

CASE 12945: Continued from October 10, 2002, Examiner Hearing.

Application of the New Mexico Oil Conservation Division for an Order Requiring OK Operating Co. to Properly Plug Two (2) Wells, Imposing Civil Penalties in Event of Failure to Comply, Authorizing the Division to Plug Said Wells in Default of Compliance by OK Operating Co., and Ordering a Forfeiture of Applicable Plugging Bond, if Any; Lea County, New Mexico. The Applicant seeks an order requiring OK Operating Co., the operator of Two (2) inactive wells in Lea County, New Mexico, to properly plug and abandon the same, imposing civil penalties in event of failure to comply, authorizing the Division to plug said wells if the operator fails to do so, forfeiting Operator's plugging bond, if any, and providing for such other relief as the Director deems appropriate. The affected wells are the following:

<u>Operator</u>	<u>Well Name</u>	<u>API No.</u>	<u>Location</u>
OK Operating Co.	Arco Federal No. 1	30-025-27639	E-04-10S-38E
OK Operating Co.	Arco Federal No. 2	30-025-27669	3-04-10S-38E

CASE 12946: Continued from October 10, 2002, Examiner Hearing.

Application of the New Mexico Oil Conservation Division for an Order Requiring Gladstone Resources, Inc. to Properly Plug Two (2) Wells, Imposing Civil Penalties in Event of Failure to Comply, Authorizing the Division to Plug Said Wells in Default of Compliance by Gladstone Resources, Inc., and Ordering a Forfeiture of Applicable Plugging Bonds; Lea County, New Mexico. The Applicant seeks an order requiring Gladstone Resources, Inc., the operator of two (2) inactive wells in Lea County, New Mexico, to properly plug and abandon the same, imposing civil penalties in event of failure to comply, authorizing the Division to plug said wells if the operator fails to do so, forfeiting Operator's plugging bonds, and providing for such other relief as the Director deems appropriate. The affected wells are the following:

<u>Operator</u>	<u>Well Name</u>	<u>API No.</u>	<u>Location</u>
Gladstone Resources	McGarrity Well No.1	30-025-22245	N-06-20S-38E
Gladstone Resources	McNeill Well No. 1	30-025-26880	A-27-19S-38E

CASE 12947: Continued from October 10, 2002, Examiner Hearing.

Application of the New Mexico Oil Conservation Division for an Order Requiring Ammonite Energy Texas, Inc. to Properly Plug One (1) Well, Imposing Civil Penalties in Event of Failure to Comply, Authorizing the Division to Plug Said Well in Default of Compliance by Ammonite Energy Texas, Inc., and Ordering a Forfeiture of Applicable Plugging Bond, if Any; Lea County, New Mexico. The Applicant seeks an order requiring Ammonite Energy Texas, Inc., the operator of One (1) inactive well in Lea County, New Mexico, to properly plug and abandon the same, imposing civil penalties in event of failure to comply, authorizing the Division to plug said well if the operator fails to do so, forfeiting Operator's plugging bond, if any, and providing for such other relief as the Director deems appropriate. The affected well is the following:

<u>Operator</u>	<u>Well Name</u>	<u>API No.</u>	<u>Location</u>
Ammonite Energy Texas, Inc.	Dickinson Cattle Co. 33 Well No. 2	30-025-27818	M-33-14S-38E

CASE 12948: Continued from October 10, 2002, Examiner Hearing.

Application of the New Mexico Oil Conservation Division for an Order Requiring KC Resources, Inc. to Properly Plug Four (4) Wells, Imposing Civil Penalties in Event of Failure to Comply, Authorizing the Division to Plug Said Wells in Default of Compliance by the Operator, and Ordering a Forfeiture of

<u>API #</u>	<u>Last Production/ Injection</u>	<u>Well Name and Number</u>	<u>ULSTR</u>
30-015-20436	08-1981	EAGLE CREEK BL #002	N-23-17S-25E
30-015-20457	01-1998	CONOCO AGK FEDERAL #002	G-26-20S-24E
30-015-20676	03-1986	W L H G4S UNIT #003	N-02-18S-29E
30-015-20892	10-1993	STONEWALL DD COM #001	N-20-20S-28E
30-015-21625	09-1995	FEDERAL BZ COM #012	K-21-17S-25E
30-015-21704	02-1993	CAFFALL FD COM #001	O-15-17S-26E
30-015-22746	02-1997	IRISH HILLS JE STATE COM #001	G-12-19S-24E
30-015-23257	05-1991	IRISH HILLS YESO JE STATE #003	H-12-19S-24E
30-015-23371	11-1996	BENSON DEEP AAS FEDERAL #002	E-34-18S-30E
30-015-23379	03-1993	FEDERAL 33 #001	I-33-20S-26E
30-015-23409	07-1993	NORTH MILLMAN UNIT #002	G-08-19S-28E
30-015-23660	03-1993	STATE 32 COM #001	G-32-20S-26E
30-015-23770	10-1995	FEDERAL BQ COM #007	D-27-17S-25E
30-015-23793	03-1992	SHARP QS COM #001	P-04-17S-26E
30-015-23890	11-1997	SARA AHA COM #001	I-11-20S-24E
30-015-24613	10-1995	FEDERAL CD #004	K-29-17S-25E
30-015-24722	11-1998	SLINKARD UR FEDERAL #002	F-11-20S-29E
30-015-24726	03-1996	FEDERAL CD #008	P-29-17S-25E
30-015-26623	04-1993	DEE 36 SE STATE #003	J-36-19S-24E
30-015-27027	12-1998	JOHN AGU #006	B-14-20S-24E
30-015-27028	12-1998	VANDIVER AIM #001	E-17-18S-26E
30-015-28194	NONE	STONEWALL AOS STATE COM #001	P-20-20S-28E
30-025-28628	11-1988	SWAN VB STATE #003	L-21-14S-33E
30-025-28994	12-1992	SHIPP ZI #002	D-27-16S-37E
30-025-31073	08-1996	HOUR GLASS AEG STATE #001	A-16-18S-35E
30-041-20474	10-1992	L HARRIS FEDERAL #002	G-22-07S-35E
30-041-20688	12-1991	WILCOX TS #002	G-19-07S-32E

