



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor

Joanna Prukop
Cabinet Secretary

Lori Wrotenbery

Director

Oil Conservation Division

September 17, 2003

Weststar Exploration Company
P.O. Box 161896
Austin, TX 78716-1896

VIA CERTIFIED MAIL, RETURN RECEIPT REQUESTED

Re: Case No. 13164: Application of the New Mexico Oil Conservation Division for an Order Requiring Weststar Exploration Company to Properly Plug One Well, Imposing Civil Penalties for Failure to Comply, Authorizing the Division to Plug Said Well and Ordering a Forfeiture of Applicable Plugging Bond; Lea County, New Mexico

Ladies and Gentlemen:

You are hereby notified that the New Mexico Oil Conservation Division has filed the referenced Application, a copy of which is enclosed herewith, seeking an Order requiring you to properly plug and abandon one well located in Lea County, New Mexico, specifically identified in said application.

A hearing on this application will take place before a Division hearing officer on Thursday, October 9, 2003, at 8:15 a.m., in Porter Hall, First Floor, 1220 South St. Francis Drive in Santa Fe, New Mexico. At that hearing you will have an opportunity to show cause why an order should not be entered as requested in the Application.

You posted a cash bond, in the amount of \$5,000, account number 091000039211604, Bank of America, depository. That security will be forfeited if an order is entered as requested in the attached application and you fail to comply therewith.

Inquiries concerning this application may be directed to the undersigned in the Santa Fe office of the Division at (505) 476-3451.

Very truly yours,

Gail MacQuesten
Assistant General Counsel

ec: Chris Williams, District Supervisor
Billy Prichard

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

RECEIVED

SEP . 2 2003

APPLICATION OF THE NEW MEXICO OIL CONSERVATION DIVISION,
THROUGH THE SUPERVISOR OF DISTRICT I, FOR AN ORDER REQUIRING
WESTSTAR EXPLORATION COMPANY TO PROPERLY PLUG ONE WELL,
ASSESSING AN APPROPRIATE CIVIL PENALTY IN EVENT OF
OPERATOR'S FAILURE TO COMPLY, AUTHORIZING THE DIVISION TO
PLUG SAID WELL AND ORDERING A FORFEITURE OF APPLICABLE
PLUGGING BOND; LEA COUNTY, NEW MEXICO.

CASE NO. 13164

APPLICATION FOR PLUGGING AND FORFEITURE OF BOND

1. Weststar Exploration Company ("Operator") is the operator of well TPA State #2, API 30-025-22013, located in Unit Letter O, Section 10, Township 11 South, Range 33 East, in Lea County, New Mexico. The said well is hereinafter called the "subject well."

2. Operator has posted a single well cash bond in the amount of \$5,000 to secure its obligation to properly plug and abandon the subject well in the State of New Mexico in compliance with NMSA 1978, Sec. 70-2-14 and O.C.D. Rule 101, which cash bond is conditioned upon compliance with the statutes of the State of New Mexico and the Rules of the Oil Conservation Division ("Division") with respect to the proper plugging and abandonment of the subject well operated by Operator. Bank of America is the financial institution holding the account, and the number of the certificate of deposit or savings account is No. 091000039211604.

- C. Assessing an appropriate civil penalty in event of the Operator's failure to comply.
- D. Further ordering that if the Operator fails to plug and abandon the subject well as ordered by the Director, the Division be authorized: (i) to plug the subject well in accordance with a division-approved plugging program; (ii) to declare forfeit the security furnished by the Operator, if any, to the extent necessary to fully reimburse the Division for its expenses incurred in accomplishing the foregoing; and (iii) to take necessary and appropriate measures to recover from the Operator any costs of plugging the subject well in excess of the amount of the bond or other security, if any.
- E. For such other and further relief as the Director deems just and proper under the circumstances.

RESPECTFULLY SUBMITTED,


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
(505)-476-3451

Attorney for The New Mexico Oil
Conservation Division

Case No. 13164. **Application of the New Mexico Oil Conservation Division for an Order Requiring Weststar Exploration Company to Properly Plug One 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, if Any, Lea County, New Mexico.** The Applicant seeks an order requiring Weststar Exploration Company, the operator of one 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 or wells if the operator fails to do so, forfeiting Operator's plugging security, if any, and providing for such other relief as the Director deems appropriate. The affected well is the following:

TPA State #2, API 30-025-22013, located in Unit Letter O, Section 10, Township 11 South, Range 33 East in Lea County, New Mexico.

SENDER: COMPLETE THIS SECTION		COMPLETE THIS SECTION ON DELIVERY	
<ul style="list-style-type: none"> 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. 		A. Received by (Please Print Clearly)	B. Date of Delivery
1. Article Addressed to: Weststar Exploration Company P. O. Box 161896 Austin, TX 78716-1896		C. Signature <i>[Handwritten Signature]</i>	
2. Article Number (Copy from service label) 7000 0520 0021 6896 3171		<input type="checkbox"/> Agent <input checked="" type="checkbox"/> Addressee	
PS Form 3811, July 1999		D. Is delivery address different from item 1? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If YES, enter delivery address below:	
OCT 01 2003 OIL CONSERVATION DIVISION		3. Service Type <input checked="" type="checkbox"/> Certified Mail <input type="checkbox"/> Express Mail <input type="checkbox"/> Registered <input type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> Insured Mail <input type="checkbox"/> C.O.D.	
Domestic Return Receipt		4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes	
102595-99-M-1789		<i>OCD 13164</i>	

U.S. Postal Service
CERTIFIED MAIL RECEIPT
(Domestic Mail Only; No Insurance Coverage Provided)

7000 0520 0021 6896 3171

Postage	\$	
Certified Fee		
Return Receipt Fee (Endorsement Required)		
Restricted Delivery Fee (Endorsement Required)		
Total Postage & Fees	\$	

Recipient's Name (Please Print Clearly) (To be completed by mailer)
Weststar Exploration Company

Street, Apt. No., or PO Box No.
P. O. Box 161896

City, State, ZIP+4
Austin, TX 78716-1896