



NEW MEXICO ENERGY, MINERALS and  
NATURAL RESOURCES DEPARTMENT

**BILL RICHARDSON**  
Governor  
**Joanna Prukop**  
Cabinet Secretary

**Mark E. Fesmire, P.E.**  
Director  
Oil Conservation Division

August 11, 2004

Carbon Energy  
Carbon Energy Inc.  
P.O. Box 1737  
Hobbs, NM 88240  
Certified Mail No. 7099 3220 0009 7873 1650

Carbon Energy  
518 Abo  
Hobbs, N.M. 88240  
Certified Mail No. \_\_\_\_\_

Carbon Energy Inc.  
520 N. Shipp  
Hobbs, NM 88240  
Certified Mail No. \_\_\_\_\_

Hartford Accident & Indemnity  
Hartford Plaza  
Hartford, CT 06115  
Certified Mail No. \_\_\_\_\_

Carbon Energy, Inc.  
P.O. Box 129  
Hobbs, NM 88240  
Certified Mail No. \_\_\_\_\_

Cert

First Interstate Bank of Lea County  
P.O. Box 400  
Hobbs, NM 88240  
Certified Mail No. \_\_\_\_\_

Carbon Energy  
C/o Oil Reports & Gas Services, Inc.  
Box 755  
Hobbs, NM 88241  
Certified Mail No. \_\_\_\_\_

**CASE 13337: APPLICATION OF THE NEW MEXICO OIL CONSERVATION DIVISION, THROUGH THE SUPERVISOR OF DISTRICT I, FOR AN ORDER REQUIRING CARBON ENERGY INC. AND CARBON ENERGY TO BRING WELLS INTO COMPLIANCE WITH 19.15.4.201 NMAC, AUTHORIZING THE DIVISION TO PLUG SAID WELLS AND ORDERING A FORFEITURE OF THE APPLICABLE FINANCIAL ASSURANCES; LEA COUNTY, NEW MEXICO.**

Ladies and Gentlemen:

You are hereby notified that the New Mexico Oil Conservation Division has filed the above-captioned Application seeking an order requiring you to bring the Shell State #1 well, API #30-025-26637, and the Aztec 28 State #3 well, API 30-025-04361 into compliance with Division rules by plugging and abandoning the wells, securing temporary abandonment status for the wells, or returning the wells to a Division-approved beneficial use. A copy of the Application is enclosed.

A hearing on this application will take place before a Division hearing officer on Thursday, September 2, 2004, at 8:15 a.m., in Porter Hall, First Floor, 1220 South St. Francis Drive in Santa Fe, New Mexico. At that hearing you will have an opportunity to show cause why an order should not be entered as requested in the Application. If you intend to present evidence at the hearing, you should file a pre-hearing statement at least four days in advance of the hearing, as required by 19.15.14.1208.B NMAC.

"Carbon Energy Inc." posted a \$5,000 single well plugging bond, number 4397590, through the Hartford Accident & Indemnity Company, to secure its obligation to plug and abandon the Aztec "28" State #3 well, API #30-025-04361, in compliance with Division rules. That security will be forfeited if an order is entered as requested in the attached application and that well is not brought into compliance with Division rules by the date set by the order.

"Carbon Energy" posted a \$10,000 single well cash bond with cash collateral deposited with the First Interstate Bank of Lea County, in account number 65447, to secure its obligation to plug and abandon the Shell State #1 well, API #30-025-26637, in compliance with Division rules. That security will be forfeited if an order is entered as requested in the attached application and that well is not brought into compliance with Division rules by the date set by the order.

Inquiries concerning this application may be directed to the undersigned in the Santa Fe office of the Division at (505) 476-3451.

Very truly yours,



Gail MacQuesten  
Assistant General Counsel

cc: Chris Williams, District I Supervisor  
Billy Prichard, District I



NEW MEXICO ENERGY, MINERALS and  
NATURAL RESOURCES DEPARTMENT

**BILL RICHARDSON**  
Governor  
**Joanna Prukop**  
Cabinet Secretary

**Mark E. Fesmire, P.E.**  
Director  
Oil Conservation Division

August 11, 2004

Carbon Energy  
Carbon Energy Inc.  
P.O. Box 1737  
Hobbs, NM 88240  
Certified Mail No. \_\_\_\_\_

Carbon Energy  
518 Abo  
Hobbs, N.M. 88240  
Certified Mail No. \_\_\_\_\_

Carbon Energy Inc.  
520 N. Shipp  
Hobbs, NM 88240  
Certified Mail No. 7099 3220 0009 7873 1636

