

**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 C W TRAINER PURSUANT TO NMSA 1978,
SECTION 70-2-14(B) ORDERING C W TRAINER TO PLUG AND ABANDON
ALL WELLS IT OPERATES IN NEW MEXICO BY A DATE CERTAIN AND
AUTHORIZING THE DIVISION TO PLUG SAID WELLS AND FORFEIT THE
APPLICABLE FINANCIAL ASSURANCE IN THE EVENT OF NON-
COMPLIANCE; LEA AND CHAVES COUNTIES, NEW MEXICO.**

CASE NO. 14103

AFFIDAVIT OF NOTICE AND PUBLICATION

In accordance with Division Rule 1227.D [19.15.14.1227.D NMAC] and Rule 1210 [19.15.14.1210 NMAC] I hereby certify:

1. Notice of the April 3, 2008 hearing in the above-captioned case was mailed to the following by certified mail, return receipt requested, at least 20 days prior to the hearing date, with a copy of the application:

C.W. Trainer
P.O. Box 754
Midland, TX 79702-0754

U.S. Specialty Insurance Company
13403 Northwest Freeway
Houston, TX 77040

2. Attached to this affidavit as Exhibit A is a copy of the notice, with copies of the certified mail return receipts showing service to C.W. Trainer and U.S. Specialty Insurance Company.

3. The Roswell Daily Record, a newspaper of general circulation in Chaves County, New Mexico, published notice of the April 3, 2008 hearing on March 10, 2008, at a cost of \$79.09 to the State of New Mexico. A copy of the affidavit of publication is attached as Exhibit B.

4. The Lovington Leader, a newspaper of general circulation in Lea County, New Mexico, published notice of the April 3, 2008 hearing on March 8, 2008, at a cost of

\$91.36 to the State of New Mexico. A copy of the affidavit of publication is attached as Exhibit C.


Gail MacQuesten

SUBSCRIBED AND SWORN to before me this 1st day of April 2008.


Notary Public

My Commission Expires:
1-09-2012



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON
Governor
Joanna Prukop

Mark E. Fesmire, P.E.
Director
Oil Conservation Division

February 22, 2008

NOTICE OF HEARING

C.W. Trainer
P.O. Box 754
Midland, TX 79702-0754

Certified Mail No. 7001 1940 0004 7919 4198

U.S. Specialty Insurance Company
13403 Northwest Freeway
Houston, TX 77040

Certified Mail No. 7005 3110 0002 2085 0196

CASE 14103: APPLICATION OF THE NEW MEXICO OIL CONSERVATION DIVISION, THROUGH THE ENFORCEMENT AND COMPLIANCE MANAGER, FOR A COMPLIANCE ORDER AGAINST C W TRAINER PURSUANT TO NMSA 1978, SECTION 70-2-14(B) ORDERING C W TRAINER TO PLUG AND ABANDON ALL WELLS ITS OPERATES IN NEW MEXICO BY A DATE CERTAIN AND AUTHROIZING THE DIVISION TO PLUG SAID WELLS AND FORFEIT THE APPLICABLE FINANCIAL ASSURANCE IN THE EVENT OF NON-COMPLIANCE; LEA AND CHAVES COUNTIES, NEW MEXICO.

Ladies and Gentlemen:

You are hereby notified that the New Mexico Oil Conservation Division (OCD) has filed the above-captioned application for a compliance order against C W Trainer. A copy of the application is enclosed. Notice is hereby being provided to U.S. Specialty Insurance Company as the company through which C W Trainer procured a \$50,000 surety bond, bond number B001539, to secure his obligation to plug and abandon wells in compliance with Division Rules. That security will be forfeited if an Order is entered as requested in the attached

application and the subject wells are not plugged and abandoned in compliance with Division Rules by the date set by the Order.

