

District I  
1625 N. French Dr., Hobbs, NM 88240  
District II  
811 South First, Artesia, NM 88210  
District III  
1000 Rio Brazos Road, Aztec, NM 87410  
District IV  
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico  
Energy Minerals and Natural Resources

Form C-104A  
August 11, 2000

Oil Conservation Division  
2040 South Pacheco  
Santa Fe, NM 87505

Submit 1 copy of the final affected wells  
list along with 2 copies of this form per  
number of wells on that list to appropriate  
District Office

## Change of Operator

### Previous Operator Information:

OGRID: 153653  
Name: Ready Oil & Gas Management  
Address: P. O. Box 381  
Address: \_\_\_\_\_  
City, State, Zip: Artesia, NM 88211-0381

### New Operator Information:

Effective Date: August 1, 2001  
New Ogrid: + 99439  
New Name: Jim Pierce  
Address: 200 West First Street  
Address: Suite 859  
City, State, Zip: Roswell, NM 88203

I hereby certify that the rules of the Oil Conservation Division have been complied with and that the information on this form and the attached list of wells is true and complete to the best of my knowledge and belief.

New Operator

Signature: \_\_\_\_\_

Printed name: Jim Pierce

Title: Owner/Sole Proprietor

Date: August 1, 2001 Phone: (505)622-7246

Previous operator complete below:

Previous Operator: Ready Oil and Gas Management  
Previous OGRID: #153653  
Signature: \_\_\_\_\_  
Printed Name: Buddy DeLong

### NMOCD Approval

Signature: \_\_\_\_\_

Printed

Name: SUPERVISOR, DISTRICT II

District: \_\_\_\_\_

Date: JAN 04 2002

WELLS INVOLVED IN OPERATOR CHANGE  
FINAL LIST WITH CLOA

DEC 17, 2001

This is a final list of wells being transferred. If all bonding requirements are satisfied, submit this list to the OGD District with your 9104.

PREVIOUS OPERATOR: 151653 READY OIL & GAS

NEW OPERATOR:

99439 - Jim Pierce

OGD DISTRICT: ANTERIA

PROP- WELL NAME	OGD UNIT	WELL TYPE	POOL NAME	LAST PROD/IN
27553 LEONARD STATE #004	30-015-03539	I	60520 TURKEY TRACK, QUEEN, EAST	06-1996 - 28810
27551 LEONARD A STATE #001	30-015-03503	O	60520 TURKEY TRACK, QUEEN, EAST	08-2001 - 28811
27552 STATE S #002	30-015-03543	O	60520 TURKEY TRACK, QUEEN, EAST	10-1996 - 28807

Submit 3 Copies To Appropriate District Office

District I

1625 N. French Dr., Hobbs, NM 88240

District II

1301 W. Grand Ave., Artesia, NM 88210

District III

1000 Rio Hrazos Rd., Aztec, NM 87410

District IV

1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico  
Energy, Minerals and Natural ResourcesOIL CONSERVATION DIVISION  
1220 South St. Francis Dr.  
Santa Fe, NM 87505Form C-103  
Revised March 25, 1999

<b>SUNDRY NOTICES AND REPORTS ON WELLS</b> (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.) 1. Type of Well: Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/>		WELL API NO. 30-015-03603 5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/> 6. State Oil & Gas Lease No. B-7717
2. Name of Operator Jim Pierce		7. Lease Name or Unit Agreement Name: Leonard "A" State
3. Address of Operator 200 W. 1st Street Suite #859 Roswell, NM 88203		8. Well No. 1
4. Well Location Unit Letter <u>B</u> : <u>330</u> feet from the <u>North</u> line and <u>1650</u> feet from the <u>East</u> line Section <u>12</u> Township <u>19S</u> Range <u>29E</u> NMPM Eddy County NM		9. Pool name or Wildcat East Turkey Track
10. Elevation (Show whether DR, RKB, RT, GR, etc.)		

