

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

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APPLICATION OF THE NEW MEXICO OIL CONSERVATION DIVISION
THROUGH THE ENVIRONMENTAL BUREAU CHIEF TO REVOKE THE OIL Conservation Division
PERMIT OF AM-BETT OIL COMPANY, INC. TO OPERATE AN OIL
TREATMENT PLANT; LEA COUNTY, NEW MEXICO

CASE NO. 13026

APPLICATION TO REVOKE TREATMENT FACILITY PERMIT
AND FORFEIT BOND

1. By Order No. R-5411, issued in Case No. 5883, The Division granted to Am-Bett Oil Company, Inc. ("Am-Bett") a permit to operate an oil treating plant in the Lot 6 of Section 3, Township 21 South, Range 37 East, in Lea County, New Mexico.

2. Pursuant to the authority of the said order, Am-Bett established an oil treating plant ("the subject facility") in Lot 6 of said Section 3 and commenced operation thereof.

3. More than one year prior to the filing of this application, Am-Bett ceased operating the subject facility and abandoned the same, leaving at the site hydrocarbon and possibly other chemical contaminants that constitute a danger to fresh water, public health and the environment.

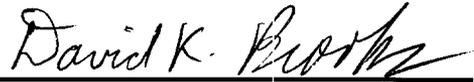
4. Am-Bett has posted a surety bond in the amount of \$10,000 to secure its obligation to properly close the subject facility, in compliance with O.C.D. Rule 711. Ohio Casualty Insurance Company is the surety on said bond, and the number of the bond is 1-925-821-5.

WHEREFORE, the Chief of the Environmental Bureau of the Division hereby applies to the Director to enter an order:

- A. Determining that the subject facility has been abandoned.
- B. Rescinding Order No. R-5411, thereby terminating the authority of Am-Bett to operate the subject facility.
- C. Directing Am-Bett Oil Company, Inc. or its corporate successor(s) to clear and reclaim the subject facility, fully investigate the extent of contamination and, if necessary, remediate the site in accordance with OCD Rule 711.
- D. Further ordering that if Am-Bett or its surety fails to fully investigate the extent of contamination and, if necessary, remediate the subject facility as ordered by the Director, the Division be authorized: (i) to conduct such investigation and remediation in accordance with OCD Rule 711; (ii) to declare forfeit the security furnished by Am-Bett to the extent necessary to fully reimburse the Division for its expenses incurred in accomplishing the foregoing; and (iii) to take necessary and appropriate measures to recover from Am-Bett or its corporate successors any costs incurred in excess of the amount of the bond or other security, if any.

E. For such other and further relief as the Director deems just and proper under the circumstances.

RESPECTFULLY SUBMITTED,



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