

**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 I, FOR AN ORDER REQUIRING TOMMY L. WILLYARD AND TOMMY L. WILLYARD JR. DBA R.W. OIL COMPANY TO BRING FOUR WELLS INTO COMPLIANCE WITH 19.15.4.201 NMAC, ASSESSING AN APPROPRIATE CIVIL PENALTY IN THE EVENT OF NON-COMPLIANCE, AUTHORIZING THE DIVISION TO PLUG SAID WELLS AND ORDERING A FORFEITURE OF THE APPLICABLE PLUGGING BOND; CHAVES COUNTY, NEW MEXICO.

CASE NO. 13412

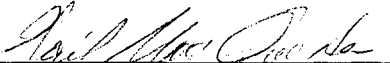
CERTIFICATE OF NOTICE

In accordance with Division Rule 1207 (19.15.14.1207 NMAC) I hereby certify that notice of the February 3, 2005 hearing setting in the above-captioned case, with a copy of the application, was mailed to the following by certified mail, return receipt requested, at least 20 days prior to that hearing date:

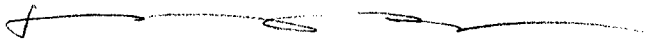
Tommy L. Willyard, Jr.
Tommy L. Willyard
P.O. Box 1209
Lovington, NM 88260

Underwriters Indemnity Company
8 Greenway Plaza, Suite 400
Houston, TX 77046

A copy of the notice with the certified mail receipts is "Attachment A" to this certificate.


Gail MacQuesten

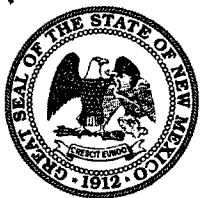
SUBSCRIBED AND SWORN to before me this 25th day of January, 2005.


Notary Public

My Commission Expires:

4/2/07

**Before the OCD
Case 13412
OCD Ex. 10**



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor

Joanna Prukop

Cabinet Secretary

Mark E. Fesmire, P.E.

Director

Oil Conservation Division

January 12, 2005

Tommy L. Willyard, Jr.
Tommy L. Willyard
P.O. Box 1209
Lovington, NM 88260
Certified Mail No. 7099 3220 0009 7873 1513

Underwriters Indemnity Company
8 Greenway Plaza, Suite 400
Houston, TX 77046
Certified Mail No. 7099 3220 0009 7873 1506

CASE NO. 13412: APPLICATION OF THE NEW MEXICO OIL CONSERVATION DIVISION, THROUGH THE SUPERVISOR OF DISTRICT I, FOR AN ORDER REQUIRING TOMMY L. WILLYARD AND TOMMY L. WILLYARD JR. DBA R.W. OIL COMPANY TO BRING FOUR WELLS INTO COMPLIANCE WITH 19.15.4.201 NMAC, ASSESSING AN APPROPRIATE CIVIL PENALTY IN THE EVENT OF NON-COMPLIANCE, AUTHORIZING THE DIVISION TO PLUG SAID WELLS AND ORDERING A FORFEITURE OF THE APPLICABLE PLUGGING BOND; CHAVES COUNTY, NEW MEXICO.

Ladies and Gentlemen:

You are hereby notified that the New Mexico Oil Conservation Division has filed the above-captioned Application seeking an order requiring Tommy L. Willyard and Tommy L. Willyard Jr. dba R.W. Oil Company to bring the following four wells into compliance with Division rules by plugging and abandoning the well, securing temporary abandonment status for the well, or returning the well to a Division-approved beneficial use:

Reno Federal #001, API 30-005-00548, UL L, Sec. 3, 15S, 31E, Chaves Co.
Reno Federal #002, API 30-005-10151, UL M, Sec. 3, 15S, 31E, Chaves Co.
Reno Federal #003, API 30-005-10152, UL K, Sec. 3, 15S, 31E, Chaves Co.
Reno Federal #004, API 30-005-10153, UL N, Sec. 3, 15S, 31E, Chaves Co.

A copy of the Application is enclosed.

A hearing on this application will take place before a Division hearing officer on Thursday, February 3, 2005, 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. If you intend to present evidence at the hearing, you should file a pre-hearing statement at least four days in advance of the hearing, as required by 19.15.14.1208.B NMAC.

Attachment A

"Tommy L. Willyard dba RW Oil Co." posted a \$50,000 blanket plugging bond, number BO4841, through Underwriters Indemnity Company, to secure the operator's obligation to plug and abandon the wells identified above in compliance with Division rules. That security will be forfeited if an order is entered as requested in the attached application and the wells are not brought into compliance with Division rules by the date set by the order.

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

Very truly yours,

A handwritten signature in cursive script, appearing to read "Gail MacQuesten".

Gail MacQuesten

Assistant General Counsel

Ec: Chris Williams and Billy Prichard, District I

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Underwriters Indemnity Company
8 Greenway Plaza, Ste 400
Houston, TX 77046

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X *[Signature]*

☐ Agent☐ Addressee

B. Received by (Printed Name)

TAYLOR

C. Date of Delivery

11/18/05

D. Is delivery address different from item 1? ☐ Yes

If YES, enter delivery address below: ☐ No

3. Service Type

☒ Certified Mail☐ Express Mail☐ Registered☐ Return Receipt for Merchandise☐ Insured Mail☐ C.O.D.

4. Restricted Delivery? (Extra Fee)

☐ Yes

2. Article Number

(Transfer from service label)

7099 3220 0009 7873 1506

PS Form 3811, August 2001

Domestic Return Receipt

102595-02-M-1540

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Tommy L. Willyard, Jr.

Tommy L. Willyard

P.O. Box 1209 80 Simpson Rd
Lovington, NM 88260

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X *[Signature]*

☐ Agent☐ Addressee

B. Received by (Printed Name)

[Signature]

C. Date of Delivery

11/15/05

D. Is delivery address different from item 1? ☐ Yes

If YES, enter delivery address below: ☐ No

3. Service Type

☒ Certified Mail☐ Express Mail☐ Registered☐ Return Receipt for Merchandise☐ Insured Mail☐ C.O.D.

4. Restricted Delivery? (Extra Fee)

☐ Yes

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