STATE OF NEW MEXICO ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

2017 111 18 - 10 -

APPLICATION OF THE NEW MEXICO OIL CONSERVATION DIVISION COMPLIANCE AND ENFORCEMENT BUREAU FOR A COMPLIANCE ORDER AGAINST SOUTHWESTERN, INC, FOR WELLS OPERATED IN EDDY AND LEA COUNTIES, NEW MEXICO

CASE NO <u>15705</u>

PRE-HEARING STATEMENT

Applicant Oil Conservation Division Compliance and Enforcement Bureau (OCD or 'Bureau') is seeking an order declaring

- 1 That Southwestern, Inc, ('Southwestern' or 'Operator') is out of compliance with 19 15 8 NMAC and NMSA 1978, § 70 2-14
- 2 That Operator must comply with OCD Rules within 30 days of the issuance of a Division order
- 3 If Operator does not comply with Division order, finding that Operator is out of compliance with a Division order

The Bureau supports the approval because of the following

- 1 Notice of Hearing was properly served as required by 191549 NMAC and 1915410 NMAC
- 2 The Bureau will present evidence that Operator currently has three (3) wells out of compliance with Division Rule 19 15 8 NMAC

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PETITIONERS'S PROPOSED EVIDENCE

WITNESS ESTIMATED TIME 5 minutes Denise Gallegos, NMOCD Bond Administrator Testimony on compliance with OCD Financial Assurance Requirements

The Bureau reserves the right to call additional witnesses not listed herein on rebuttal

PROCEDURAL MATTERS

None

Respectfully submitted this 18th day of May, 2017 by

Ro W.g.

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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 18th day of May, 2017

No party has entered an appearance

Keith W Herrmann

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