



# NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

**GARY E. JOHNSON**

Governor  
**Betty Rivera**  
Cabinet Secretary

**Lori Wrotenbery**  
Director

**Oil Conservation Division**

September 24, 2002

Ammonite Energy Texas, Inc.  
P.O.Box 50587  
Midland, TX 79710

Underwriters Indemnity Co.  
8 Greenway Plaza, Suite 400  
Houston, TX 77046

**VIA CERTIFIED MAIL, RETURN RECEIPT REQUESTED**

**Re: Case No. 12947: Application of the New Mexico Oil Conservation Division for an Order Requiring Ammonite Energy Texas, Inc. to Properly Plug One (1) Well, Imposing Civil Penalties for Failure to Comply, Authorizing the Division to Plug Said Well and Ordering a Forfeiture of Applicable Plugging Bond; Lea County, New Mexico**

Ladies and Gentlemen:

You are hereby notified that the New Mexico Oil Conservation Division has filed the referenced Application, a copy of which is enclosed herewith, seeking an Order requiring you to properly plug and abandon one (1) well located in Lea County, New Mexico, specifically identified in said application.

A hearing on this application will take place before a Division hearing officer on Thursday, October 24, 2002, at 8:15 a.m., in the Division Hearing Room, 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.

Your posted blanket surety bond in the amount of \$50,000, No.B7335 issued by Underwriters Indemnity Company will be forfeited if an order is entered as requested in the attached application and you fail to comply therewith.

Inquiries concerning this application may be directed to the undersigned in the Santa Fe office of the Division at (505)-476-3450.

Very truly yours,

A handwritten signature in black ink, appearing to be "D. Brooks", written in a cursive style.

David K. Brooks  
Assistant General Counsel

cc: Chris Williams, OCD Hobbs