

**Examiner Hearing – October 24, 2002**

**Docket No. 33-02**

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**Applicable Security; Lea County, New Mexico.** The Applicant seeks an order requiring KC Resources, Inc., the operator of four (4) inactive wells in Lea County, New Mexico, to properly plug and abandon said wells, imposing civil penalties in event of failure to comply, authorizing the Division to plug said wells if the operator fails to do so, forfeiting Operator's plugging security, and providing for such other relief as the Director deems appropriate. The affected wells are the following:

| <u>Operator</u>    | <u>Well Name</u>                        | <u>API No.</u> | <u>Location</u> |
|--------------------|---|----------------|-----------------|
| KC Resources, Inc. | New Mexico BH State<br>NCT-1 Well No. 1 | 30-025-08007   | C-11-12S-32E    |
| KC Resources, Inc. | New Mexico BH State<br>NCT-1 Well No. 2 | 30-025-08008   | F-11-12S-32E    |
| KC Resources, Inc. | New Mexico BH State<br>NCT-1 Well No. 4 | 30-025-00110   | D-11-12S-32E    |
| KC Resources, Inc. | New Mexico BB State<br>NCT-1 Well No. 2 | 30-025-08009   | N-11-12S-32E    |

**CASE 12949: Continued from October 10, 2002, Examiner Hearing.**

**Application of the New Mexico Oil Conservation Division for an Order Requiring Skyline Energy, L.L.C. to Properly Plug One (1) Well, Imposing Civil Penalties in Event of Failure to Comply, Authorizing the Division to Plug Said Well in Default of Compliance by Operator, and Ordering a Forfeiture of Applicable Security; Lea County, New Mexico.** The Applicant seeks an order requiring Skyline Energy, L.L.C., the operator of one (1) inactive well in Lea County, New Mexico, to properly plug and abandon the same, imposing civil penalties in event of failure to comply, authorizing the Division to plug said well if the operator fails to do so, forfeiting Operator's plugging security, and providing for such other relief as the Director deems appropriate. The affected well is the following:

| <u>Operator</u> | <u>Well Name</u>       | <u>API No.</u> | <u>Location</u> |
|-----------------|------------------------|----------------|-----------------|
| Skyline Energy  | State B AC-1 Well No.2 | 30-025-01057   | B-11-12S-33E    |

**CASE 12950: Continued from October 10, 2002, Examiner Hearing.**

**Application of the New Mexico Oil Conservation Division for an Order Requiring Fi-Ro Corporation to Properly Plug Three (3) Wells, Imposing Civil Penalties in Event of Failure to Comply, Authorizing the Division to Plug Said Wells in Default of Compliance by Operator, and Ordering a Forfeiture of Applicable Security; Chaves and Lea Counties, New Mexico.** The Applicant seeks an order requiring Fi-Ro Corporation, the operator of two (2) inactive wells in Chaves County, New Mexico and of one (1) inactive well in Lea County, New Mexico, to properly plug and abandon said wells, imposing civil penalties in event of failure to comply, authorizing the Division to plug said wells if the operator fails to do so, forfeiting Operator's plugging security, and providing for such other relief as the Director deems appropriate. The affected wells are the following:

| <u>Chaves County</u> |                                    |                |                 |
|----------------------|------------------------------------|----------------|-----------------|
| <u>Operator</u>      | <u>Well Name</u>                   | <u>API No.</u> | <u>Location</u> |
| Fi-Ro Corporation    | Gulf State H Well No.1             | 30-005-00822   | H-23-13S-31E    |
| Fi-Ro Corporation    | Hondo Holloway State<br>Well No. 1 | 30-005-00691   | F-36-12S-31E    |

  

| <u>Lea County</u> |   |                |                 |
|-------------------|---|----------------|-----------------|
| <u>Operator</u>   | <u>Well Name</u>                                | <u>API No.</u> | <u>Location</u> |
| Fi-Ro Corporation | North Caprock Queen Unit<br>1 Tr 27 Well No. 5Y | 30-025-24155   | E-08-13S-32E    |