

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

APPLICATION OF THE NEW MEXICO OIL CONSERVATION DIVISION, THROUGH THE ENFORCEMENT AND COMPLIANCE MANAGER, FOR A COMPLIANCE ORDER AGAINST JACKIE BREWER D/B/A SANDLOTT ENERGY, FINDING THAT OPERATOR KNOWINGLY AND WILLFULLY VIOLATED RULE 19.15.3.116 NMAC; ORDERING OPERATOR TO RETURN WELLS TO COMPLIANCE BY A DATE CERTAIN; ORDERING OPERATOR TO PLUG THE WELLS AND AUTHORIZING THE DIVISION TO PLUG THE WELLS AND FORFEIT THE APPLICABLE FINANCIAL ASSURANCE IF OPERATOR FAILS TO COMPLY WITH THE ORDER; ASSESSING PENALTIES; EDDY COUNTY, NEW MEXICO.

CASE NO. 14074
ORDER NO. R-12961-A

ORDER STAYING PAYMENT OF PENALTY ASSESSMENT

THIS MATTER came before the commission on the motion of Jackie Brewer, d/b/a/ Sandlot Energy, to stay Division Order No. R-12961. Having reviewed the motion, and being otherwise duly advised, the Commission finds that portions of Brewer's motion are well taken and should be granted.

9

IT IS THEREFORE ORDERED that the ordering paragraph 3 of Division Order No. R-12961 stating:

"The Operator is also hereby ordered to pay a penalty of \$48,000 on or before July 30, 2008, for knowing and willful violations of Division Rules 19.15.13.116 NMAC, 19.15.1.13.B NMAC, and 19.15.2.52.A NMAC. Should the Operator fail to pay this penalty by July 30, 2008, additional penalties of \$1,000 per day shall be assessed until the penalties are paid in full."

is hereby stayed pending the outcome of the appeal of Order No. R-12961 in Case No. 14074. All other provisions of Order No. R-12961 remain in full force and effect and must be complied with according to the requirements set out in that order.

Done on the 25th day of July, 2008 in Santa Fe, New Mexico.

A handwritten signature in black ink, appearing to read "Mark E. Fesmire", written over a horizontal line.

Mark E. Fesmire, PE
Chairman, NM Oil Conservation Commission