



New Mexico Energy, Minerals and Natural Resources Department

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Mark Fesmire
Division Director
Oil Conservation Division



November 2, 2009

Richard Ezeanyim, Hearing Examiner
EMNRD-OCD
1220 S. St. Francis Drive,
Santa Fe, NM 87505

Re: Case No. 14054, Application of the New Mexico Oil Conservation Division for a Compliance Order Against Kimlar Oil Company, Eddy County, New Mexico.

Dear Mr. Ezeanyim:

Ordering Paragraph No. 5 of Order No. R-12967 required Kimlar Oil Company (Kimlar) to "install and/or implement, by January 1, 2009, a spill prevention system approved by the Artesia district office designed to reduce or eliminate stuffing box leaks and other spills from its wells and operations. By June 30, 2009, Kimlar shall provide a written update and status report including record of spills and performance of the new system to the Compliance Manager in Santa Fe with the Division."

The Oil Conservation Division moved to re-open the case when Kimlar failed to install and/or implement a spill prevention system approved by the Artesia district office.

Since the re-opening of the case Kimlar has installed and/or implemented a spill prevention system that Artesia has approved. Therefore, the Oil Conservation Division is respectfully requesting that the case, set for hearing on November 12, 2009, be dismissed.

Sincerely,

Sonny Swazo
OCD Assistant General Counsel

Cc: Kimlar Oil Company
Daniel Sanchez, Compliance and Enforcement Manager
Randy Dade, OCD District II Supervisor
John Bramhall, BLM

