

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 TEMPO ENERGY, INC TO PLUG ONE WELL AND  
ORDERING A FORFEITURE OF APPLICABLE FINANCIAL ASSURANCE IN  
EVENT OF OPERATOR'S NON-COMPLIANCE; LEA COUNTY, NEW  
MEXICO.

CASE NO. 13711

**PRE-HEARING STATEMENT**  
**for the OIL CONSERVATION DIVISION**

A. Parties and Attorneys:

Applicant	The New Mexico Oil Conservation Division
Attorney	David K. Brooks

Respondents:	Tempo Energy, Inc. (No appearance)
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The Travelers Indemnity Company  
J. Scott Hall  
Miller Stratvert, P.A.  
P.O. Box 1986  
Santa Fe, NM 87504  
(505)-989-9614

Peterson Petroleum Company  
(No appearance)

Joe D. Peterson  
(No appearance)

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B. Statement of the Case:

The Division seeks an order requiring Tempo Energy, Inc. to plug one well in Lea County, and, in event of non-compliance, forfeiting a \$50,000 surety bond issued by The Travelers Indemnity Company. Travelers contends that Tempo is not the operator of the

well, and that Peterson Petroleum or Joe D. Peterson is the operator. If the Commission finds for Travelers on these issues, then the Division seeks and order requiring Peterson Petroleum and/or Peterson to plug the well.

C. Witnesses for Applicant:

Chris Williams, district supervisor, District I or Gary Wink, oil and gas inspector, District I

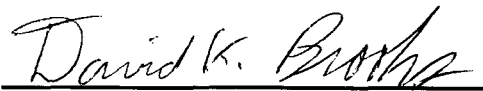
Joe D. Peterson (if he can be located)

D. Time to Present Case: 30 minutes

E. Procedural Matters: None

F. Exhibits Attached; Exhibit list attached as Attachment A.

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

**ATTACHMENT "A"**  
**to PRE-HEARING STATEMENT**

<u>Exhibit No.</u>	<u>Description</u>
1	Inactive Well List - Tempo Energy Inc. (OGRID No. 22212)
2	Well File - San Simon State Well No. 6 (API No. 30-025-29839)
3	Oil and Gas Lease dtd 6/1/1977 - State to HNG Oil Company
4	Assignment dtd 9/1/1977 - HNG Oil Company to HNG Oil Company and Northern Natural Gas Company
5	Assignment dtd 10/1/1987 - Enron Oil & Gas Company, et al to Enron Oil & Gas Company
6	Notification of this case dtd 8/25/2006, together with return receipts.
7	Farmout agreement dtd 1/6/1985 - HNG Oil Company to Joe D. Peterson
8	Amendment of the foregoing, dtd 4/3/1985, executed by HNG Oil Company
9	Copy of the foregoing, dtd 4/3/1985, executed by Inter North, Inc.
10	Consent to assignment of farmout from Joe D. Peterson to V-F Petroleum, Inc., dtd 4/23/1985
11	Copy of the foregoing, executed by InterNorth, Inc.
12	Consent to assignment of farmout from V-F Petroleum, Inc. to Joe D. Peterson, limited to the SE/4 NW/4 of Section 4-22S-35E, dtd 11/13/1985
13	Blanket Plugging Bond dtd 5/31/1985, executed by Tempo Energy, Inc and The Travelers Indemnity Company