Hartford Accident & Indemnity  
Hartford Plaza  
Hartford, CT 06115  
Certified Mail No. \_\_\_\_\_

Carbon Energy, Inc.  
P.O. Box 129  
Hobbs, NM 88240  
Certified Mail No. \_\_\_\_\_

Cert

First Interstate Bank of Lea County  
P.O. Box 400  
Hobbs, NM 88240  
Certified Mail No. \_\_\_\_\_

Carbon Energy  
C/o Oil Reports & Gas Services, Inc.  
Box 755  
Hobbs, NM 88241  
Certified Mail No. \_\_\_\_\_

**CASE 13337: APPLICATION OF THE NEW MEXICO OIL CONSERVATION DIVISION, THROUGH THE SUPERVISOR OF DISTRICT I, FOR AN ORDER REQUIRING CARBON ENERGY INC. AND CARBON ENERGY TO BRING WELLS INTO COMPLIANCE WITH 19.15.4.201 NMAC, AUTHORIZING THE DIVISION TO PLUG SAID WELLS AND ORDERING A FORFEITURE OF THE APPLICABLE FINANCIAL ASSURANCES; LEA COUNTY, NEW MEXICO.**

Ladies and Gentlemen:

You are hereby notified that the New Mexico Oil Conservation Division has filed the above-captioned Application seeking an order requiring you to bring the Shell State #1 well, API #30-025-26637, and the Aztec 28 State #3 well, API 30-025-04361 into compliance with Division rules by plugging and abandoning the wells, securing temporary abandonment status for the wells, or returning the wells to a Division-approved beneficial use. A copy of the Application is enclosed.

A hearing on this application will take place before a Division hearing officer on Thursday, September 2, 2004, at 8:15 a.m., in Porter Hall, First Floor, 1220 South St. Francis Drive in Santa Fe, New Mexico. At that hearing you will have an opportunity to show cause why an order should not be entered as requested in the Application. If you intend to present evidence at the hearing, you should file a pre-hearing statement at least four days in advance of the hearing, as required by 19.15.14.1208.B NMAC.

"Carbon Energy Inc." posted a \$5,000 single well plugging bond, number 4397590, through the Hartford Accident & Indemnity Company, to secure its obligation to plug and abandon the Aztec "28" State #3 well, API #30-025-04361, in compliance with Division rules. That security will be forfeited if an order is entered as requested in the attached application and that well is not brought into compliance with Division rules by the date set by the order.

"Carbon Energy" posted a \$10,000 single well cash bond with cash collateral deposited with the First Interstate Bank of Lea County, in account number 65447, to secure its obligation to plug and abandon the Shell State #1 well, API #30-025-26637, in compliance with Division rules. That security will be forfeited if an order is entered as requested in the attached application and that well is not brought into compliance with Division rules by the date set by the order.

Inquiries concerning this application may be directed to the undersigned in the Santa Fe office of the Division at (505) 476-3451.

Very truly yours,



Gail MacQuesten  
Assistant General Counsel

cc: Chris Williams , District I Supervisor  
Billy Prichard, District I



NEW MEXICO ENERGY, MINERALS and  
NATURAL RESOURCES DEPARTMENT

**BILL RICHARDSON**  
Governor  
**Joanna Prukop**  
Cabinet Secretary

**Mark E. Fesmire, P.E.**  
Director  
Oil Conservation Division

August 11, 2004

Carbon Energy  
Carbon Energy Inc.  
P.O. Box 1737  
Hobbs, NM 88240  
Certified Mail No. \_\_\_\_\_

Carbon Energy  
518 Abo  
Hobbs, N.M. 88240  
Certified Mail No. \_\_\_\_\_

Carbon Energy Inc.  
520 N. Shipp  
Hobbs, NM 88240  
Certified Mail No. \_\_\_\_\_

Hartford Accident & Indemnity  
Hartford Plaza  
Hartford, CT 06115  
Certified Mail No. \_\_\_\_\_

Carbon Energy, Inc.  
P.O. Box 129  
Hobbs, NM 88240  
Certified Mail No. **7099 3220 0009 7873 1643**

Cert

First Interstate Bank of Lea County  
P.O. Box 400  
Hobbs, NM 88240  
Certified Mail No. \_\_\_\_\_

