

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

APPLICATION OF THE NEW MEXICO OIL CONSERVATION DIVISION FOR AN ORDER REQUIRING TENNECO OIL COMPANY TO PLUG ONE WELL AND ORDERING A FORFEITURE OF APPLICABLE FINANCIAL ASSURANCE IN EVENT OF OPERAOR'S NON-COMPLIANCE; CHAVES COUNTY, NEW MEXICO.

RECORDED
APR 11 PM 2 08

CASE NO. 13714

APPLICATION FOR PLUGGING AND FORFEITURE OF BOND

1. Tenneco Oil Company ("Operator") is the operator of the following well (the subject well) in Chaves County, New Mexico:

<u>Well Name</u>	<u>API No.</u>	<u>Location</u>
Plains SL 19 #1	30-005-62270	380 FNL/2200 FEL B-19-10S-28E

2. Operator has posted the following applicable financial assurance:
\$50,000 blanket surety bond number 61S33248-19-79, issued by The Aetna Casualty and Surety Company.

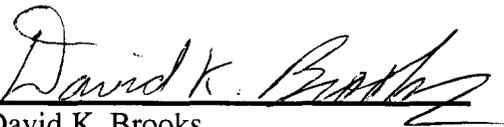
3. The subject well has been inactive for more than one year plus ninety days, and has not been approved for temporary abandonment.

WHEREFORE, the Supervisor of District II of the Division requests an order:

- A. Determining that the subject well should be plugged and abandoned in accordance with a Division-approved plugging program.
- B. Directing the Operator to plug the subject well by a date certain, and thereafter to remediate the site in accordance with OCD Rules.

- C. Ordering that if the Operator does not plug the subject well within the time provided, the Division be authorized: (i) to plug the subject well and remediate the site; (ii) to declare forfeit the above-described financial assurance; and (iii) to take necessary and appropriate measures to recover from the Operator any costs of plugging the subject well in excess of the amount of the applicable financial assurance.

RESPECTFULLY SUBMITTED,



David K. Brooks
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)-476-3450

Attorney for The New Mexico Oil
Conservation Division

Case No. 13714. **Application of the New Mexico Oil Conservation Division for an Order Requiring Tenneco Oil Company to Plug 1 Well and Ordering Forfeiture of Applicable Financial Assurance in Event of Operator's Non-Compliance, Chaves County, New Mexico.** The Applicant seeks an order requiring Tenneco Oil Company to plug the following well and to forfeit applicable security:

<u>Well Name</u>	<u>API No.</u>	<u>Location</u>
Plains SL 19 #1	30-005-62270	380 FNL/2200 FEL B-19-10S-28E

2006 APR 11 PM 2 08



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor

Joanna Prukop

Cabinet Secretary

Mark E. Fesmire, P.E.

Director

Oil Conservation Division

March 23, 2006

The Aetna Casualty and Surety Company
c/o Travelers Casualty and Surety Company
One Tower Square
Hartford, CT 06183

VIA CERTIFIED MAIL, RETURN RECEIPT REQUESTED

Re: Case No. 13714 : Application of the New Mexico Oil Conservation Division for an Order Requiring Tenneco Oil Company to Plug One Well and Ordering Forfeiture of Applicable Financial Assurance in Event of Operator's Non-Compliance; Chaves County, New Mexico

Ladies and Gentlemen:

You are hereby notified that the New Mexico Oil Conservation Division has filed the referenced Application (copy enclosed), seeking an Order requiring Tenneco Oil Company to properly plug and abandon one well in Chaves County, New Mexico, identified in said application.

A hearing on this application will take place before a Division hearing examiner on Thursday, May 11, 2006, 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.

Tenneco Oil Company posted a surety bond, in the amount of \$50,000, number 61S33248-19-79, issued by The Aetna Casualty and Surety Company. That security will be forfeited if an order is entered as requested and the operator fails to comply therewith.

The Division has no address on file for the Tenneco Oil Company, and believes that entity no longer exists. Accordingly, notice of this proceeding will be served on Tenneco Oil Company by publication in Chaves County, New Mexico.

Inquiries concerning this application may be directed to the undersigned in the Santa Fe office of the Division at (505)-476-3450.

Very truly yours,

A handwritten signature in cursive script that reads "David K. Brooks". The signature is written in black ink and is positioned above the printed name.

David K. Brooks
Assistant General Counsel

cc: Tim Gum, District Supervisor