

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

**IN THE MATTER OF THE HEARING CALLED BY THE OIL
CONSERVATION DIVISION FOR THE PURPOSE OF CONSIDERING:**

CASE NO. 12981

**APPLICATION OF THE NEW MEXICO OIL CONSERVATION DIVISION
THROUGH THE SUPERVISOR OF DISTRICT I, FOR AN ORDER REQUIRING
JIMMY ROBERTSON ENERGY CORPORATION TO PROPERLY PLUG AND
ABANDON SIXTEEN (16) WELL(S), ASSESSING AN APPROPRIATE CIVIL
PENALTY IN EVENT OF OPERATOR'S FAILURE TO COMPLY,
AUTHORIZING THE DIVISION TO PLUG SAID WELL(S) AND ORDERING A
FORFEITURE OF APPLICABLE PLUGGING BOND, IF ANY; LEA AND
ROOSEVELT COUNTIES, NEW MEXICO.**

PRE-HEARING STATEMENT

This Pre-Hearing Statement is submitted by the Oil Conservation Division as required by Rule 1208.B.

PARTIES

APPLICANT

New Mexico Oil Conservation Division

ATTORNEY

David K. Brooks
Energy Minerals and Natural
Resources Department of the State of
New Mexico
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RESPONDENT

Jimmy Robertson Energy Corporation

Underwriters Indemnity Company

ATTORNEY

No appearance entered.

No appearance entered.

STATEMENT OF THE CASE

Applicant will show that the above named operator is the operator of the wells identified in the Application.

The operator reported production for the month of December, 2001 for two of the identified wells, namely:

Hardin B #4	30-025-07354	990FNL/1650FWL	C-18-18S-38E
Rice #3	30-025-05444	990FNL/480FEL	A-13-18S-37E

The Division will request dismissal of the application as to the above two wells. The remaining wells identified in the application are inactive, have been inactive for a longer time than authorized by Rule 201, and have not been temporarily abandoned. Applicant will offer evidenced that the condition of the well(s) is such that plugging thereof is necessary for the prevention of waste, protection of correlative rights and protection of the environment, and that, in event of the operator's failure to plug same, the Division should be authorized to plug said well(s), to forfeit the bond furnished by operator on which respondent Underwriters Indemnity Company is surety, and to seek reimbursement from operator for any excess of plugging costs incurred by the Division over and above the amount realized from forfeiture of such bond. Also to be considered will be the propriety of the plugging procedure proposed by the Division staff.

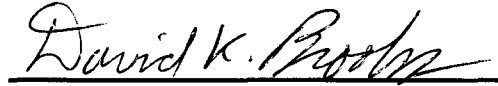
PROPOSED EVIDENCE

<u>WITNESS</u>	<u>EST. TIME</u>	<u>EXHIBITS</u>
Jane Prouty	5 min.	1
Dorothy Phillips	2 min.	1
Chris Williams (by telephone)	15 min.	4

PROCEDURAL MATTERS

None anticipated.

RESPECTFULLY SUBMITTED,

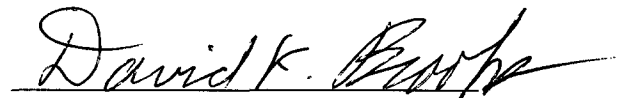


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Attorney for The New Mexico Oil
Conservation Division

CERTIFICATE OF SERVICE

I hereby certify that copies of this Pre-Hearing Statement have been served on respondent(s) by mailing same to the same to each respondent at the address to which notice of this hearing was directed.



David K. Brooks