A hearing on this application will take place before a Division hearing officer on **Thursday, April 3, 2008**, at 8:15 a.m., in Porter Hall, First Floor, 1220 South St. Francis Drive in Santa Fe, New Mexico. At that hearing C W Trainer and U.S. Specialty Insurance Company will have an opportunity to oppose the entry of the order. **If you intend to present evidence at the hearing, you should file a pre-hearing statement at least four business days in advance of the hearing, as required by 19.15.14.1211.B NMAC.** A copy of that rule is enclosed. I have also enclosed a copy of 19.15.14.1212 NMAC, which addresses representation at administrative hearings before the Division.

If you have questions about the application you may call me at (505) 476-3451.

Very truly yours,



Gail MacQuesten
Assistant General Counsel

Encl: Application in Case 14103
Rule1211 [19.15.14.1211 NMAC]
Rule 1212 [19.15.14.1212 NMAC]

Ec: Daniel Sanchez, Compliance and Enforcement Manager
Chris Williams, Supervisor, Hobbs District Office

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 C W TRAINER PURSUANT TO NMSA 1978,
SECTION 70-2-14(B) ORDERING C W TRAINER TO PLUG AND ABANDON
ALL WELLS IT OPERATES IN NEW MEXICO BY A DATE CERTAIN AND
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APPLICABLE FINANCIAL ASSURANCE IN THE EVENT OF NON-
COMPLIANCE; LEA AND CHAVES COUNTIES, NEW MEXICO.

CASE NO. 14103

APPLICATION FOR COMPLIANCE ORDER
AGAINST C W TRAINER

1. C W Trainer ("Trainer") is a sole proprietor operating the following 13 wells under OGRID 3474 in Lea and Chaves Counties, New Mexico:

- Barbara Federal #001 30-025-24598
- Grama Ridge 8 State #001 30-025-30046
- Gulf Deep #001 30-005-01210
- Gulf State Com #001 30-025-23525
- Harris Federal #001 30-025-28551
- Hope State #001 30-025-01059
- Lea DS State #001 30-025-23611
- M&G Medlin #001 30-005-00588
- Morse #001 30-025-04991
- Morse #001 30-025-04995
- Nancy #001 30-025-24582
- Thistle Unit #002 30-025-33424
- Tower #002 30-025-35093

2. C W Trainer posted \$50,000 surety bond number B001539 through U.S. Specialty Insurance Company to secure his obligation to plug and abandon wells on

privately owned or state-owned lands in New Mexico in compliance with the rules of the Oil Conservation Division ("OCD").

3. NMSA 1978, Section 70-2-14(B) provides:

If any of the requirements of the Oil and Gas Act [70-2-1 NMSA 1978] or the rules promulgated pursuant to that act have not been complied with, the oil conservation division, after notice and hearing, may order any well plugged and abandoned by the operator or surety or both in accordance with division rules. If the order is not complied with in the time period set out in the order, the financial assurance shall be forfeited.

4. Trainer is out of compliance with the following rules promulgated pursuant to the Oil and Gas Act:

A. **19.15.13.1115 NMAC.** Operators are required to file a monthly C-115 report for each non-plugged well completion for which the OCD has approved a C-104 authorization to transport, and for each secondary or other enhanced recovery project or pressure maintenance project injection well or other injection well within the state of New Mexico. Reports are due on or before the 15th day of the second month following the month of production. Trainer has not filed C-115 reports for November or December 2007 production. Those reports were due January 15, and February 15, 2008.

B. **19.15.3.101.B NMAC.** Effective January 1, 2008, all state or fee wells that have been inactive for more than two years must be covered by a single well financial assurance. To date, Trainer has not posted single well financial assurances for the following state or fee wells that have been inactive for more than two years:

- Gulf Deep #001 30-005-01210
- Gulf State Com #001 30-025-23525
- Hope State #001 30-025-01059
- Lea DS State #001 30-025-23611
- M&G Medlin #001 30-005-00588
- Morse #001 30-025-04991