## 11. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

## NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐  
 TEMPORARILY ABANDON ☒ CHANGE PLANS ☐  
 PULL OR ALTER CASING ☐ MULTIPLE COMPLETION ☐  
 OTHER: ☐

## SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐  
 COMMENCE DRILLING OPNS. ☐ PLUG AND ABANDONMENT ☐  
 CASING TEST AND CEMENT JOB ☐  
 OTHER: ☐

12. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

- Set 4½" bridge CIBP less than 100 feet above perfs (top perf 2,190')
- Run MIT - As Per Rule 203 - Give Notice to OCD Prior
- T & A if MIT establishes integrity.

B. Fails integrity, plug upon commission Approval

Approval needed prior to Plugging

Notify OCD **24 hours**  
prior to test. 748-1283

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE [Signature] TITLE Owner/Sole Proprietor DATE 04/24/03

Type or print name:

(This space for State use)

APPROVED BY [Signature]

Conditions of approval, if any:

TITLE Wild Sep ID

Telephone No.

DATE **APR 28 2003**

**JIM PIERCE**

OIL AND GAS PROPERTIES  
SUITE 859  
PETROLEUM BUILDING  
200 WEST FIRST  
ROSWELL, NEW MEXICO 88203

PHONE 505-622-7246  
FAX 505-622-1711  
EMAIL: jplandman@dfn.com

April 24, 2003

NMOCD

New Mexico Energy, Minerals and Natural Resources Department  
1301 West Grand Avenue  
Artesia, NM 88210

Attention: Mr. Van Barton, Field Rep. II

RE: Form C-103 submittals  
Leonard State #4/30-015-03539  
Leonard "A" State #1/30-015-03603  
State "S" #2/30-015-03582  
Section 12, T19S, R29E, NMPM,  
Eddy County, NM



Dear Mr. Barton:

Included herewith are original Form C-103's stipulating the proposed actions being initiated in bringing the captioned wells into compliance.

Service companies will be on these wells beginning Tuesday, April 29, 2003, to begin subject procedures.

Since previous field representatives, "Ready Oil and Gas Management" and "Morexco", failed to get subject wells into compliance, I have approached Mr. Tim Collier to complete all necessary remedial work to bring subject wells into compliance.

I believe that Tim has been in contact with you recently.

I appreciate your help and consideration in this matter.

Please contact us should you have questions, need additional information, or have further instructions.

Truly,

  
Jim Pierce, RLP

Encl.

Xc: Mr. Tim Collier



# NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

**BILL RICHARDSON**

Governor

**Joanna Prukop**

Cabinet Secretary

**Lori Wrotenbery**

Director

**Oil Conservation Division**

10 March 2003

TO: Jim Pierce  
Petroleum Bldg. 200 W. 1<sup>st</sup>, Suite 8549  
Roswell, New Mexico 88203

RE: PETITION FOR COMPLIANCE HEARING

State "S" # 2	A-12-19-29	API# 30-015-03582
Leonard "A" State #1	B-12-19-29	API# 30-015-03603
Leonard State # 4	I-1-19-29	API# 30-015-03539

Dear Mr. Pierce,

I am in receipt of your fax dated March 7, 2003. If the wells are in compliance prior to the hearing, it will be waived. For this to happen, all paperwork must be filed correctly and the wells in physical compliance.

Copy of petition to David Brooks attached.

Van Barton  
Field Rep. II



# NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

**BILL RICHARDSON**

Governor

**Joanna Prukop**

Cabinet Secretary

**Lori Wrotenbery**

Director

**Oil Conservation Division**

30 January 2003

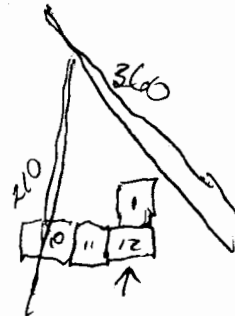
**Via Certified Mail**

Jim Pierce

Petroleum Bldg. 200 W. 1st, Suite 859

Roswell, New Mexico 88203

*3/5/03  
NIC @ well site*



**RE:**

State "S" #2	<i>3/5/03 NIC</i>	A-12-19-29	API# 30-015-03582
Leonard "A" State #1	<i>3/5/03 NIC</i>	B-12-19-29	API# 30-015-03603
Leonard State #	<i>4-3/5/03 NIC</i>	I-1-19-29	API# 30-015-03539

Dear Mr. Pierce,

This letter is being sent in part because all of the other correspondence dating back to 17 June, 2002 have caused the wells to be brought into compliance.

