

NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON Governor Joanna Prukop Cabinet Secretary Acting Director Oil Conservation Division

April 7, 2004

Mr. Terry Davis Inter-Continental Energy Inc. 100 East 15th St., Suite 320 Fort Worth, TX 76102

Certified Mail # 7099 3220 0009 7873 1094

Inter-Continental Energy Inc. 200 River Pointe Drive, Suite 200 Conroe, TX 77304

Certified Mail # 2099 3220 0009 7873 /087

Greg Elison, Registered Agent for Inter-Continental Energy Inc. 9812 Pitt Place, NE Albuquerque, NM 87111

Certified Mail # 7099 3220 0009 7875 1070

RLI Insurance Company 8 Greenway Plaza, #400 Houston, TX 77046

Certified Mail # 7099 3220 0009 7873 1063

VIA CERTIFIED MAIL, RETURN RECEIPT REQUESTED

Re: Case No. 13258, APPLICATION OF THE NEW MEXICO OIL CONSERVATION DIVISION, THROUGH THE SUPERVISOR OF DISTRICT III, FOR AN ORDER REQUIRING INTER-CONTINENTAL ENERGY INC. TO BRING ONE WELL INTO COMPLIANCE WITH 19.15.4.201 NMAC and 19.15.4.202 NMAC, ASSESSING APPROPRIATE CIVIL PENALTIES, AUTHORIZING THE DIVISION TO PLUG SAID WELL AND ORDERING A FORFEITURE OF THE APPLICABLE PLUGGING BOND; RIO ARRIBA COUNTY, NEW MEXICO.

Ladies and Gentlemen:

You are hereby notified that the New Mexico Oil Conservation Division has filed the referenced Application, a copy of which is enclosed herewith, seeking an Order requiring you to properly plug and abandon one well located in Rio Arriba County, New Mexico, specifically identified in said application.

Oil Conservation Division * 1220 South St. Francis Drive * Santa Fe, New Mexico 87505 Phone: (505) 476-3440 * Fax (505) 476-3462 * <u>http://www.emnrd.state.nm.us</u> A hearing on this application will take place before a Division hearing officer on Thursday, April 29, 2004, at 8:15 a.m., in Porter Hall, First Floor, 1220 South St. Francis Drive in Santa Fe, New Mexico. At that hearing you will have an opportunity to show cause why an order should not be entered as requested in the Application.

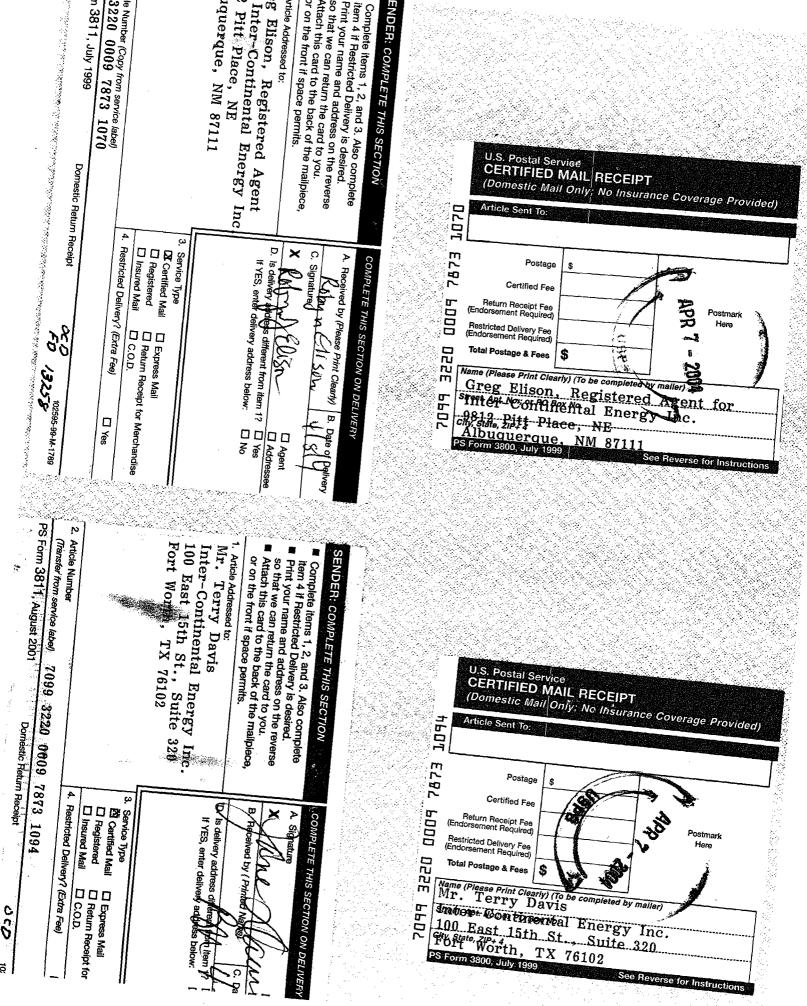
You posted a surety bond, in the amount of \$5,000, No. RLB0001913 issued by RLI Insurance Company. That security will be forfeited if an order is entered as requested in the attached application and you fail to comply therewith.

Inquiries concerning this application may be directed to the undersigned in the Santa Fe office of the Division at (505)-476-3451.

Gail MacQuesten

Assistant General Counsel

ec: Charlie Perrin, District III



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