- Morse #001 30-025-04995
- Nancy #001 30-025-24582
- Tower #002 30-025-35093

C. **19.15.4.201 NMAC.** A well shall be either properly plugged and abandoned or placed on approved temporary abandonment status within 90 days after a period of one year in which a well has been continuously inactive, or within 90 days after a 60 day period following suspension of drilling operations. The following wells operated by Trainer have not reported production or injection for at least one year plus ninety days, and are not properly plugged and abandoned and are not on approved temporary abandonment status:

- Gulf Deep #001 30-005-01210
- Gulf State Com #001 30-025-23525
- Harris Federal #001 30-025-28551
- Hope State #001 30-025-01059
- Lea DS State #001 30-025-23611
- M&G Medlin #001 30-005-00588
- Morse #001 30-025-04991
- Morse #001 30-025-04995
- Nancy #001 30-025-24582
- Thistle Unit #002 30-025-33424
- Tower #002 30-025-35093

Three of the wells are already subject to plugging order R-12720, issued in Case 13846: Gulf State Com Well No. 1, Harris Federal Well No. 1 and Morse Well No. 1. Trainer failed to comply with the order's requirement that the wells be returned to compliance by May 31, 2007. Case 13846 was brought after Trainer failed to comply with two inactive well agreed compliance orders.

D. **19.15.4.202 NMAC.** As soon as practical but no later than one year after the completion of plugging operations, the operator shall remediate the well site in

accordance with the requirements of 19.15.4.202.B NMAC and file a record of the work done on a Form C-103. Trainer plugged the wellbores of the following wells over one year ago, but has not complied with 19.15.4.202 NMAC:

- Hope State #001 30-025-01059
- Lea DS State #001 30-025-23611
- M&G Medlin #001 30-005-00588
- Nancy #001 30-025-24582
- Tower #002 30-025-35093

E. **19.15.9.116.D NMAC.** The responsible person must complete division-approved corrective action for releases which endanger public health or the environment. By letter of violation dated February 27, 2007 and Notice of Violation dated April 10, 2007, the OCD notified Operator of a spill at the Harris Federal #001. Trainer entered into Agreed Compliance Order 186, which was executed on August 20, 2007. Under the terms of the Order, Trainer agreed to complete cleanup of the releases at the Harris Federal #001 in accordance with an OCD-approved cleanup plan within 60 days. To date, Trainer has not completed the cleanup of the releases.

WHEREFORE, the Enforcement and Compliance Manager of the Division hereby applies to the Director to enter an order:

A. Determining that Trainer is in violation of one or more of the following: 19.15.13.1115 NMAC; 19.15.3.101.B NMAC; 19.15.4.201 NMAC; 19.15.4.202 NMAC; 19.15.9.116.D NMAC;

B. Pursuant to NMSA 1978, Section 70-2-14(B), requiring Trainer to plug and abandon all his wells by a date certain; and if the subject wells are not plugged and abandoned by the date set in the order:

- (1) Authorizing the OCD to plug the wells in accordance with a Division-approved plugging program; and
- (2) If any of the non-compliant subject wells is located on privately owned or state owned lands, authorizing the OCD to declare forfeit the security furnished by the Operator; and

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

RESPECTFULLY SUBMITTED,
this 20th day of February 2008 by



Gail MacQuesten
Assistant General Counsel
Energy, Minerals and Natural
Resources Department of the State of
New Mexico
1220 S. St. Francis Drive
Santa Fe, NM 87505
Phone: (505) 476-3451
FAX: (505) 476-3462
e-mail: gail.macquesten@state.nm.us