Carbon Energy  
C/o Oil Reports & Gas Services, Inc.  
Box 755  
Hobbs, NM 88241  
Certified Mail No. \_\_\_\_\_

**CASE 13337: APPLICATION OF THE NEW MEXICO OIL CONSERVATION DIVISION, THROUGH THE SUPERVISOR OF DISTRICT I, FOR AN ORDER REQUIRING CARBON ENERGY INC. AND CARBON ENERGY TO BRING WELLS INTO COMPLIANCE WITH 19.15.4.201 NMAC, AUTHORIZING THE DIVISION TO PLUG SAID WELLS AND ORDERING A FORFEITURE OF THE APPLICABLE FINANCIAL ASSURANCES; LEA COUNTY, NEW MEXICO.**

Ladies and Gentlemen:

You are hereby notified that the New Mexico Oil Conservation Division has filed the above-captioned Application seeking an order requiring you to bring the Shell State #1 well, API #30-025-26637, and the Aztec 28 State #3 well, API 30-025-04361 into compliance with Division rules by plugging and abandoning the wells, securing temporary abandonment status for the wells, or returning the wells to a Division-approved beneficial use. A copy of the Application is enclosed.

A hearing on this application will take place before a Division hearing officer on Thursday, September 2, 2004, at 8:15 a.m., in Porter Hall, First Floor, 1220 South St. Francis Drive in Santa Fe, New Mexico. At that hearing you will have an opportunity to show cause why an order should not be entered as requested in the Application. If you intend to present evidence at the hearing, you should file a pre-hearing statement at least four days in advance of the hearing, as required by 19.15.14.1208.B NMAC.

"Carbon Energy Inc." posted a \$5,000 single well plugging bond, number 4397590, through the Hartford Accident & Indemnity Company, to secure its obligation to plug and abandon the Aztec "28" State #3 well, API #30-025-04361, in compliance with Division rules. That security will be forfeited if an order is entered as requested in the attached application and that well is not brought into compliance with Division rules by the date set by the order.

"Carbon Energy" posted a \$10,000 single well cash bond with cash collateral deposited with the First Interstate Bank of Lea County, in account number 65447, to secure its obligation to plug and abandon the Shell State #1 well, API #30-025-26637, in compliance with Division rules. That security will be forfeited if an order is entered as requested in the attached application and that well is not brought into compliance with Division rules by the date set by the order.

Inquiries concerning this application may be directed to the undersigned in the Santa Fe office of the Division at (505) 476-3451.

Very truly yours,



Gail MacQuesten  
Assistant General Counsel

cc: Chris Williams , District I Supervisor  
Billy Prichard, District I



NEW MEXICO ENERGY, MINERALS and  
NATURAL RESOURCES DEPARTMENT

**BILL RICHARDSON**  
Governor  
**Joanna Prukop**  
Cabinet Secretary

**Mark E. Fesmire, P.E.**  
Director  
Oil Conservation Division

August 11, 2004

Carbon Energy  
Carbon Energy Inc.  
P.O. Box 1737  
Hobbs, NM 88240  
Certified Mail No. \_\_\_\_\_

Carbon Energy  
518 Abo  
Hobbs, N.M. 88240  
Certified Mail No. \_\_\_\_\_

Carbon Energy Inc.  
520 N. Shipp  
Hobbs, NM 88240  
Certified Mail No. \_\_\_\_\_

Hartford Accident & Indemnity  
Hartford Plaza  
Hartford, CT 06115  
Certified Mail No. \_\_\_\_\_

Carbon Energy, Inc.  
P.O. Box 129  
Hobbs, NM 88240  
Certified Mail No. \_\_\_\_\_

Cert

First Interstate Bank of Lea County  
P.O. Box 400  
Hobbs, NM 88240  
Certified Mail No. \_\_\_\_\_

Carbon Energy  
C/o Oil Reports & Gas Services, Inc.  
Box 755  
Hobbs, NM 88241  
Certified Mail No. 7099 3220 0009 7873 1629

**CASE 13337: APPLICATION OF THE NEW MEXICO OIL CONSERVATION DIVISION, THROUGH THE SUPERVISOR OF DISTRICT I, FOR AN ORDER REQUIRING CARBON ENERGY INC. AND CARBON ENERGY TO BRING WELLS INTO COMPLIANCE WITH 19.15.4.201 NMAC, AUTHORIZING THE DIVISION TO PLUG SAID WELLS AND ORDERING A FORFEITURE OF THE APPLICABLE FINANCIAL ASSURANCES; LEA COUNTY, NEW MEXICO.**

Ladies and Gentlemen:

You are hereby notified that the New Mexico Oil Conservation Division has filed the above-captioned Application seeking an order requiring you to bring the Shell State #1 well, API #30-025-26637, and the Aztec 28 State #3 well, API 30-025-04361 into compliance with Division rules by plugging and abandoning the wells, securing temporary abandonment status for the wells, or returning the wells to a Division-approved beneficial use. A copy of the Application is enclosed.

