

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

IN THE MATTER OF THE HEARING CALLED BY)
THE OIL CONSERVATION COMMISSION FOR THE)
PURPOSE OF CONSIDERING:)
) CASE NO. 13,142
APPLICATION OF THE NEW MEXICO OIL)
CONSERVATION DIVISION FOR AN ORDER)
REQUIRING MARALO, LLC, TO REMEDIATE)
HYDROCARBON CONTAMINATION AT AN)
ABANDONED WELL AND BATTERY SITE,)
LEA COUNTY, NEW MEXICO)

OFFICIAL EXHIBIT FILE
(2 OF 2: Maralo and Anthony Exhibits)
COMMISSION HEARING

BEFORE: MARK E. FESMIRE, CHAIRMAN
JAMI BAILEY, COMMISSIONER
FRANK T. CHAVEZ, COMMISSIONER

November 10th, 2004

Santa Fe, New Mexico

This matter came on for hearing before the Oil Conservation Commission, MARK E. FESMIRE, Chairman, on Wednesday, November 10th, 2004, at the New Mexico Energy, Minerals and Natural Resources Department, 1220 South Saint Francis Drive, Room 102, Santa Fe, New Mexico, Steven T. Brenner, Certified Court Reporter No. 7 for the State of New Mexico.

* * *

STEVEN T. BRENNER, CCR
(505) 989-9317

MARALO, LLC

EXHIBIT BOOK

**New Mexico Oil Conservation Commission
Cases 13142
DeNovo Hearing
November 10, 2004**

KELLAHIN & KELLAHIN
Attorney at Law

W. Thomas Kellahin
Recognized Specialist in the Area of
Natural Resources-oil and gas law-
New Mexico Board of Legal Specialization

P.O. Box 2265
Santa Fe, New Mexico 87504
117 North Guadalupe
Santa Fe, New Mexico 87501

Telephone 505-982-4285
Facsimile 505-982-2047
kellahin@earthlink.net

November 5, 2004

Mr. Mark E. Fesmire, Chairman
New Mexico Oil Conservation Commission
1220 South St. Francis Drive
Santa Fe, New Mexico 87505

HAND DELIVERED

Mrs. Jamie Bailey, Member
New Mexico Oil Conservation Commission
C/O State Land Office
Old Santa Fe Trail
Santa Fe, New Mexico 87501

HAND DELIVERED

Mr. Frank Chavez, Member
1000 Rio Brazos Road
Aztec, New Mexico 87410

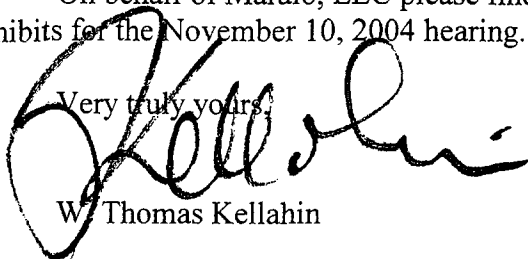
FEDERAL EXPRESS
(505) 334-6178

Re: NMOCD Case 13142 (De Novo)
Application of the NMOCD for an Order
Requiring Maralo, LLC to Remediate
Hydrocarbon Contamination at an
Abandoned well's tank battery Site
(Jay Anthony Complaint)
Lea County, New Mexico

Dear Members of the Commission:

On behalf of Maralo, LLC please find enclosed its pre-hearing statement and proposed exhibits for the November 10, 2004 hearing.

Very truly yours,



W. Thomas Kellahin

cc: Carol Leach, Esq.
Attorney for the Commission
Gail MacQuesten,
Attorney for the Division
David Sandoval, Esq.,
Attorney for Jay Anthony
Rick G. Strange, Esq.
Attorney for Maralo, LLC.

**INDEX OF
MARALO, LLC
EXHIBITS FOR
CASES13142-denovo**

| Exhibit | Exhibit Title | Description |
|----------------|---|---|
| (1) | Maralo's Pre-Hearing Statement | |
| (2) | NMOCD Order R-12152 | Clean-up order for Humble State #3 site |
| (3) | Locator Map | Humble State #3 |
| (4) | Timeline | |
| (5) | Shell "A" State #1 Well | OCD well file |
| (6) | Humble State #1 Well | OCD well file |
| (7) | Humble State #2 Well | OCD well file |
| (8) | Humble State #3 Well | OCD well file |
| (9-A) | Maralo, Inc. acquired wells | June 7, 1973 |
| (9-B) | Assignment from Maralo, Inc. to Hal J. Rasmussen Operating Inc. of all wells and shallow rights | April 1, 1994 |
| (10) | Groundwater Analytical Report TranceAnalysis, Inc. | October 18, 2000 |
| (11) | OCD-William Olson's letter | November 22, 2000 |
| (12) | Maralo to Olson (OCD) letter | December 15, 2000 |

- | | | |
|------|--|------------------------------------|
| (13) | Groundwater Analytical Report Cardinal Laboratories | February 19, 2001 |
| (14) | OCD to Maralo letter demanding Clean-up of Humble State #3 Well's Tank Battery | April 11, 2001 |
| (15) | Maralo to OCD denying responsibility | April 23, 2001 |
| (16) | OCD to Maralo rescinding demand for Clean-up | April 22, 2003 |
| (17) | OCD now claiming surface pollution In letter to Maralo's attorney | July 9, 2003 |
| (18) | Maralo to OCD disputing retroactive Applicability of Rule 313 | July 16, 2003 |
| (19) | Drilling report Summary (No more fluid into tank battery) | July 7, 1982 |
| (20) | Invoices for clean-up | February 24, 1994 March 2, 1994 |
| (21) | Maralo, Inc.'s Article of Incorporation | May 31, 1973 |
| (22) | Transcript from Examiner's Hearing | November 20, 2004 |