-11		7160	0	
28	30-015-00962	ARTESIA METEX UNIT #026	Oil	May-13	Yes	6991	0	
29	30-015-00951	ARTESIA METEX UNIT #027	Injection	Aug-06		7040	7040	B005911
30	30-015-01194	ARTESIA METEX UNIT #029	Oil	Jun-11	Yes	7050	0	
31	30-015-01193	ARTESIA METEX UNIT #030	Injection	Aug-05	Yes	7046	0	
32	30-015-02139	ARTESIA METEX UNIT #031	Oil	Mar-11		7340	7340	B005914
33	30-015-02140	ARTESIA METEX UNIT #032	Oil	May-13		7200	7200	B005915
34	30-015-02132	ARTESIA METEX UNIT #033	Injection	Aug-06	Yes	7102	0	
35	30-015-06127	ARTESIA METEX UNIT #034	Injection	Aug-06	Yes	7591	0	
36	30-015-00963	ARTESIA METEX UNIT #035	Oil	Jun-11		6986	6986	B005918
37	30-015-00952	ARTESIA METEX UNIT #036	Injection	Dec-05	Yes	7001	0	
38	30-015-00950	ARTESIA METEX UNIT #038	Oil	Jun-11		7025	7025	B005920
39	30-015-00948	ARTESIA METEX UNIT #039	Oil	Dec-11	Yes	7015	0	
40	30-015-00954	ARTESIA METEX UNIT #040	Injection	Aug-06		7123	7123	B005922
41	30-015-02136	ARTESIA METEX UNIT #041	Oil	Mar-07		7020	7020	B005923
42	30-015-02138	ARTESIA METEX UNIT #042	Injection	Aug-06	Yes	7220	0	
43	30-015-02142	ARTESIA METEX UNIT #043	Oil	Feb-05	Yes	7079	0	

EXHIBIT "A"
CASE NO. 15271
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List ID No.	Well API No.	Well Name	Well Type	Last Production or Injection	19.15.8.9 NMAC Violation	Single Well Bond Amount¹	Bond In Place¹	U.S. Specialty Insurance Co. Bond ID
44	30-015-01190	ARTESIA METEX UNIT #044	Oil	Mar-07		7030	7030	B005926
45	30-015-00959	ARTESIA METEX UNIT #045	Oil	Jan-13		7122	7122	B005927
46	30-015-00953	ARTESIA METEX UNIT #046	Oil	Jul-12		7151	0	
47	30-015-00955	ARTESIA METEX UNIT #047	Oil	May-11	Yes	7006	0	
48	30-015-00958	ARTESIA METEX UNIT #048	Injection	Aug-05		11014	0	
49	30-015-02141	ARTESIA METEX UNIT #049	Oil	Apr-12		7200	7200	B005931
50	30-015-01191	ARTESIA METEX UNIT #050	Oil	Sep-04		7134	7134	B005932
51	30-015-00966	ARTESIA METEX UNIT #051	Oil	Dec-05	Yes	7097	0	
52	30-015-00960	ARTESIA METEX UNIT #052	Oil	Dec-05		7020	7020	B005934
53	30-015-00957	ARTESIA METEX UNIT #053	Oil	Jan-13	Yes	7000	0	
54	30-015-00956	ARTESIA METEX UNIT #054	Oil	Mar-12		7014	7014	B005936
55	30-015-00986	ARTESIA METEX UNIT #055	Oil	May-13	Yes	6939	0	
56	30-015-00987	ARTESIA METEX UNIT #056	Oil	Jun-11		7020	7020	B005938
57	30-015-00990	ARTESIA METEX UNIT #057	Oil	Dec-05		7025	7025	B005939
58	30-015-00991	ARTESIA METEX UNIT #058	Oil	Jun-11		7020	7020	B005940
59	30-015-00949	ARTESIA METEX UNIT #059	Oil	May-13		16208	0	
