STATE OF NEW MEXICO ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT OIL CONSERVATION DIVISION 7013 SEP 21 P 4: 24

APPLICATION OF THE NEW MEXICO OIL CONSERVATION DIVISION COMPLIANCE AND ENFORCEMENT BUREAU FOR A COMPLIANCE ORDER AGAINST GARNER'S WELL SERVICE, LLC, FOR A WELL OPERATED IN LEA COUNTY, NEW MEXICO.

CASE NO. 15825

PRE-HEARING STATEMENT

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

- 1. That <u>Garners Well Service</u>, <u>LLC</u>, ("Garners" or "Operator") is out of compliance with 19.15.5.9, 19.15.8, and 19.15.25.8 NMAC.
- 2. That Operator must comply with 19.15.8 NMAC within 30 days of the issuance of a Division order.
- 3. That Operator must comply with 19.15.5.9 and 19.15.25.8 NMAC within 60 days of the issuance of a Division order.
- 4. If Operator does not comply with Division order, finding that Operator is out of compliance with a Division order, declaring the violating wells abandoned and authorizing the Division to plug the subject wells in accordance with a Division-approved plugging program and restore and remediate the location and recover costs from the Operator's financial assurance as required by 19.15.8.13 NMAC and seek indemnification as permitted by NMSA 1978, § 70-2-14(E).

The Bureau supports the approval because of the following:

- 1. Notice of Hearing was properly served as required by 19.15.4.9 NMAC and 19.15.4.10 NMAC.
- 2. The Bureau will present evidence that Operator currently has one (1) well out of compliance with 19.15.5.9, 19.15.8, and 19.15.25.8 NMAC.

PETITIONERS'S PROPOSED EVIDENCE

WITNESS:

ESTIMATED TIME: 5 minutes

Daniel Sanchez, OCD Compliance and Enforcement Manager

Testimony on compliance with OCD Rules.

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

PROCEDURAL MATTERS

None.

Respectfully submitted

this 21th day of September 2016 by

Energy, Minerals and Natural

Resources Department

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Compliance and Enforcement Bureau

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing pleading was electronically mailed to the following party on September 21, 2017:

No party has entered an appearance