

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

**APPLICATION OF THE NEW MEXICO OIL CONSERVATION DIVISION,  
THROUGH THE SUPERVISOR OF DISTRICT II, FOR AN ORDER  
REQUIRING JIM PIERCE TO BRING THREE (3) WELLS INTO  
COMPLIANCE WITH RULE 201.B, AND ASSESSING APPROPRIATE CIVIL  
PENALTIES; EDDY COUNTY, NEW MEXICO**

CASE NO. 13066

**APPLICATION FOR COMPLIANCE ORDER AND CIVIL PENALTIES**

1. SUBJECT WELLS

State "S" # 2	A-12-19-29	API# 30-015-03582
Leonard "A" State #1	B-12-19-29	API# 30-015-03603
Leonard State # 4	I-1-19-29	API# 30-015-03539

Operator:

Jim Pierce  
Petroleum Bldg. 200 W. 1<sup>st</sup>, Suite 8549  
Roswell, New Mexico 88203

2. TIMELINE OF EVENTS AND DATES:

DATE OF LAST PRODUCTION

Leonard A State #1	August, 2001
Leonard State #4	April 1998
State "S" # 2	October 1994

NOTICE OF VIOLATION LETTER:

Letter sent January 30, 2003.

INSPECTION:

Our last inspections were on 3-4-03 and 3-5-03. At that time there was no activity, and the wells were not in compliance.

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Oil Conservation Division

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

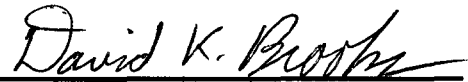
A. Specifically ordering Operator to bring the subject wells into compliance with OCD rules within a specified time fixed in said order by taking one of the following actions with respect to each of said wells:

- (i) causing such wells to be plugged and abandoned in accordance with Division rules.
- (ii) restoring such wells to production or other Division-approved beneficial use,
- (iii) applying to the Division for permission to place such wells 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 per well.

RESPECTFULLY SUBMITTED,

A handwritten signature in cursive script, reading "David K. Brooks", written over a horizontal line.

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. 13066 : **Application of the New Mexico Oil Conservation Division for an Order Requiring Jim Pierce to Bring Three (3) Wells into Compliance with Rule 201.B, and Assessing Appropriate Civil Penalties; Eddy County, New Mexico.** The Applicant seeks an order requiring Jim Pierce to bring three inactive wells located in Eddy County, New Mexico into compliance with OCD Rule 201.B by either restoring said wells to production or beneficial use, plugging and abandoning said wells or securing Division approval for temporary abandonment thereof, and seeks civil penalties. The affected wells are the following:

State "S" # 2	A-12-19-29	API# 30-015-03582
Leonard "A" State #1	B-12-19-29	API# 30-015-03603
Leonard State # 4	I-1-19-29	API# 30-015-03539

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