60	30-015-21866	ARTESIA METEX UNIT #060	Injection	Aug-06		7154	7154	B005942
61	30-015-21874	ARTESIA METEX UNIT #061	Oil	Dec-05	Yes	7159	0	
62	30-015-27157	ARTESIA METEX UNIT #062	Oil	Mar-11	Yes	7200	0	
63	30-015-27158	ARTESIA METEX UNIT #063	Injection	Aug-06		7320	7320	B005945
64	30-015-27192	ARTESIA METEX UNIT #064	Oil	Jun-11	Yes	7180	0	
65	30-015-27193	ARTESIA METEX UNIT #065	Oil	Dec-05		7210	7210	B005947
66	30-015-27194	ARTESIA METEX UNIT #066	Injection	Aug-05		7200	0	
67	30-015-27195	ARTESIA METEX UNIT #067	Injection	Aug-06		7200	0	
68	30-015-27196	ARTESIA METEX UNIT #068	Oil	Mar-11	Yes	7200	0	
69	30-015-05724	B I HANSON FEDERAL #002	Oil	Apr-07			0	
70	30-005-60817	BARKNEHT #001	Oil	Sep-04		7861	7861	B005819
71	30-025-28139	BAUM STATE #002	Oil	Jun-07		15105	15105	B005875
72	30-025-07061	BROWN 51 #001	Oil	Jun-01			0	
73	30-025-21703	BROWN 51 #002	Oil	Jun-01			0	
74	30-005-20320	DOUBLE L QUEEN UNIT #001A	Oil	Dec-11			0	
75	30-005-60146	DOUBLE L QUEEN UNIT #001D	Injection	Jun-12	Yes	7005	0	
76	30-005-60197	DOUBLE L QUEEN UNIT #001G	Oil	Jun-11	Yes	6929	0	
77	30-005-60127	DOUBLE L QUEEN UNIT #001H	Injection	Jun-12	Yes	6945	0	
78	30-005-20307	DOUBLE L QUEEN UNIT #001I	Injection	Mar-98			0	
79	30-005-20325	DOUBLE L QUEEN UNIT #001J	Oil	Jan-12			0	
80	30-005-60078	DOUBLE L QUEEN UNIT #001K	Oil	Jun-11	Yes	6980	0	
81	30-005-20355	DOUBLE L QUEEN UNIT #001L	Oil	May-12			0	
82	30-005-20332	DOUBLE L QUEEN UNIT #001P	Oil	Jun-11			0	
83	30-005-20327	DOUBLE L QUEEN UNIT #001Q	Injection	Feb-04			0	
84	30-005-60117	DOUBLE L QUEEN UNIT #001R	Injection	Jan-12		6986	6986	B005876
85	30-005-60084	DOUBLE L QUEEN UNIT #001Y	Oil	Nov-11			0	
86	30-005-60159	DOUBLE L QUEEN UNIT #002	Oil	Jun-11	Yes	6943	0	
87	30-005-20330	DOUBLE L QUEEN UNIT #002B	Oil	Oct-12			0	

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List ID No.	Well API No.	Well Name	Well Type	Last Production or Injection	19.15.8.9 NMAC Violation	Single Well Bond Amount	Bond In Place	U.S. Specialty Insurance Co. Bond ID
88	30-005-60069	DOUBLE L QUEEN UNIT #002G	Injection	Jun-97	Yes	7005	0	
89	30-005-20308	DOUBLE L QUEEN UNIT #002H	Oil	Oct-11			0	
90	30-005-20348	DOUBLE L QUEEN UNIT #002I	Injection	Jun-97			0	
91	30-005-20369	DOUBLE L QUEEN UNIT #002M	Injection	Feb-03			0	
92	30-005-20337	DOUBLE L QUEEN UNIT #002P	Oil	Mar-11			0	
93	30-005-20334	DOUBLE L QUEEN UNIT #002Q	Oil	Jan-13			0	
94	30-005-60093	DOUBLE L QUEEN UNIT #002X	Oil	Sep-11			0	
95	30-005-60151	DOUBLE L QUEEN UNIT #002Z	Oil	Mar-12	Yes	7061	0	