Attorney for the New Mexico Oil
Conservation Division

Case No. _____. Application of the New Mexico Oil Conservation Division for a Compliance Order against C W Trainer. The Applicant seeks an order pursuant to NMSA 1978, Section 70-2-14(B) requiring operator to plug and abandon all its wells in New Mexico by a date certain and authorizing the Division to plug said wells and forfeit the applicable financial assurance in the event of non-compliance. The wells at issue are: Barbara Federal #001, I-6-22S-34E, 30-025-24598; Grama Ridge 8 State #001, H-8-22S-34E, 30-025-30046; Gulf Deep #001, C-34-14S-31E, 30-005-01210; Gulf State Com #001, I-4-15S-35E, 30-025-23525; Harris Federal #001, O-5-22S-34E, 30-025-28551; Hope State #001, P-22-12S-33E, 30-025-01059; Lea DS State #001, E-36-19S-34E, 30-025-23611; M&G Medlin #001, D-8-15S-31E, 30-005-00588; Morse #001, E-27-10S-37E, 30-025-04991; Morse #001, A-28-10S-37E, 30-025-04995; Nancy #001, F-5-15S-34E, 30-025-24582; Thistle Unit #002, E-28-23S-33E, 30-025-33424; Tower #002, M-23-12S-33E, 30-025-35093. The Morse wells are located approximately 5 miles northeast of Tatum in Lea County, New Mexico. The Lea DS State #1, Harris Federal #001, Grama Ridge 8 State #001, Barbara Federal #001, and Thistle Unit #002 are located 6 to 9 miles west of Eunice. The Tower #002, Nancy #001, M&G Medlin #001, Hope State #001, Gulf Deep #001 and Gulf State Com #001 are located approximately 2 to 10 miles northwest of Lovington. The Gulf Deep #001 is located in Chaves County, New Mexico; the remaining wells are located in Lea County, New Mexico.

19.15.14.1211 PLEADINGS, COPIES, PRE-HEARING STATEMENTS, EXHIBITS AND MOTIONS FOR CONTINUANCE:

A. Pleadings. Applicants shall file two sets of pleadings and correspondence in cases pending before a division examiner with the division clerk and six sets of pleadings and correspondence in cases pending before the commission with the commission clerk. For cases pending before the commission, the commission clerk shall disseminate copies of pleadings and correspondence to the commission members. The party filing the pleading or correspondence shall at the same time serve a copy of the pleading or correspondence upon each party who has entered an appearance in the case on or prior to the business day immediately preceding the date when the party files the pleading or correspondence with the division or the commission clerk, as applicable. Parties shall accomplish service by hand delivery or transmission by facsimile or electronic mail to any party who has entered an appearance or, if the party is represented, the party's attorney of record. Service upon a party who has not filed a pleading containing a facsimile number or e-mail address may be made by ordinary first class mail. Parties shall be deemed to have made an appearance when they have either sent a letter regarding the case to the division or commission clerk or made an in person appearance at any hearing before the commission or before a division examiner. A written appearance, however, shall not be complete until the appearing party has provided notice to other parties of record. Any initial pleading or written entry of appearance a party other than the applicant files shall include the party's address or the address of the party's attorney and an e-mail and facsimile number if available.

B. Pre-hearing statements.

(1) Any party to an adjudicatory proceeding who intends to present evidence at the hearing shall file a pre-hearing statement, and serve copies on other parties or, for parties that are represented, their attorneys in the manner Subsection A of 19.15.14.1211 NMAC provides, at least four business days in advance of a scheduled hearing before the division or the commission, but in no event later than 5:00 pm mountain time, on the Thursday preceding the scheduled hearing date. The statement shall include:

- (a) the names of the party and the party's attorney;
- (b) a concise statement of the case;
- (c) the names of witnesses the party will call to testify at the hearing, and in the case of expert witnesses, their fields of expertise;
- (d) the approximate time the party will need to present its case; and
- (e) identification of any procedural matters that are to be resolved prior to the hearing.

(2) Any party other than the applicant shall include in its pre-hearing statement a statement of the extent to which the party supports or opposes the issuance of the order the applicant seeks and the reasons for such support or opposition. In cases to be heard by the commission, each party shall include copies of all exhibits that it proposes to offer in evidence at the hearing with the pre-hearing statement. The commission may exclude witnesses the party did not identify in the pre-hearing statement, or exhibits the party did not file and serve with the pre-hearing statement, unless the party offers such evidence solely for rebuttal or makes a satisfactory showing of good cause for failure to disclose the witness or exhibit.

