

STATE OF NEW MEXICO **RECEIVED**
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION **2009 JAN 30 PM 3 09**

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

**ENTRY OF APPEARANCE AND
PRE-HEARING STATEMENT**

The Oil Conservation Division submits this entry of appearance and pre-hearing statement pursuant to OCD Rule 1211 [19.15.14.1211 NMAC].

APPEARANCES

APPLICANT

Oil Conservation Division

APPLICANT'S ATTORNEY

Sonny Swazo
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Energy, Minerals and Natural
Resources Department
1220 S. St. Francis Drive
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RESPONDENT

Americo Energy Resources, LLC

No entry of appearance filed.

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.

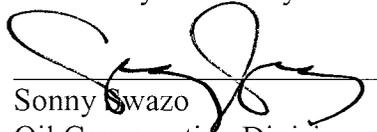
APPLICANT'S PROPOSED EVIDENCE

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

PROCEDURAL MATTERS

None.

Respectfully submitted
this 30 day of January 2008 by

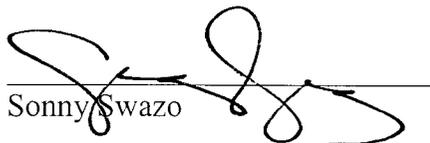


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Attorney for the Oil Conservation Division

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing pleading was served upon the following by email and first class mail this 30 day of January 2008:

Americo Energy Resources, LLC
Attn: Oscar Nosrati, V.P.
7575 San Felipe St., Suite 200
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Email: oscar.nosrati@americoenergy.com



Sonny Swazo