96	30-005-60161	DOUBLE L QUEEN UNIT #003	Injection	Nov-11		6962	6962	B005877
97	30-005-60079	DOUBLE L QUEEN UNIT #003G	Injection	Jun-12	Yes	7010	0	
98	30-005-20323	DOUBLE L QUEEN UNIT #003J	Oil	May-13			0	
99	30-005-20346	DOUBLE L QUEEN UNIT #003L	Oil	Jun-11			0	
100	30-005-20338	DOUBLE L QUEEN UNIT #003Q	Oil	Mar-11			0	
101	30-005-60153	DOUBLE L QUEEN UNIT #003Y	Oil	May-10			0	
102	30-005-60164	DOUBLE L QUEEN UNIT #004	Oil	Mar-12		6946	6946	B 005878
103	30-005-20329	DOUBLE L QUEEN UNIT #004A	Oil	Mar-11			0	
104	30-005-60080	DOUBLE L QUEEN UNIT #004G	Oil	Jul-09	Yes	7010	0	
105	30-005-20339	DOUBLE L QUEEN UNIT #004Q	Oil	Oct-12			0	
106	30-005-60174	DOUBLE L QUEEN UNIT #005	Oil	Mar-11	Yes	6942	0	
107	30-005-20331	DOUBLE L QUEEN UNIT #005A	Oil	Jun-11			0	
108	30-005-20984	DOUBLE L QUEEN UNIT #005Q	Injection	Jan-02		6994	6994	B007419
109	30-005-60097	DOUBLE L QUEEN UNIT #006	Injection	Feb-03	Yes	7005	0	
110	30-005-20379	DOUBLE L QUEEN UNIT #006Q	Injection	Feb-03			0	
111	30-005-60099	DOUBLE L QUEEN UNIT #007	Injection	Feb-03	Yes	7014	0	
112	30-005-60108	DOUBLE L QUEEN UNIT #008	Oil	Jul-10	Yes	7010	0	
113	30-005-20389	DOUBLE L QUEEN UNIT #008Q	Oil	Jan-12			0	
114	30-005-20395	DOUBLE L QUEEN UNIT #009Q	Oil	Jul-09			0	
115	30-005-60138	DOUBLE L QUEEN UNIT #010	Oil	Jul-09	Yes	7001	0	
116	30-005-60178	DOUBLE L QUEEN UNIT #011	Injection	Feb-03	Yes	6981	0	
117	30-005-60183	DOUBLE L QUEEN UNIT #012	Oil	May-10	Yes	7002	0	
118	30-005-60610	ELIZABETH #001	Oil	Feb-02		7840	7840	B005820
119	30-005-60705	ELIZABETH #002	Oil	Feb-07		7928	7928	B005821
120	30-005-60744	ELIZABETH #003	Oil	Feb-07		7726	7726	B005822
121	30-005-60747	ELIZABETH #004	Oil	Jun-04		7754	7754	B005823
122	30-005-62861	ELIZABETH C #005	Oil	Mar-03		7780	7780	B005824
123	30-005-60327	GRAVES #001	Oil	Sep-02		7700	7700	B005825
124	30-025-27825	JAMESON #001	Oil	Sep-08		8666	8666	B006087
125	30-025-28258	JAMESON #002	Oil	May-08		8635	8635	B005826
126	30-005-60567	KUCHEMANN #001	Oil	Jul-11	Yes	7790	0	
127	30-005-60580	KUCHEMANN #002	Injection	Mar-05		7793	7793	B005828
128	30-005-60693	KUCHEMANN #003	Oil	Jul-11	Yes	7802	0	
129	30-005-60805	KUCHEMANN #004	Oil	Jul-11	Yes	7800	0	
130	30-005-60906	KUCHEMANN #005	Oil	Jul-11	Yes	7830	0	
131	30-041-20451	LINE STATE #001	Oil	Sep-03		9910	9910	B006031

EXHIBIT "A"
CASE NO. 15271
ORDER NO. R-13971

List ID No.	Well API No.	Well Name	Well Type	Last Production or Injection	19.15.8.9 NMAC Violation	Single Well Bond Amount¹	Bond In Place¹	U.S. Specialty Insurance Co. Bond ID