(3) A pre-hearing statement filed by a corporation or other entity not represented by an attorney shall identify the person who will conduct the party's presentation at the hearing and include a sworn and notarized statement attesting that the corporation's or entity's governing body or chief executive officer authorizes the person to present the corporation or entity in the matter.

(4) For cases pending before the commission, the commission clerk shall disseminate copies of pre-hearing statements and exhibits to the commission members.

C. Motions for continuance. Parties shall file and serve motions for continuance no later than 48 hours prior to time the hearing is set to begin, unless the reasons for requesting a continuance arise after the deadline, in which case the party shall file the motion as expeditiously as possible after becoming aware of the need for a continuance.

[19.15.14.1211 NMAC - Rp, 19.15.14.1208 NMAC, 09/30/05]

19.15.14.1212 CONDUCT OF ADJUDICATORY HEARINGS:

A. Testimony. Hearings before the commission or a division examiner shall be conducted without rigid formality. The division or commission shall take or have someone take a transcript of testimony and preserve the transcript as a part of the division's permanent records. Any person testifying shall do so under oath. The division examiner or commission shall designate whether or not an interested party's un-sworn comments and observations are relevant and, if relevant, include the comments and observations in the record.

B. Pre-filed testimony. The division director may order the parties to file prepared written testimony in advance of the hearing for cases pending before the commission. The witness shall be present at the hearing and shall adopt, under oath, the prepared written testimony, subject to cross-examination and motions to strike unless the witness' presence at hearing is waived upon notice to other parties and without their objection. The parties shall number pages of the prepared written testimony, which shall contain line numbers on the left-hand side.

C. Appearances pro se or through an attorney. Parties may appear and participate in hearings either pro se (on their own behalf) or through an attorney. Corporations, partnerships, governmental entities, political subdivisions, unincorporated associations and other collective entities may appear only through an attorney or through a duly authorized officer or member. Participation in adjudicatory hearings shall be limited to parties, as defined in 19.15.14.1208 NMAC, except that a representative of a federal, state or tribal governmental agency or political subdivision may make a statement on the agency's or political subdivision's behalf. The commission or division examiner shall have the discretion to allow any other person present at the hearing to make a relevant statement, but not to present evidence or cross-examine witnesses. Any person making a statement at an adjudicatory hearing shall be subject to cross-examination by the parties or their attorneys.

[19.15.14.1212 NMAC - Rp, 19.15.14.1210 NMAC, 09/30/05]

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

C.W. Trainer
P.O. Box 754
Midland, TX 79702-0754

2. Article Number

(Transfer from service label)

7001 1940 0004 7919 4198

PS Form 3811, August 2001

Domestic Return Receipt

102595-02-M-1540

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X *Megan Shipman* Agent Addressee

B. Received by (Printed Name)

Megan Shipman

C. Date of Delivery

*2/26/08*D. Is delivery address different from item 1? YesIf YES, enter delivery address below: No

3. Service Type

 Certified Mail Express Mail Registered Return Receipt for Merchandise Insured Mail C.O.D.

4. Restricted Delivery? (Extra Fee)

 Yes**SENDER: COMPLETE THIS SECTION**

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

U.S. Specialty Insurance Company
13403 Northwest Freeway
Houston, TX 77040

2. Article Number

(Transfer from service label)

7005 3110 0002 2085 0196

PS Form 3811, August 2001

Domestic Return Receipt

102595-02-M-1540

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X *P. Alexander* Agent Addressee

B. Received by (Printed Name)

P. Alexander

C. Date of Delivery

*2/26/08*D. Is delivery address different from item 1? YesIf YES, enter delivery address below: No

3. Service Type

 Certified Mail Express Mail Registered Return Receipt for Merchandise Insured Mail C.O.D.