A hearing on this application will take place before a Division hearing officer on Thursday, September 2, 2004, at 8:15 a.m., in Porter Hall, First Floor, 1220 South St. Francis Drive in Santa Fe, New Mexico. At that hearing you will have an opportunity to show cause why an order should not be entered as requested in the Application. If you intend to present evidence at the hearing, you should file a pre-hearing statement at least four days in advance of the hearing, as required by 19.15.14.1208.B NMAC.

"Carbon Energy Inc." posted a \$5,000 single well plugging bond, number 4397590, through the Hartford Accident & Indemnity Company, to secure its obligation to plug and abandon the Aztec "28" State #3 well, API #30-025-04361, in compliance with Division rules. That security will be forfeited if an order is entered as requested in the attached application and that well is not brought into compliance with Division rules by the date set by the order.

"Carbon Energy" posted a \$10,000 single well cash bond with cash collateral deposited with the First Interstate Bank of Lea County, in account number 65447, to secure its obligation to plug and abandon the Shell State #1 well, API #30-025-26637, in compliance with Division rules. That security will be forfeited if an order is entered as requested in the attached application and that well is not brought into compliance with Division rules by the date set by the order.

Inquiries concerning this application may be directed to the undersigned in the Santa Fe office of the Division at (505) 476-3451.

Very truly yours,



Gail MacQuesten  
Assistant General Counsel

cc: Chris Williams , District I Supervisor  
Billy Prichard, District I



NEW MEXICO ENERGY, MINERALS and  
NATURAL RESOURCES DEPARTMENT

**BILL RICHARDSON**  
Governor  
**Joanna Prukop**  
Cabinet Secretary

**Mark E. Fesmire, P.E.**  
Director  
Oil Conservation Division

August 11, 2004

Carbon Energy  
Carbon Energy Inc.  
P.O. Box 1737  
Hobbs, NM 88240  
Certified Mail No. \_\_\_\_\_

Carbon Energy  
518 Abo  
Hobbs, N.M. 88240  
Certified Mail No. 7099 3220 0009 7873 1605

Carbon Energy Inc.  
520 N. Shipp  
Hobbs, NM 88240  
Certified Mail No. \_\_\_\_\_

Hartford Accident & Indemnity  
Hartford Plaza  
Hartford, CT 06115  
Certified Mail No. \_\_\_\_\_

Carbon Energy, Inc.  
P.O. Box 129  
Hobbs, NM 88240  
Certified Mail No. \_\_\_\_\_

Cert

First Interstate Bank of Lea County  
P.O. Box 400  
Hobbs, NM 88240  
Certified Mail No. \_\_\_\_\_

Carbon Energy  
C/o Oil Reports & Gas Services, Inc.  
Box 755  
Hobbs, NM 88241  
Certified Mail No. \_\_\_\_\_

**CASE 13337: APPLICATION OF THE NEW MEXICO OIL CONSERVATION DIVISION, THROUGH THE SUPERVISOR OF DISTRICT I, FOR AN ORDER REQUIRING CARBON ENERGY INC. AND CARBON ENERGY TO BRING WELLS INTO COMPLIANCE WITH 19.15.4.201 NMAC, AUTHORIZING THE DIVISION TO PLUG SAID WELLS AND ORDERING A FORFEITURE OF THE APPLICABLE FINANCIAL ASSURANCES; LEA COUNTY, NEW MEXICO.**

Ladies and Gentlemen:

You are hereby notified that the New Mexico Oil Conservation Division has filed the above-captioned Application seeking an order requiring you to bring the Shell State #1 well, API #30-025-26637, and the Aztec 28 State #3 well, API 30-025-04361 into compliance with Division rules by plugging and abandoning the wells, securing temporary abandonment status for the wells, or returning the wells to a Division-approved beneficial use. A copy of the Application is enclosed.

