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

APPLICATION OF THE NEW MEXICO OIL CONSERVATION IVISION, THROUGH THE SUPERVISOR OF DISTRICT II, FOR AN ORDER REOUIRING KAISER-FRANCIS OIL CO. TO BRING ONE (1) WELL INTO **COMPLIANCE WITH RULE 201.B, AND ASESSING APPROPRIATE CIVIL** PENALTIES; CHAVES COUNTY, NEW MEXICO

CASE NO. /3065

APPLICATION FOR COMPLIANCE ORDER AND CIVIL PENALTIES

1. SUBJECT WELL

Marquess Com. Well # 1 N-9-23-27

API No. 30-015-22333

Operator:

2.

Kaiser-Francis Oil Co. P.O. Box 21468 Tulsa, OK. 74121

RECEIVED

TIMELINE OF EVENTS AND DATES:

DATE OF LAST PRODUCTION October, 2000

LETTERS OF DIRECTION

- 8-8-2002 deadline of 9-9-2002 (1)
- 9-13-2002 deadline of 10-11-2002 (2)

NOTICE OF VIOLATION LETTER:

Letter sent 12-23-2002. The return receipt signed by "Stan (12-30-2002)" (1) has been delivered to this office. Deadline compliance was 1-31-2003.

FORM C-103

1. Dated 9-5-2002 stated that the operator would attempt to sell the well. If unsuccessful, the well would be plugged.

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Oil Conservation Division

INSPECTION:

Our last inspection was on 2-3-2003. At that time there was no activity and the well was not producing.

WHEREFORE, the Supervisor of District II of the Division hereby applies to the Director to enter an order:

- A. Specifically ordering Operator to bring such the subject well into compliance with OCD rules within a specified time fixed in said order by taking one of the following actions:
 - (i) causing such well to be plugged and abandoned in accordance with Division rules.
 - (ii) restoring such well to production or other Divisionapproved beneficial use,
 - (iii) applying to the Division for permission to place such well
 in "temporary abandonment" status pursuant to Division
 Rule 203, or
 - (iv) truly and accurately reporting to the Division any production from or injection into any of said wells which has, in fact, occurred and not been reported to the Division.
 - B. Assessing an appropriate civil penalty against Operator for failure to take action to remedy the non-compliance of the subject wells

after notice and demand from the Division to do so; such penalty to be not less than \$1,000.

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RESPECTFULLY SUBMITTED,

avid K. Brooks

David K. Brooks 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)-476-3450

Attorney for The New Mexico Oil Conservation Division Case No. <u>13066</u>: Application of the New Mexico Oil Conservation Division for an Order Requiring Kaiser-Francis Oil Co. to Bring One (1) Well into Compliance with Rule 201.B, and Assessing Appropriate Civil Penalties; Eddy County, New Mexico. The Applicant seeks an order requiring Kaiser-Francis Oil Co. to bring one inactive well located in Eddy County, New Mexico into compliance with OCD Rule 201.B by either restoring said well to production or beneficial use, plugging and abandoning said well or securing Division approval for temporary abandonment thereof, and seeks civil penalties. The affected wells is the following:

Marquess Com. Well # 1 N-9-23-27 API No. 30-015-2233

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