132	30-005-60526	MARLISUE QUEEN UNIT #001	Oil	Feb-07		6935	6935	B005879
133	30-005-60510	MARLISUE QUEEN UNIT #001Z	Oil	Feb-07		6936	6936	B005880
134	30-005-62099	MARLISUE QUEEN UNIT #002	Oil	Feb-07		6934	6934	B005881
135	30-005-60585	MARLISUE QUEEN UNIT #003	Oil	Feb-07		6931	6931	B005882
136	30-005-62100	MARLISUE QUEEN UNIT #003Z	Oil	Feb-07		6970	6970	B005883
137	30-005-60646	MARLISUE QUEEN UNIT #004	Oil	Feb-07		6955	6955	B005884
138	30-005-62324	MARLISUE QUEEN UNIT #004Z	Oil	Feb-07		6960	6960	B005885
139	30-005-62101	MARLISUE QUEEN UNIT #006	Oil	Feb-07		6944	6944	B005886
140	30-005-62102	MARLISUE QUEEN UNIT #007	Oil	Feb-07		6976	6976	B005887
141	30-005-62531	MARLISUE QUEEN UNIT #008	Oil	Feb-07		7000	7000	B005888
142	30-005-60921	MCDERMOTT #001	Oil	Sep-04		7940	7940	B005832
143	30-005-61267	NANCY #001	Oil	Feb-07		7663	7663	B005833
144	30-015-04793	NORTHEAST SQUARE LAKE PREMIER UNIT #002	Injection	Oct-07			0	
145	30-015-04794	NORTHEAST SQUARE LAKE PREMIER UNIT #003	Oil	Aug-95			0	
146	30-015-04788	NORTHEAST SQUARE LAKE PREMIER UNIT #005	Oil	Apr-91			0	
147	30-015-04792	NORTHEAST SQUARE LAKE PREMIER UNIT #006	Injection	Dec-93			0	
148	30-015-04787	NORTHEAST SQUARE LAKE PREMIER UNIT #007	Oil	Feb-09	Yes	8864	0	
149	30-015-04785	NORTHEAST SQUARE LAKE PREMIER UNIT #008	Injection	Aug-09		9100	9100	B006059
150	30-015-04846	NORTHEAST SQUARE LAKE PREMIER UNIT #009	Oil	Feb-09		9018	9018	B005889
151	30-015-04839	NORTHEAST SQUARE LAKE PREMIER UNIT #011	Oil	Feb-09			0	
152	30-015-04831	NORTHEAST SQUARE LAKE PREMIER UNIT #012	Oil	Feb-09			0	
153	30-015-04827	NORTHEAST SQUARE LAKE PREMIER UNIT #013	Injection	Aug-08			0	
154	30-015-04832	NORTHEAST SQUARE LAKE PREMIER UNIT #018	Oil	Dec-10			0	
155	30-015-04837	NORTHEAST SQUARE LAKE PREMIER UNIT #021	Oil	Feb-09			0	
156	30-015-04844	NORTHEAST SQUARE LAKE PREMIER UNIT #022	Oil	Feb-09			0	
157	30-015-04845	NORTHEAST SQUARE LAKE PREMIER UNIT #025	Injection	Aug-08			0	
158	30-015-04842	NORTHEAST SQUARE LAKE PREMIER UNIT #026	Oil	Dec-10			0	
159	30-015-27560	NORTHEAST SQUARE LAKE PREMIER UNIT #030	Injection	Aug-08			0	
160	30-015-25943	NORTHEAST SQUARE LAKE PREMIER UNIT #031	Oil	Feb-09			0	
161	30-005-60922	O'BRIEN DEMING 13 #001	Oil	Feb-07		7830	7830	B005834
162	30-005-60634	O'BRIEN DEMING 6 #001	Oil	Jan-09		7748	7748	B006903

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List ID No.	Well API No.	Well Name	Well Type	Last Production or Injection	19:15.8.9 NMAC Violation	Single Well Bond Amount¹	Bond In Place¹	U.S. Specialty Insurance Co. Bond ID
