

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

**APPLICATION OF THE NEW MEXICO OIL CONSERVATION DIVISION FOR  
AN ORDER REQUIRING SOUTHEASTERN PETROLEUM INC. TO PLUG  
TWO WELLS AND ORDERING A FORFEITURE OF APPLICABLE  
FINANCIAL ASSURANCE IN EVENT OF OPERAOR'S NON-COMPLIANCE;  
CHAVES COUNTY, NEW MEXICO.**

CASE NO. 13658

**APPLICATION FOR PLUGGING AND FORFEITURE OF BOND**

1. Southeastern Petroleum Inc. ("Operator") is the operator of the following wells (the subject wells) in Chaves County, New Mexico:

<u>Well Name</u>	<u>API No.</u>	<u>Location</u>
Pogo State #1	30-005-60915	660 FSL/660FEL P-16-7S-28E
Pogo State #2	30-005-61241	660FS&/1980FWL N-16-7S-28E

2. Operator has posted the following applicable financial assurance:

\$5,000 single-well surety bond number B7654 issued by Underwriters Indemnity Company, applicable to the Pogo State #1 well.

\$5,000 single-well surety bond number B7655 issued by Underwriters Indemnity Company, applicable to the Pogo State #2 well.

3. The subject wells have been inactive for more than one year plus ninety days, and have not been approved for temporary abandonment.

WHEREFORE, the Supervisor of District II of the Division requests an order:

- A. Determining that the subject well(s) should be plugged and abandoned in accordance with a Division-approved plugging program.
- B. Directing the Operator to plug the subject wells by a date certain, and thereafter to remediate the sites in accordance with OCD Rules.
- C. Ordering that if the Operator, or Underwriters Indemnity Company, fails to plug the subject wells within the time provided, the Division be authorized: (i) to plug the subject wells and remediate the sites; (ii) to declare forfeit the above-described financial assurance; and (iii) to take necessary and appropriate measures to recover from the Operator any costs of plugging the subject wells in excess of the amount of the applicable financial assurance.

RESPECTFULLY SUBMITTED,

A handwritten signature in cursive script, reading "David K. Brooks", is written over a horizontal line.

David K. Brooks  
Assistant General Counsel  
Energy, Minerals and Natural  
Resources Department of the State of  
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Case No. 13658. **Application of the New Mexico Oil Conservation Division for an Order Requiring Southeastern Petroleum Inc. to Plug 2 Wells and Ordering Forfeiture of Applicable Financial Assurance in Event of Operator's Non-Compliance, Chaves County, New Mexico.** The Applicant seeks an order requiring Southeastern Petroleum Inc. to plug the following wells and to forfeit applicable security:

<u>Well Name</u>	<u>API No.</u>	<u>Location</u>
Pogo State #1	30-005-60915	660 FSL/660FEL P-16-7S-28E
Pogo State #2	30-005-61241	660FS&/1980FWL N-16-7S-28E

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