4. Restricted Delivery? (Extra Fee)

 Yes

AFFIDAVIT OF PUBLICATION
STATE OF NEW MEXICO

OK
Ed

I, Fran Saunders
Legals Clerk

Of the Roswell Daily Record, a daily newspaper published at Roswell, New Mexico do solemnly swear that the clipping hereto attached was published in the regular and entire issue of said paper and not in a supplement thereof for a period of:

one time

beginning with the issue dated

March 10th 2008

and ending with the issue dated

March 10th 2008

Fran Saunders

Clerk

Sworn and subscribed to before me

this 10th day of March 2008

[Signature]

Notary Public

My Commission expires

June 13, 2010

(SEAL)

79.09

Publish March 10, 2008

NOTICE OF HEARING

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

The State of New Mexico through its Oil Conservation Division hereby gives notice pursuant to law and the Rules and Regulations of the Division of the following public hearing to be held at 8:15 A.M. on April 3, 2008, in the Oil Conservation Division Hearing Room at 1220 South St. Francis Drive, Santa Fe, New Mexico, before an examiner duly appointed for the hearing. If you are an individual with a disability who is in need of a reader, amplifier, qualified sign language interpreter, or any other form of auxiliary aid or service to attend or participate in the hearing, please contact Florene Davidson at 505-476-3458 or through the New Mexico Relay Network, 1-800-659-1779 by March 24, 2008. Public documents, including the agenda and minutes, can be provided in various accessible forms. Please contact Florene Davidson if a summary or other type of accessible form is needed.

STATE OF NEW MEXICO TO:

All named parties and persons
having any right, title, interest
or claim in the following cases
and notice to the public.

(NOTE: All land descriptions herein refer to the New Mexico Principal Meridian whether or not so stated.)

CASE 14103: Application of the New Mexico Oil Conservation Division for a Compliance Order against C W Trainer. Applicant seeks an order pursuant to NMSA 1978, Section 70-2-14(B) requiring operator to plug and abandon all its wells in New Mexico by a date certain and authorizing the Division to plug said wells and forfeit the applicable financial assurance in the event of non-compliance. The wells at issue are: Barbara Federal #001, I-6-22S-34E, 30-025-24598; Grama Ridge B State #001, H-8-22S-34E, 30-025-30046; Gulf Deep #001, C-34-14S-31E, 30-005-01210; Gulf State Com #001, I-4-15S-35E, 30-025-23525; Harris Federal #001, O-5-22S-34E, 30-025-28551; Hope State #001, P-22-12S-33E, 30-025-01059; Lea DS State #001, E-36-19S-34E, 30-025-23611; M&G Medlin #001, D-8-15S-31E, 30-005-00588; Morse #001, E-27-10S-37E, 30-025-04991; Morse #001, A-28-10S-37E, 30-025-04995; Nancy #001, F-5-15S-34E, 30-025-24582; Thistle Unit #002, E-28-23S-33E, 30-025-33424; Tower #002, M-23-12S-33E, 30-025-35093. The Morse wells are located approximately 5 miles northeast of Tatum in Lea County, New Mexico. The Lea DS State #1, Harris Federal #001, Grama Ridge B State #001, Barbara Federal #001, and Thistle Unit #002 are located 6 to 9 miles west of Eunice. The Tower #002, Nancy #001, M&G Medlin #001, Hope State #001, Gulf Deep #001 and Gulf State Com #001 are located approximately 2 to 10 miles northwest of Lovington. The Gulf Deep #001 is located in Chaves County, New Mexico; the remaining wells are located in Lea County, New Mexico.

Given under the Seal of the State of New Mexico Oil Conservation Commission at Santa Fe, New Mexico on this 5th day of March, 2008.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION
Mark E. Fesmire, P. E.
Division Director

SEAL

Affidavit of Publication

STATE OF NEW MEXICO)

) ss. *OK*

COUNTY OF LEA)

fd

Joyce Clemens being first duly sworn on oath deposes and says that she is Advertising Director of **THE LOVINGTON LEADER**, a daily newspaper of general paid circulation published in the English language at Lovington, Lea County, New Mexico; that said newspaper has been so published in such county continuously and uninterruptedly for a period in excess of Twenty-six (26) consecutive weeks next prior to the first publication of the notice hereto attached as hereinafter shown; and that said newspaper is in all things duly qualified to publish legal notices within the meaning of Chapter 167 of the 1937 Session Laws of the State of New Mexico.