163	30-005-60730	O'BRIEN DEMING 6 #002	Oil	Feb-07		7818	7818	B005835
164	30-005-60619	O'BRIEN FEE 18 #001	Oil	Oct-06		7830	7830	B005836
165	30-005-60640	O'BRIEN FEE 18 #002	Oil	Oct-06		7832	7832	B005837
166	30-005-60725	O'BRIEN FEE 18 #003	Oil	Oct-06		7910	7910	B005838
167	30-005-60902	O'BRIEN FEE 18 #004	Oil	Feb-07		7862	7862	B005839
168	30-005-61020	O'BRIEN FEE 18 #005	Oil	Oct-06		7820	7820	B005840
169	30-005-61246	O'BRIEN FEE 18 #006	Oil	Oct-06		7840	7840	B005843
170	30-005-60528	O'BRIEN FEE 19 #001	Oil	Aug-09		7800	7800	B006922
171	30-005-60565	O'BRIEN FEE 19 #002	Oil	Dec-04		7800	7800	B005842
172	30-005-60566	O'BRIEN FEE 19 #003	Oil	Dec-08		7860	7860	B006904
173	30-005-60654	O'BRIEN FEE 19 #004	Oil	Aug-09		7800	7800	B006923
174	30-005-60716	O'BRIEN FEE 19 #005	Oil	Dec-08		7791	7791	B006905
175	30-005-60804	O'BRIEN FEE 19 #006	Oil	Aug-09		7800	7800	B006924
176	30-005-60905	O'BRIEN FEE 19 #007	Oil	Dec-08		7845	7845	B006906
177	30-005-61021	O'BRIEN FEE 19 #008	Oil	Sep-04		7840	7840	B005841
178	30-005-60803	O'BRIEN FEE 24 #001	Oil	Feb-07		7810	7810	B005844
179	30-005-60923	O'BRIEN FEE 24 #002	Oil	Feb-07		7920	7920	B005845
180	30-005-60655	O'BRIEN FEE 25 #005	Oil	Feb-07		7753	7753	B005846
181	30-005-60815	O'BRIEN LIGHTCAP 7 #001	Oil	Sep-04		7860	7860	B005847
182	30-005-60816	O'BRIEN LIGHTCAP 7 #002	Oil	Sep-04		8000	8000	B005848
183	30-005-62194	O'BRIEN LLL #001	Oil	Apr-07		8005	8005	B005849
184	30-005-62192	O'BRIEN P #001	Salt Water Disposal	Feb-07		8005	8005	B005850
185	30-005-62247	O'BRIEN P #002	Oil	May-09		7925	7925	B006920
186	30-005-62267	O'BRIEN P #003	Oil	May-09		7920	7920	B006921
187	30-005-62190	O'BRIEN R #001	Oil	Apr-07		8100	8100	B005851
188	30-025-32297	QUARRY #001	Oil	Nov-11	Yes	8320	0	
189	30-025-09534	ROCKET #001	Oil	Dec-07		8546	8456	B005852
190	30-025-28256	ROCKET #003	Oil	Dec-07		8389	8389	B005853
191	30-005-60604	SEANNA #001	Oil	Feb-07		7796	7796	B005854
192	30-005-60623	SEANNA #002	Oil	Jul-04		8000	8000	B005855
193	30-005-60735	SEANNA #003	Oil	Feb-07		7687	7687	B005856
194	30-015-22209	SHUG A #001	Oil	Mar-10			0	
195	30-015-22221	SHUG A #002	Oil	Mar-10			0	
196	30-041-20791	SIEBER #001	Oil	Mar-06		9360	9360	B006032
197	30-005-62070	TWIN LAKES SAN ANDRES UNIT #001	Injection	Dec-08		7691	7691	B006907
198	30-005-60648	TWIN LAKES SAN ANDRES UNIT #002	Oil	Dec-00		7770	7770	B006908
199	30-005-60601	TWIN LAKES SAN ANDRES UNIT #003	Oil	Apr-08	Yes	7830	0	
