

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

**APPLICATION OF THE NEW MEXICO OIL CONSERVATION DIVISION
COMPLIANCE AND ENFORCEMENT BUREAU FOR A COMPLIANCE ORDER
AGAINST LANEXCO, INC. FOR WELLS OPERATED IN CHAVES, EDDY, AND
LEA COUNTIES, NEW MEXICO.**

**CASE NO. 15446
ORDER NO. R-14183**

ORDER OF THE DIVISION

BY THE DIVISION:

This case came on for hearing at 8:15 a.m. on May 12, 2016, at Santa Fe New Mexico, before Examiner Phillip R. Goetze and again on June 9, 2016 before Examiner Scott Dawson.

NOW, on this 28th day of June, 2016, the Division Director, having considered the testimony, the record, and the recommendations of the Examiners,

FINDS THAT:

(1) Due public notice has been given and the Division has jurisdiction of this case and the subject matter.

(2) The Oil Conservation Division's Compliance and Enforcement Bureau ("OCD") made application for a compliance order against Lanexco, Inc. The OCD appeared through counsel at the Examiner hearing on May 12, 2016 and announced that negotiations for a settlement agreement were under way.

(3) Due notice has been provided and no other party entered an appearance or otherwise opposed this case.

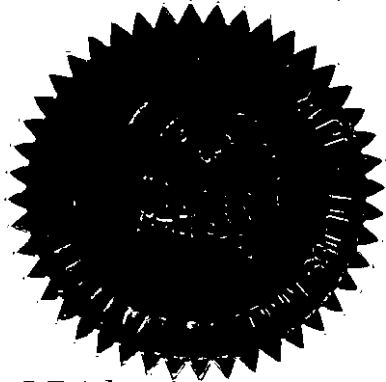
(4) After negotiations, the Director of the Oil Conservation Division and Lanexco, Inc. have entered into a Settlement Agreement. Said agreement is shown in Case No. 15446 as Exhibit "A" to OCD's "Motion for Dismissal" dated June 8, 2016 – and presented at the June 9, 2016 hearing.

(5) The Division finds that the settlement agreement is binding and that, accordingly, Case No. 15446 should be dismissed.

IT IS THEREFORE ORDERED THAT:

(1) The application of the New Mexico Oil Conservation Division Compliance and Enforcement Bureau for a compliance order against Lanexco, Inc. for wells operated in Chaves, Eddy, and Lea Counties, New Mexico is hereby dismissed without prejudice.

Done at Santa Fe, New Mexico on the day and year hereinabove designated.



SEAL

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

David R. Catanach

DAVID R. CATANACH
Director