

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

**APPLICATION OF THE NEW MEXICO OIL CONSERVATION DIVISION,
THROUGH THE SUPERVISOR OF DISTRICT I, FOR AN ORDER REQUIRING
SABA ENERGY OF TEXAS, INC. TO BRING SIX WELLS INTO COMPLIANCE
WITH 19.15.4.201 NMAC, ASSESSING APPROPRIATE CIVIL PENALTIES,
AND AUTHORIZING THE DIVISION TO PLUG SAID WELLS AND FORFEIT
THE APPLICABLE SECURITY IN DEFAULT OF COMPLIANCE BY THE
OPERATOR; LEA COUNTY, NEW MEXICO.**

CASE NO. 13163

**MOTION TO RE-OPEN CASE NO. 13163 AND ENTER AN ORDER FINDING
SABA ENERGY OF TEXAS, INC. IN VIOLATION OF AN ORDER REQUIRING
CORRECTIVE ACTION**

1. On August 12, 2004, the Oil Conservation Commission issued Order No. R-12132-A in the above-captioned case ordering Saba Energy of Texas, Inc. ("Operator") to complete the following corrective actions:

- A. plug and abandon the following wells within thirty days after issuance of the order:
 - San Simon 5 State #1, API #30-025-27564, Unit Letter E, Section 5, Township 22 South, Range 35 East
 - San Simon 5 State #2, API #30-025-28480, Unit Letter G, Section 5, Township 22 South, Range 35 East

- B. return each of the following wells to compliance with Oil Conservation Division (OCD) rules within thirty days after issuance of the order, by either plugging the well, restoring it to production, or placing the well on approved temporary abandonment status:
 - Morris #1, API #30-025-29247, Unit Letter D, Section 8, Township 13 South, Range 36 East
 - Saba State #1, API #30-025-33726, Unit Letter I, Section 7, Township 13 South, Range 36 East

- C. return each of the following wells to compliance with OCD rules no later than December 31, 2004, by either plugging the well, restoring it to production, or placing the well on approved temporary abandonment status:
 - Harton State #1, API #30-025-28540, Unit Letter H, Section 7, Township 13 South, Range 36 East.

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- Fern Guye #1, API #30-025-34488, Unit Letter M, Section 5, Township 13 South, Range 36 East.

2. Order No. R-12132-A further provided that the Oil Conservation Commission retained jurisdiction for the entry of such further orders as it may deem necessary.

3. Operator did not seek rehearing on Order No. R-12132-A, and did not appeal Order No. R-12132. The Order is now final.

4. OCD records indicate that, to date, the wells identified in paragraph 1, above, have not been plugged, restored to production, or placed on approved temporary abandonment status.

5. OCD Rule 40.A [19.15.1.40.A NMAC] provides, in relevant part, that an operator is out of compliance with its provisions if an order is issued after notice and hearing finding the operator to be in violation of an order requiring corrective action.

WHEREFORE, the Enforcement and Compliance Manager hereby moves the Commission to re-open Case 13163, and enter an order after notice and hearing:

- A. Determining that Saba Energy of Texas is in violation of Order R-12132-A's requirements for corrective action; and
- B. For such other and further relief as the Commission deems just and proper under the circumstances.

RESPECTFULLY SUBMITTED,
this 24th day of April, 2006 by



Gail MacQuesten
Assistant General Counsel
Energy, Minerals and Natural
Resources Department of the State of
New Mexico
1220 S. St. Francis Drive
Santa Fe, NM 87505
(505)-476-3451

Attorney for The New Mexico Oil
Conservation Division

Certificate of Service

I hereby certify that I served this motion by certified mail, return receipt requested, to:

Saba Energy of Texas, Inc.
P.O. Box 6209
Santa Maria, CA 93456

Redland Insurance Company
300 West Broadway
Council Bluffs, IA 51503

Redland Insurance Company
1177 Avenue of the Americas
New York, NY 10036

Forcon International
P.O. Box 581
Wayzata, MN 55391

Mr. Michael A. Short
Short & Johnson
P.O. Box 2890
Midland, TX 79702-2890

on this 24th day of April, 2006.



Gail MacQuesten

Case No. 13163. Application of the New Mexico Oil Conservation Division for an order requiring Saba Energy of Texas, Inc. to bring six wells into compliance with 19.15.4.201 NMAC. The Applicant moves the Oil Conservation Commission to re-open Case No. 12792 and issue an order pursuant to OCD Rule 19.15.1.40 NMAC finding Saba Energy of Texas, Inc. to be in violation of Order R-12132-A, issued in Case No. 13163, requiring corrective action as to the following wells: San Simon 5 State #1, API #30-025-27564, UL E, Sec. 5, T22S, R35E; San Simon 5 State #2, API #30-025-28480, UL G, Sec. 5, T22S, R35E; Morris #1, API #30-025-29247, Unit Letter D, Section 8, T13S, R36E; Saba State #1, API #30-025-33726, UL I, Sec. 7, T13S, R36E; Harton State #1, API #30-025-28540, UL H, Sec. 7, T13S, R36E; Fern Guye #1, API #30-025-34488, UL M, Sec. 5, T13S, R36E. The San Simon 5 State #1 and #2 are located approximately 5-15 miles west of Eunice and the remaining wells are located approximately 5 miles southeast of Tatum, in Lea County, New Mexico.