200	30-005-60579	TWIN LAKES SAN ANDRES UNIT #004	Oil	Jul-11	Yes	7825	0	
201	30-005-60492	TWIN LAKES SAN ANDRES UNIT #008	Oil	May-98		7563	7563	B005859
202	30-005-60598	TWIN LAKES SAN ANDRES UNIT #009	Oil	Jul-11		7763	7763	B006909

EXHIBIT "A"
CASE NO. 15271
ORDER NO. R-13971

List ID No.	Well API No.	Well Name	Well Type	Last Production or Injection	19.15.8.9 NMAC Violation	Single Well Bond Amount ¹	Bond In Place ¹	U.S. Specialty Insurance Co. Bond ID
203	30-005-60558	TWIN LAKES SAN ANDRES UNIT #013	Injection	Nov-09	Yes	7733	0	
204	30-005-60039	TWIN LAKES SAN ANDRES UNIT #017	Oil	Jul-11	Yes	7602	0	
205	30-005-60658	TWIN LAKES SAN ANDRES UNIT #021	Injection	Dec-08	Yes	7907	0	
206	30-005-60965	TWIN LAKES SAN ANDRES UNIT #023	Injection	Dec-08		7950	7950	B006910
207	30-005-60026	TWIN LAKES SAN ANDRES UNIT #035	Injection	Dec-08		7615	7615	B006911
208	30-005-60802	TWIN LAKES SAN ANDRES UNIT #042	Oil	Jul-11		7951	7951	B005863
209	30-005-60829	TWIN LAKES SAN ANDRES UNIT #043	Oil	Sep-03		8000	8000	B006912
210	30-005-60810	TWIN LAKES SAN ANDRES UNIT #051	Injection	Jul-11	Yes	7950	0	
211	30-005-60961	TWIN LAKES SAN ANDRES UNIT #052	Injection	Jul-11		7950	7950	B006913
212	30-005-60297	TWIN LAKES SAN ANDRES UNIT #055	Injection	Dec-08	Yes	7617	0	
213	30-005-62563	TWIN LAKES SAN ANDRES UNIT #063	Oil	Jul-11		8100	8100	B006914
214	30-005-60248	TWIN LAKES SAN ANDRES UNIT #074	Injection	Dec-08		12316	12316	B006915
215	30-005-60469	TWIN LAKES SAN ANDRES UNIT #075	Injection	Jul-11		7638	7638	B006919
216	30-005-60982	TWIN LAKES SAN ANDRES UNIT #079	Injection	Dec-08	Yes	7210	0	
217	30-005-61030	TWIN LAKES SAN ANDRES UNIT #087	Oil	Dec-00	Yes	7774	0	
218	30-005-60790	TWIN LAKES SAN ANDRES UNIT #091	Oil	Jul-11		7810	7810	B006916
219	30-005-61333	TWIN LAKES SAN ANDRES UNIT #112	Injection	Dec-08	Yes	7800	0	
220	30-005-61655	TWIN LAKES SAN ANDRES UNIT #115	Injection	Dec-08	Yes	7800	0	
221	30-005-61736	TWIN LAKES SAN ANDRES UNIT #118	Injection	Dec-08		7805	7805	B006918
222	30-005-61623	TWIN LAKES SAN ANDRES UNIT #119	Oil	Aug-11		7900	7900	B007054
223	30-005-62819	TWIN LAKES SAN ANDRES UNIT #121	Injection	Jul-11		8100	8100	B005869
224	30-005-63191	TWIN LAKES SAN ANDRES UNIT #302	Injection	Dec-08		7700	7700	B005870
225	30-005-63193	TWIN LAKES SAN ANDRES UNIT #333	Injection	Jul-11	Yes	7830	0	
226	30-005-60581	UNION HAPPY #001	Oil	Feb-07		7807	7807	B005871
227	30-005-60622	UNION HAPPY #002	Oil	Apr-05		7800	7800	B005872

¹All bond amounts in US Dollars.