That the notice which is hereto attached, entitled

Legal Notice

was published in a regular and entire issue of **THE LOVINGTON LEADER** and not in any supplement thereof, for

one (1) day, beginning with the issue of *March 8*, 2008 and ending with the issue of *March 8*, 2008.

And that the cost of publishing said notice is the sum of \$ *91.36* which sum has been (Paid) as Court Costs.

Joyce Clemens

Subscribed and sworn to before me this *12th* day of *March* 2008

Debbie Schilling

Debbie Schilling

Notary Public, Lea County, New Mexico

My Commission Expires June 22, 2010

NOTICE OF HEARING

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

The State of New Mexico through its Oil Conservation Division hereby gives notice pursuant to law and the Rules and Regulations of the Division of the following public hearing to be held at 8:15 A.M. on April 3, 2008, in the Oil Conservation Division Hearing Room at 1220 South St. Francis Drive, Santa Fe, New Mexico, before an examiner duly appointed for the hearing. If you are an individual with a disability who is in need of a reader, amplifier, qualified sign language interpreter, or any other form of auxiliary aid or service to attend or participate in the hearing, please contact Florene Davidson at 505-476-3458 or through the New Mexico Relay Network, 1-800-659-1779 by March 24, 2008. Public documents, including the agenda and minutes, can be provided in various accessible forms. Please contact Florene Davidson if a summary or other type of accessible form is needed.

**STATE OF NEW MEXICO TO:
All named parties and persons
having any right, title, interest
or claim in the following cases
and notice to the public.**

(NOTE: All land descriptions herein refer to the New Mexico Principal Meridian whether or not so stated.)

CASE: 14103 Application of the New Mexico Oil Conservation Division for a Compliance Order against C.W. Trainer. Applicant seeks an order pursuant to NMSA 1978, Section 70-2-14(B) requiring operator to plug and abandon all its wells in New Mexico by a date certain and authorizing the Division to plug said wells and forfeit the applicable financial assurance in the event of non-compliance. The wells at issue are Barbara Federal #001, I-6-22S-34E, 30-025-24598; Grama Ridge 8 State #001, H-8-22S-34E, 30-025-30046; Gulf Deep #001, C-34-14S-31E, 30-005-01210; Gulf State Com #001, I-4-15S-35E, 30-025-23525; Harris Federal #001, O-5-22S-34E, 30-025-28551; Hope State #001, P-22-12S-33E, 30-025-01059; Lea DS State #001, E-36-19S-34E, 30-025-23611; M&G Medlin #001, D-8-15S-31E, 30-005-00588; Morse #001, E-27-10S-37E, 30-025-04991; Morse #001, A-28-10S-37E, 30-025-04995; Nancy #001, F-5-15S-34E, 30-025-24582; Thistle Unit #002, E-28-23S-33E, 30-025-33424; Tower #002, M-23-12S-33E, 30-025-35093. The Morse wells are located approximately 5 miles northeast of Tatum in Lea County, New Mexico. The Lea DS State #1, Harris Federal #001, Grama Ridge 8 State #001, Barbara Federal #001, and Thistle Unit #002 are located 6 to 9 miles west of Eunice. The Tower #002, Nancy #001, M&G Medlin #001, Hope State #001, Gulf Deep #001 and Gulf State Com #001 are located approximately 2 to 10 miles northwest of Lovington. The Gulf Deep #001 is located in Chaves County, New Mexico; the remaining wells are located in Lea County, New Mexico.

Given under the Seal of the State of New Mexico Oil Conservation Commission at Santa Fe, New Mexico on this 5th day of March, 2008.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION
Mark E. Fesmire, P. E.
Division Director

S E A L

Published in the Lovington Leader March 8, 2008.

**Case 14103
Affidavit of Notice
Exhibit No. C**