Rule 201 of the New Mexico Oil Conservation Division provides as follows:

**201 WELLS TO BE PROPERLY ABANDONED**

201.A. The operator of any well drilled for oil, gas or injection; for seismic, core or other exploration, or for a service well, whether cased or uncased, shall be responsible for the plugging thereof. [7-12-90...2-1-96]

201.B. A well shall be either properly plugged and abandoned or temporarily abandoned in accordance with these rules within ninety (90) days after:

- (1) A sixty (60) day period following suspension of drilling operations, or
- (2) A determination that a well is no longer usable for beneficial purposes, or
- (3) A period of one (1) year in which a well has been continuously inactive.

While a single well bond may cover your wells, this does not entitle them to be left out of compliance indefinitely. Please submit a form C-103 detailing how they will be brought into compliance. Please have these forms in the Artesia office on or before 28 February, 2003.

Thank you for your help

Van Barton  
Field Rep. II

**JIM PIERCE**

OIL AND GAS PROPERTIES  
SUITE 850  
PETROLEUM BUILDING  
200 WEST FIRST  
ROSWELL, NEW MEXICO 88203

PHONE 505-622-7246  
FAX 505-622-1711  
EMAIL: jplandman@dm.com

March 7, 2003

Mew Mexico Energy, Minerals and Natural Resources Department  
Oil Conservation division  
1301 West Grand Avenue  
Artesia, NM 88210

Attention: Mr. Van Barton, Field Representative

Re: Well Compliance Reports  
State "S" #2/API# 30-015-03582  
Leonard "A" State #1/API# 30-015-03603  
Leonard State #4/API# 30-015-03539  
Eddy County, NM

Dear Mr. Barton:

It has just been brought to my attention that my field operations representative, Morexco, Inc., did not provide you with the forms C-103 regarding the captioned wells, per your letter dated January 30, 2003 (copy provided).

I have enlisted the services of another field operations manager who will hand deliver said C-103's to the Artesia District II office Monday, March 10, 2003.

I have also made arrangements with a company to 'swab' subject wells in an effort to produce oil and gas, prior to the installation of the additional equipment necessary to produce by pumping.


All flow lines and tanks have been inspected and/or repaired to enable this company to move fluid and produce subject wells on or before Friday, March 14, 2003.

Production reports will be provided accordingly.

Again, I appreciate your continued help and consideration in this matter.

Please contact us should you have questions or need additional information.

Truly,

  
Jim Pierce, RLP



## NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

**BILL RICHARDSON**

Governor

Joanna Prukop  
Cabinet Secretary

Lori Wrotenberg

Director

Oil Conservation Division

30 January 2003

Via Certified MailJim Pierce  
Petroleum Bldg. 200 W. 1st, Suite 859  
Roswell, New Mexico 88203

## RE:

State "S" #2

A-12-19-29

API# 30-015-03582

Leonard "A" State # 1

B-12-19-29

API# 30-015-03603

Leonard State # 4

I-1-19-29

API# 30-015-03539

Dear Mr. Pierce,

This letter is being sent in part because all of the other correspondence dating back to 17 June, 2002 have caused the wells to be brought into compliance.

