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 TEMPO ENERGY, INC. TO PLUG ONE WELL AND ORDERING A FORFEITURE OF APPLICABLE FINANCIAL ASSURANCE IN EVENT OF OPERAOR'S NON-COMPLIANCE; LEA COUNTY, NEW MEXICO.

CASE NO. 137/1

APPLICATION FOR PLUGGING AND FORFEITURE OF BOND

1. Tempo Energy, Inc. ("Operator") is the operator of the following well (the subject well) in Lea County, New Mexico:

Well Name	API No.	Location	3
San Simon State #6	30-025-29839	2310 FNL/990 FEL H-4-22	

- 2. Operator has posted the following applicable financial assurance: 3
 \$50,000 blanket surety bond number 980F9988, issued by The Traverlers Indemnity Company.
- 3. The subject well has been inactive for more than one year plus ninety days, and has not been approved for temporary abandonment.

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

- A. Determining that the subject well should be plugged and abandoned in accordance with a Division-approved plugging program.
- B. Directing the Operator to plug the subject well by a date certain, and thereafter to remediate the site in accordance with OCD Rules.

C. Ordering that if the Operator does not plug the subject well within the time provided, the Division be authorized: (i) to plug the subject well and remediate the site; (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 well in excess of the amount of the applicable financial assurance.

RESPECTFULLY SUBMITTED,

David K. Brooks

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Case No. 1371		
for an Order Requiring Tempo Energy, Inc. to Plug 1 Well and Ordering Forfeiture		
of Applicable Financial Assurance in Event of Operator's Non-Compliance, Lea		
County, New Mexico. The Applicant seeks an order requiring Tempo Energy, Inc. to		
plug the following well and to forfeit applicable security:		

Well Name	API No.	Location
San Simon State #6	30-025-29839	2310 FNL/990 FEL H-4-22S-35E