A hearing on this application will take place before a Division hearing officer on Thursday, September 2, 2004, at 8:15 a.m., in Porter Hall, First Floor, 1220 South St. Francis Drive in Santa Fe, New Mexico. At that hearing you will have an opportunity to show cause why an order should not be entered as requested in the Application. If you intend to present evidence at the hearing, you should file a pre-hearing statement at least four days in advance of the hearing, as required by 19.15.14.1208.B NMAC.

"Carbon Energy Inc." posted a \$5,000 single well plugging bond, number 4397590, through the Hartford Accident & Indemnity Company, to secure its obligation to plug and abandon the Aztec "28" State #3 well, API #30-025-04361, in compliance with Division rules. That security will be forfeited if an order is entered as requested in the attached application and that well is not brought into compliance with Division rules by the date set by the order.

"Carbon Energy" posted a \$10,000 single well cash bond with cash collateral deposited with the First Interstate Bank of Lea County, in account number 65447, to secure its obligation to plug and abandon the Shell State #1 well, API #30-025-26637, in compliance with Division rules. That security will be forfeited if an order is entered as requested in the attached application and that well is not brought into compliance with Division rules by the date set by the order.

Inquiries concerning this application may be directed to the undersigned in the Santa Fe office of the Division at (505) 476-3451.

Very truly yours,



Gail MacQuesten  
Assistant General Counsel

cc: Chris Williams, District I Supervisor  
Billy Prichard, District I



NEW MEXICO ENERGY, MINERALS AND  
NATURAL RESOURCES DEPARTMENT

**BILL RICHARDSON**  
Governor  
**Joanna Prukop**  
Cabinet Secretary

**Mark E. Fesmire, P.E.**  
Director  
Oil Conservation Division

August 11, 2004

Carbon Energy  
Carbon Energy Inc.  
P.O. Box 1737  
Hobbs, NM 88240  
Certified Mail No. \_\_\_\_\_

Carbon Energy  
518 Abo  
Hobbs, N.M. 88240  
Certified Mail No. \_\_\_\_\_

Carbon Energy Inc.  
520 N. Shipp  
Hobbs, NM 88240  
Certified Mail No. \_\_\_\_\_

Hartford Accident & Indemnity  
Hartford Plaza  
Hartford, CT 06115  
Certified Mail No. 7099 3220 0009 7373 1612

Carbon Energy, Inc.  
P.O. Box 129  
Hobbs, NM 88240  
Certified Mail No. \_\_\_\_\_

Cert

First Interstate Bank of Lea County  
P.O. Box 400  
Hobbs, NM 88240  
Certified Mail No. \_\_\_\_\_

Carbon Energy  
C/o Oil Reports & Gas Services, Inc.  
Box 755  
Hobbs, NM 88241  
Certified Mail No. \_\_\_\_\_

**CASE 13337: APPLICATION OF THE NEW MEXICO OIL CONSERVATION DIVISION, THROUGH THE SUPERVISOR OF DISTRICT I, FOR AN ORDER REQUIRING CARBON ENERGY INC. AND CARBON ENERGY TO BRING WELLS INTO COMPLIANCE WITH 19.15.4.201 NMAC, AUTHORIZING THE DIVISION TO PLUG SAID WELLS AND ORDERING A FORFEITURE OF THE APPLICABLE FINANCIAL ASSURANCES; LEA COUNTY, NEW MEXICO.**

Ladies and Gentlemen:

You are hereby notified that the New Mexico Oil Conservation Division has filed the above-captioned Application seeking an order requiring you to bring the Shell State #1 well, API #30-025-26637, and the Aztec 28 State #3 well, API 30-025-04361 into compliance with Division rules by plugging and abandoning the wells, securing temporary abandonment status for the wells, or returning the wells to a Division-approved beneficial use. A copy of the Application is enclosed.

A hearing on this application will take place before a Division hearing officer on Thursday, September 2, 2004, at 8:15 a.m., in Porter Hall, First Floor, 1220 South St. Francis Drive in Santa Fe, New Mexico. At that hearing you will have an opportunity to show cause why an order should not be entered as requested in the Application. If you intend to present evidence at the hearing, you should file a pre-hearing statement at least four days in advance of the hearing, as required by 19.15.14.1208.B NMAC.

"Carbon Energy Inc." posted a \$5,000 single well plugging bond, number 4397590, through the Hartford Accident & Indemnity Company, to secure its obligation to plug and abandon the Aztec "28" State #3 well, API #30-025-04361, in compliance with Division rules. That security will be forfeited if an order is entered as requested in the attached application and that well is not brought into compliance with Division rules by the date set by the order.