CASE 12944: Continued from October 10, 2002, Examiner Hearing.

Application of the New Mexico Oil Conservation Division for an Order Requiring Shanley Oil Company to Properly Plug One (1) Well, Imposing Civil Penalties in Event of Failure to Comply, Authorizing the Division to Plug Said Well in Default of Compliance by Shanley Oil Company, and Ordering a Forfeiture of Applicable Plugging Bond; Roosevelt County, New Mexico. The Applicant seeks an order requiring Shanley Oil Company, the operator of One (1) inactive well in Roosevelt County, New Mexico, to properly plug and abandon the same, imposing civil penalties in event of failure to comply, authorizing the Division to plug said well if the operator fails to do so, forfeiting Operator's plugging bond, and providing for such other relief as the Director deems appropriate. The affected well is the following:

<u>Operator</u>	<u>Well Name</u>	<u>API No.</u>	<u>Location</u>
Shanley Oil Co.	Harris 14 Well No. 1	30-041-20342	B-14-6S-33E

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Applicable Security; Lea County, New Mexico. The Applicant seeks an order requiring KC Resources, Inc., the operator of four (4) inactive wells in Lea County, New Mexico, to properly plug and abandon said wells, imposing civil penalties in event of failure to comply, authorizing the Division to plug said wells if the operator fails to do so, forfeiting Operator's plugging security, and providing for such other relief as the Director deems appropriate. The affected wells are the following:

<u>Operator</u>	<u>Well Name</u>	<u>API No.</u>	<u>Location</u>
KC Resources, Inc.	New Mexico BH State NCT-1 Well No. 1	30-025-08007	C-11-12S-32E
KC Resources, Inc.	New Mexico BH State NCT-1 Well No. 2	30-025-08008	F-11-12S-32E
KC Resources, Inc.	New Mexico BH State NCT-1 Well No. 4	30-025-00110	D-11-12S-32E
KC Resources, Inc.	New Mexico BB State NCT-1 Well No. 2	30-025-08008	N-11-12S-32E

CASE 12949: Continued from October 10, 2002, Examiner Hearing.

Application of the New Mexico Oil Conservation Division for an Order Requiring Skyline Energy, L.L.C. to Properly Plug One (1) Well, Imposing Civil Penalties in Event of Failure to Comply, Authorizing the Division to Plug Said Well in Default of Compliance by Operator, and Ordering a Forfeiture of Applicable Security; Lea County, New Mexico. The Applicant seeks an order requiring Skyline Energy, L.L.C., the operator of one (1) inactive well in Lea County, New Mexico, to properly plug and abandon the same, imposing civil penalties in event of failure to comply, authorizing the Division to plug said well if the operator fails to do so, forfeiting Operator's plugging security, and providing for such other relief as the Director deems appropriate. The affected well is the following:

<u>Operator</u>	<u>Well Name</u>	<u>API No.</u>	<u>Location</u>
Skyline Energy	State B AC-1 Well No.2	30-025-01057	B-11-12S-33E

CASE 12950: Continued from October 10, 2002, Examiner Hearing.

Application of the New Mexico Oil Conservation Division for an Order Requiring Fi-Ro Corporation to Properly Plug Three (3) Wells, Imposing Civil Penalties in Event of Failure to Comply, Authorizing the Division to Plug Said Wells in Default of Compliance by Operator, and Ordering a Forfeiture of Applicable Security; Chaves and Lea Counties, New Mexico. The Applicant seeks an order requiring Fi-Ro Corporation, the operator of two (2) inactive wells in Chaves County, New Mexico and of one (1) inactive well in Lea County, New Mexico, to properly plug and abandon said wells, imposing civil penalties in event of failure to comply, authorizing the Division to plug said wells if the operator fails to do so, forfeiting Operator's plugging security, and providing for such other relief as the Director deems appropriate. The affected wells are the following:

Chaves County

<u>Operator</u>	<u>Well Name</u>	<u>API No.</u>	<u>Location</u>
Fi-Ro Corporation	Gulf State H Well No.1	30-005-00822	H-23-13S-31E
Fi-Ro Corporation	Hondo Holloway State Well No. 1	30-005-00691	F-36-12S-31E

Lea County

<u>Operator</u>	<u>Well Name</u>	<u>API No.</u>	<u>Location</u>
Fi-Ro Corporation	North Caprock Queen Unit 1 Tr 27 Well No. 5Y	30-025-24155	E-08-13S-32E

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the hearing*