

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

**APPLICATION OF THE NEW MEXICO OIL CONSERVATION DIVISION,
THROUGH THE ENFORCEMENT AND COMPLIANCE MANAGER, FOR A
COMPLIANCE ORDER AGAINST AMERICO ENERGY RESOURCES, LLC,
FINDING THAT OPERATOR KNOWINGLY AND WILLFULLY VIOLATED
DIVISION RULE 19.15.3.116 NMAC AS TO TWO WELLS; ORDERING
OPERATOR TO COMPLY WITH SUCH RULE BY A DATE CERTAIN;
ASSESSING PENALTIES; EDDY COUNTY, NEW MEXICO.**

CASE NO. 14079

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ENTRY OF APPEARANCE AND PRE-HEARING STATEMENT

This Pre-Hearing Statement is submitted by Holland & Hart LLP, as required by the Oil Conservation Division.

APPEARANCES

APPLICANT

Oil Conservation Division

APPLICANT'S ATTORNEY

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Energy, Minerals and Natural
Resources Department
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RESPONDENT

Americo Energy Resources, LLC
Oscar Nosrati
7575 San Felipe Ste 200
Houston, Texas 77063
(713) 984-9700

RESPONDENT'S ATTORNEY

Ocean Munds-Dry
Holland & Hart, LLP
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STATEMENT OF THE CASE

The Oil Conservation Division (“OCD”) seeks an order requiring Respondent Americo Energy Resources, LLC, to comply with OCD Rule 19.15.3.116 NMAC (“Rule 116”) and remediate the produced water and oil spills at the East Shugart Unit No. 015 and East Shugart Unit No. 042 in accord with OCD Rule 116 by a date certain.

In addition, OCD is seeking an order finding that Respondent knowingly and willfully violated OCD Rule 116 as to both wells. OCD is asking that civil penalties be assessed against Respondent for its knowing and willful violations of OCD Rule 116 as to both wells.

APPLICANT’S PROPOSED EVIDENCE

WITNESS:	ESTIMATED TIME:
Daniel Sanchez Enforcement and Compliance Manager	45 Minutes
Gerry Guye (by telephone) Compliance Officer, District II	45 Minutes

PROCEDURAL MATTERS

None.

STATEMENT OF CASE

RESPONDENT

Respondent has engaged the services of an environmental company to remediate the spills at the subject wells. Respondent respectfully requests penalties not be assessed at this time.

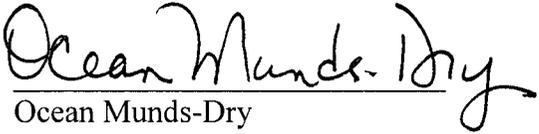
PROPOSED EVIDENCE

RESPONDENT

WITNESSES	ESTIMATED TIME	EXHIBITS
Oscar Nosrati Vice President	Approx. 15 minutes	Approx. 5

PROCEDURAL MATTERS

Americo has none at this time.


Ocean Munds-Dry
Attorney for Americo Energy Resources
LLC

CERTIFICATE OF SERVICE

I certify that on February 20, 2008 I served a copy of the foregoing document to the following by

- U.S. Mail, postage prepaid
- Hand Delivery
- Fax
- Email*

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