"Carbon Energy" posted a \$10,000 single well cash bond with cash collateral deposited with the First Interstate Bank of Lea County, in account number 65447, to secure its obligation to plug and abandon the Shell State #1 well, API #30-025-26637, in compliance with Division rules. That security will be forfeited if an order is entered as requested in the attached application and that well is not brought into compliance with Division rules by the date set by the order.

Inquiries concerning this application may be directed to the undersigned in the Santa Fe office of the Division at (505) 476-3451.

Very truly yours,



Gail MacQuesten  
Assistant General Counsel

cc: Chris Williams , District I Supervisor  
Billy Prichard, District I



NEW MEXICO ENERGY, MINERALS and  
NATURAL RESOURCES DEPARTMENT

**BILL RICHARDSON**  
Governor  
**Joanna Prukop**  
Cabinet Secretary

**Mark E. Fesmire, P.E.**  
Director  
Oil Conservation Division

August 11, 2004

Carbon Energy  
Carbon Energy Inc.  
P.O. Box 1737  
Hobbs, NM 88240  
Certified Mail No. \_\_\_\_\_

Carbon Energy  
518 Abo  
Hobbs, N.M. 88240  
Certified Mail No. \_\_\_\_\_

Carbon Energy Inc.  
520 N. Shipp  
Hobbs, NM 88240  
Certified Mail No. \_\_\_\_\_

Hartford Accident & Indemnity  
Hartford Plaza  
Hartford, CT 06115  
Certified Mail No. \_\_\_\_\_

Carbon Energy, Inc.  
P.O. Box 129  
Hobbs, NM 88240  
Certified Mail No. \_\_\_\_\_

Cert

First Interstate Bank of Lea County  
P.O. Box 400  
Hobbs, NM 88240  
Certified Mail No. 7099 3220 0009 7873 1599

Carbon Energy  
C/o Oil Reports & Gas Services, Inc.  
Box 755  
Hobbs, NM 88241  
Certified Mail No. \_\_\_\_\_

**CASE 13337: APPLICATION OF THE NEW MEXICO OIL CONSERVATION DIVISION, THROUGH THE SUPERVISOR OF DISTRICT I, FOR AN ORDER REQUIRING CARBON ENERGY INC. AND CARBON ENERGY TO BRING WELLS INTO COMPLIANCE WITH 19.15.4.201 NMAC, AUTHORIZING THE DIVISION TO PLUG SAID WELLS AND ORDERING A FORFEITURE OF THE APPLICABLE FINANCIAL ASSURANCES; LEA COUNTY, NEW MEXICO.**

Ladies and Gentlemen:

You are hereby notified that the New Mexico Oil Conservation Division has filed the above-captioned Application seeking an order requiring you to bring the Shell State #1 well, API #30-025-26637, and the Aztec 28 State #3 well, API 30-025-04361 into compliance with Division rules by plugging and abandoning the wells, securing temporary abandonment status for the wells, or returning the wells to a Division-approved beneficial use. A copy of the Application is enclosed.

A hearing on this application will take place before a Division hearing officer on Thursday, September 2, 2004, at 8:15 a.m., in Porter Hall, First Floor, 1220 South St. Francis Drive in Santa Fe, New Mexico. At that hearing you will have an opportunity to show cause why an order should not be entered as requested in the Application. If you intend to present evidence at the hearing, you should file a pre-hearing statement at least four days in advance of the hearing, as required by 19.15.14.1208.B NMAC.

"Carbon Energy Inc." posted a \$5,000 single well plugging bond, number 4397590, through the Hartford Accident & Indemnity Company, to secure its obligation to plug and abandon the Aztec "28" State #3 well, API #30-025-04361, in compliance with Division rules. That security will be forfeited if an order is entered as requested in the attached application and that well is not brought into compliance with Division rules by the date set by the order.

"Carbon Energy" posted a \$10,000 single well cash bond with cash collateral deposited with the First Interstate Bank of Lea County, in account number 65447, to secure its obligation to plug and abandon the Shell State #1 well, API #30-025-26637, in compliance with Division rules. That security will be forfeited if an order is entered as requested in the attached application and that well is not brought into compliance with Division rules by the date set by the order.

Inquiries concerning this application may be directed to the undersigned in the Santa Fe office of the Division at (505) 476-3451.

Very truly yours,



Gail MacQuesten  
Assistant General Counsel

cc: Chris Williams, District I Supervisor  
Billy Prichard, District I