Rule 201 of the New Mexico Oil Conservation Division provides as follows:

**201 WELLS TO BE PROPERLY ABANDONED**

201.A. The operator of any well drilled for oil, gas or injection; for seismic, core or other exploration, or for a service well, whether cased or uncased, shall be responsible for the plugging thereof. [7-12-90...2-1-96]

201.B. A well shall be either properly plugged and abandoned or temporarily abandoned in accordance with these rules within ninety (90) days after:

- (1) A sixty (60) day period following suspension of drilling operations, or
- (2) A determination that a well is no longer usable for beneficial purposes, or
- (3) A period of one (1) year in which a well has been continuously inactive.

While a single well bond may cover your wells, this does not entitle them to be left out of compliance indefinitely. Please submit a form C-103 detailing how they will be brought into compliance. Please have these forms in the Artesia office on or before 28 February, 2003.

Thank you for your help

Van Barton  
Field Rep. II



(tblWellMaster.api\_wellno Like '30015036030000')

**30015036030000**

**LEONARD A STATE No.001**

**O S B 12 19 S 29 E**

	<b>Date Perfm.</b>	<b>Insp.</b>	<b>Purpose / Type</b>	<b>Viol?</b>	<b>Comment</b>
iMLB0312053360	4/30/2003 2:49:0	NRA	CV	No	No change at well site. No work has been done.
iMLB0306447344	3/5/2003 1:08:54	NRA	CV	No	No work done at well site. No flowline or production equipment. No well sign.
iGEG0225542301	9/12/2002 11:44:	NRA	RP	Yes	Idle well - Violation of Rule 201. Not capable of production.



# NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

**BILL RICHARDSON**

Governor

**Joanna Prukop**

Cabinet Secretary

**Lori Wrotenberg**

Director

**Oil Conservation Division**

30 January 2003

**Via Certified Mail**

Jim Pierce

Petroleum Bldg. 200 W. 1st, Suite 859

Roswell, New Mexico 88203

**File  
Copy**

**RE:**

State "S" #2

A-12-19-29

API# 30-015-03582

Leonard "A" State # 1

B-12-19-29

API# 30-015-03603

Leonard State # 4

I-1-19-29

API# 30-015-03539

Dear Mr. Pierce,

This letter is being sent in part because all of the other correspondence dating back to 17 June, 2002 have caused the wells to be brought into compliance.

Rule 201 of the New Mexico Oil Conservation Division provides as follows:

**201 WELLS TO BE PROPERLY ABANDONED**

201.A. The operator of any well drilled for oil, gas or injection; for seismic, core or other exploration, or for a service well, whether cased or uncased, shall be responsible for the plugging thereof. [7-12-90...2-1-96]

201.B. A well shall be either properly plugged and abandoned or temporarily abandoned in accordance with these rules within ninety (90) days after:

- (1) A sixty (60) day period following suspension of drilling operations, or
- (2) A determination that a well is no longer usable for beneficial purposes, or
- (3) A period of one (1) year in which a well has been continuously inactive.

While a single well bond may cover your wells, this does not entitle them to be left out of compliance indefinitely. Please submit a form C-103 detailing how they will be brought into compliance. Please have these forms in the Artesia office on or before 28 February, 2003.

Thank you for your help

Van Barton

Field Rep. II

**JIM PIERCE**

OIL AND GAS PROPERTIES  
SUITE 859  
PETROLEUM BUILDING  
200 WEST FIRST  
ROSWELL, NEW MEXICO 88203

PHONE 505-622-7248  
FAX 505-622-1711  
EMAIL: jplandman@dm.com

November 27, 2002

NMOCD  
1301 West Grand  
Artesia, NM 88210

Attention: Mr. Tim Gum, District Supervisor

Re: Compliance Report

Tenneco State #1/30-015-24904

State "S" #2/30-015-03582

Leonard A State #1/30-015-03603

Leonard State #4/30-015-03539

Eddy County, New Mexico

Dear Mr. Gum:

I have been informed that my production report specialist, Ms. Jean Mann, has provided the Amended C-115's reflecting the production on the Tenneco State #1 well, which had previously been omitted, bringing this well into compliance.

