STATE OF NEW MEXICO ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT OIL CONSERVATION DIVISION STATE OF NEW MEXICO ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT OIL CONSERVATION DIVISION 1015 MAY 12 A 7: 55

APPLICATION OF THE NEW MEXICO OIL CONSERVATION DIVISION ("OCD") COMPLIANCE AND ENFORCEMENT MANAGER FOR A COMPLIANCE ORDER AGAINST BLUE SKY NM, INC., DIRECTORS, AND OFFICERS, JOINTLY AND SEVERALLY, FINDING THAT THE OPERATOR IS IN VIOLATION OF THE OIL AND GAS ACT, NMSA 1978, SECTIONS 70-2-1 et seq. AND OCD RULES, 19.15.2 NMAC et seq., REQUIRING OPERATOR TO RETURN TO COMPLIANCE WITH DIVISION RULES BY A DATE CERTAIN, AND IN THE EVENT OF NON-COMPLIANCE, REQUEST FOR ADDITIONAL SANCTIONS.

CASE NO. 15277

OCD'S RESPONSE TO BLUE SKY'S MOTION TO CONTINUE

COMES NOW, the Oil Conservation Division Compliance and Enforcement Bureau ("OCD"), by and through its counsel of record, Keith W. Herrmann Esq., and opposes Blue Sky NM, Inc.'s ("Blue Sky") motion to continue. As grounds therefore, the OCD states:

- The OCD has continued this matter previously and opposes any further delay to the proceedings.
 - 2. The OCD has made arrangements to have its witnesses present.
- 3. Blue Sky has already failed to comply with Inactive Well Agreed Compliance Order ("ACOI") No. 282 and at this time the OCD feels it necessary to obtain a Compliance Order from the Division Examiner to ensure compliance with OCD rules. The OCD seeks relief that cannot be granted via an ACO.
- 4. Blue Sky's agreement with the Orbit Bankruptcy Trustee and State Land Office is immaterial to the compliance order that the OCD is seeking.

WHEREFORE, the OCD requests that Blue Sky's motion for continuance be denied.

Respectfully submitted this 11th day of May, 2015 by

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CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing pleading was electronically mailed to the following party on May 6, 2015:

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