We have made arrangements, through Morexco, Inc., my new field operations representative, to plug and abandon the Leonard "A" State #1 well. Hopefully this has been accomplished as of the date of this letter. "Morexco" will be providing all necessary documentation to you directly.

Per the previous correspondence dated October 15, 2002, "Eastland Oil" has not, to date, committed to converting the remaining wells to water injection/disposal, as anticipated.

We, therefore, will attempt to produce these state wells. Again, "Morexco" will provide all proposed actions for approval. I understand that additional equipment has been ordered, and that the required service companies have been notified.

We appreciate your help and consideration in this matter.

Please contact me should you have questions, need additional information, or have further instructions.

Truly,

  
Jim Pierce, RLP

JP

Xc: Morexco, Inc.



501 N. 4th St.  
PO Box 159  
Artesia, NM 88211-0159  
(505) 748-3311

IF YOU HAVE QUESTIONS OR CONCERNS, PLEASE CONTACT KATEL BUIZ AT (505) 748-3361

\*\*\* Final Statement \*\*\*

PAGE 1

126407 JIM PIERCE  
200 W 1ST ST STE 809  
MIDWELL, NM 88203

TRANSPORTATION: MOUNTAIN STATE FED #1  
STATE: NM  
COUNTY: EDGY  
PAYMENT METHOD: Basic

PROPERTY: 00019989 MOUNTAIN STATE FED #1

OPERATOR'S CRIME BILL STATEMENT  
SEPTEMBER, 2002

As of 10/04/02  
11:25

ACCOUNT TYPE	TICKET DATE	TYPE NO	TANK NO	RATE DUTY	VOLUME	PRICE	AMOUNT
	09/19/02	22661	00013077	36.4	175.67	17 8250	4,905.58

09/02	PROPERTY TOTALS:	175.67	4,905.58
	PAID WEIGHTED AVG SHUTTY	36.4	
	TRANSPORTATION CHARGES		0.00
	SECURITY TAXES		0.00
	SALES DEDUCTS		0.00
	NET VALUE		4,905.58



501 N. 1st St.  
PO Box 159  
Artesia, NM 88211-0159  
(505) 712-3311

IF YOU HAVE QUESTIONS OR CONCERNS, PLEASE CONTACT KATIE NUTZ AT (505)746-5364

\*\*\* Final Statement \*\*\*

PAGE 1

026607 JIM FIERCE  
200 N 1ST ST STE 309  
ROSWELL, NM 88203

TRANSPORTED: NAYAJU REFINING CO - FIDUC  
STATE: NM  
COUNTY: EDOY  
PAYMENT METHOD: Basic

PROPERTY: 00019828 TENMEDS STATE #1 & #2

OPERATOR'S CRUDE OIL STATEMENT  
SEPTEMBER, 2002

AS OF 10/04/02  
11:25

DATE	DATE	DATE	DATE	DATE	DATE	DATE	DATE
DATE	DATE	DATE	DATE	DATE	DATE	DATE	DATE
09/25/02	3/24	00012797	37.3	100.01	27.9250	9,264.14	
09/02	PROPERTY TOTALS:			100.01		9,264.14	
	SALE WEIGHTED AVG GROSS			17.3			
	IF-OPERATION CHARGES					0.0	
	PERMITS TAXES					0.0	
	SALES DEDUCTS					0.0	
	NET VALUE					1,340.64	

Page 2  
October 15, 2002

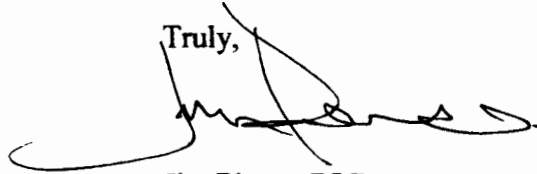
As reported in earlier correspondence, the Tenneco State #1 is and has been producing oil, although in small amounts, without a cessation of 60 days. The missing sign has been replaced.

We have reworked several of these wells. The most recent production reports indicate that production has increased (statement copies provided).

We appreciate your help and consideration in this matter.

Please contact us should you have questions or need additional information.

Truly,

A handwritten signature in black ink, appearing to read 'Jim Pierce', with a large, sweeping flourish extending to the left.

Jim Pierce, RLP

JP  
Encl.  
Xc: Morexco, Inc.

**JIM PIERCE**

OIL AND GAS PROPERTIES  
SUITE 859  
PETROLEUM BUILDING  
200 WEST FIRST  
ROSWELL, NEW MEXICO 88203

PHONE 505-622-7246  
FAX 505-622-1711  
EMAIL: jplandman@dfn.com

October 15, 2002

NMOCD  
1301 West Grand  
Artesia, NM 88210

Attention: Mr. Tim Gum, District II Supervisor  
Mr. Gerry Guye, Compliance Officer

Re: NMOCD Non-Compliance Directives  
State "S" #2/30-015-003582  
Leonard A State #1/30-015-03603  
Tenneco State #1/30-015-24904  
Leonard State #4/30-015-03539  
Eddy County, NM



Gentlemen:

We expected to commence converting the State "S" #2, and "Leonard" wells to water injection/disposal before the October 18, 2002 deadline for compliance.

We had already made arrangements to take all produced water from all area wells operated by Eastland Oil Company, Midland, Texas, including our Tenneco State #1 & #2, Mountain States #1 wells, as well as other water producing wells in the area operated by "Robinson Oil, et al".

Unfortunately, the "bid" costs to convert subject wells to water injection/disposal is much more than this operator can afford, especially in relation to the "marginal" production of subject wells.

"Eastland Oil" in Midland, Texas has been anticipating the installation of this water disposal plant, and has indicated that it will take over subject well bores, converting each to water injection/disposal for all parties concerned.

We are presently fielding bids on the plugging of these wells, should "Eastland" decide not to pursue.

We will not be able to be in compliance under the October 18, 2002 deadline imposed, and ask that an additional sixty (60) days be granted.

Subject wells all have single well bonds in place, as well as the statewide blanket bond.



# NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON  
Governor  
Betty Rivera  
Cabinet Secretary

Lori Wrotenbery  
Director  
Oil Conservation Division

10/24/2002

Jim Pierce  
Petroleum Bldg Ste 859  
Roswell, NM 88201

Re: State S #2 30-015-03582  
Leonard A St #1 30-015-03603  
Tenneco St #1 30-015-24904

Dear Sir:

In reply to your letter of October 15, 2002 in regards to these wells, your request for a 60 day extension is denied.

I have included as attachments the applicable Rules for you to use as guidelines for bringing these wells into compliance.

In reference to the Tenneco State #1, I have researched our production files and find that forms C-115 have not be filed showing production since September 2001 as required by Rule 1115. In addition, there have been no forms C-141 submitted indicating the spill on this well as required by Rule 116. Records of this office indicate your company as Operator of Record, therefore the reporting requirement, compliance and remediation is your responsibility.

Please be advised that these wells must be brought into physical compliance on or before November 30, 2002 to avoid further enforcement action to include being summoned to show cause why these wells should not be plugged and abandoned and civil penalties assessed.

Respectfully,

Gerry Guye  
Compliance Officer  
District II - Artesia

Incl:  
Rule 116  
Rule 1115



Inspection Date: 9/12/2002 12:29:25 PM

Corrective Action Due by:

Type Inspection

Inspector

Violation?

\*Significant Non-Compliance?

Routine/Periodic

Gerry Guye

Yes

No

Comments on Inspection:

Violation of Rule 103 - No well sign. Violation of Rule 201 - Idle well, last reported production Sep 2001. Violation of Rule 13 - Oil spill and possible contamination of ground water. Photo turned over to Environmental.

Thank you for your prompt attention to this matter and your efforts in helping to protect our environment and the infra-structure of the oil and gas industry.

Sincerely,

Tim Gum, District II, Supervisor

\* Significant Non-Compliance events are reported directly to the U.S. Environmental Protection Agency, Region VI, Dallas, Texas.