



# NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

**BILL RICHARDSON**  
Governor  
**Joanna Prukop**  
Cabinet Secretary

**Mark E. Fesmire, P.E.**  
Director  
**Oil Conservation Division**

October 12, 2006

Thornton Hopper  
P.O. Box 953  
Midland, TX 79701

Certified Mail Number: 7001 1940 0004 7922 8770

**Re: Cancellation of Authority to Transport from or Inject into Wells Operated by Thornton Hopper, OGRID 22997**

Dear Operator,

**Effective immediately, the Oil Conservation Division (OCD) cancels the authority of Thornton Hopper (Hopper) to transport from or inject into all wells it operates.** This cancellation is issued pursuant to OCD Rule 1115.C [19.15.13.1115.C NMAC].

Rule 1115.C provides:

If an operator fails to file a form C-115 that the division accepts, the division shall, within 60 days of the appropriate filing date, notify the operator by electronic mail or letter of its intent to revoke the operator's authorization to transport or inject if the operator does not submit an acceptable and complete form C-115. If the operator does not file an acceptable and complete form C-115 or request a hearing on the proposed cancellation within 120 days of the original due date of the form C-115, the division may cancel the operator's authority to transport from or inject into all wells it operates.

By letter dated June 2, 2006, the OCD notified Hopper that it had not received a C-115 report for several reporting periods, including February 2006, and that it intended to revoke Hopper's authorization to transport or inject if it did not receive an acceptable and complete C-115 for February 2006 within 120 days of the original due date for that report. The notice further stated that Hopper could request a hearing on this proposed cancellation within 120 days of the original due date for the January 2006 report. A copy of the OCD's June 2, 2006 e-mail is attached.

To date, Hopper has not submitted a C-115 report for February 2006, and has not requested a hearing on the proposed cancellation. More than 120 days have passed from the original due date for the February 2006 report. Hopper's authority to transport from or inject into its wells is cancelled. When Hopper has filed an acceptable and complete C-115 for February 2006 it may apply for reinstatement of its authority to transport from or inject into the wells it operates. If Hopper transports from or injects into wells it operates while the cancellation is in effect, it will be in violation of OCD Rules 1104 [19.15.13.1104 NMAC], 804.A [19.15.10.804.A NMAC] and/or 701 [19.15.9.701 NMAC]. A knowing and willful violation of an OCD rule may subject the operator to penalties of up to \$1,000 per day. NMSA 1978, Section 70-2-31(A).

Please note that although this cancellation of authority to transport from or inject into wells operated by Hopper relates to its failure to file a report for February 2006, Hopper is delinquent in filing C-115 reports for other periods as well. As stated in the June 2, 2006 letter, Hopper has not filed reports for the periods December 2005 through March 2006. Hopper has also failed to file reports for periods after March 2006. Hopper can expect to receive additional notices of cancellation of

Oil Conservation Division \* 1220 South St. Francis Drive  
Phone: (505) 476-3440 \* Fax (505) 476-3462 \* [http](http://www.oilconservation.nm.gov)

Examiner	<u>Catavach</u>
Case No.	<u>13844</u>
EXHIBIT NO.	<u>4</u>

authority to transport from or inject into its wells in connection with these more recent failures. In addition, if Hopper fails to act promptly to correct its reporting failures, the OCD will take additional enforcement action against it. The enforcement actions may include seeking penalties under NMSA 1978, Section 70-2-31(A) and/or an order requiring the operator to plug and abandon its wells pursuant to NMSA 1978, Section 70-2-14(B).

Sincerely,

Daniel Sanchez  
Enforcement and Compliance Manager  
Oil Conservation Division

Encl: Letter from David Bradshaw to Thornton Hopper dated June 2, 2006  
120-Day Action Report for Thornton Hopper

cc: BLM Santa Fe Office  
State Land Office

cc: Chris Williams, OCD District I  
Tim Gum, OCD District II  
Charlie Perrin, OCD District III  
David Bradshaw, OCD Automation and Records Bureau  
Gail MacQuesten, OCD Attorney  
Theresa Duran-Saenz, OCD Legal Assistant

600

June 2, 2006

Harlon Hopper  
THORNTON HOPPER 22997  
PO BOX 953  
MIDLAND TX 79701

Rule 1115 of the Oil Conservation Division requires that C-115s (Monthly Production Reports) be filed electronically on or before the 15th day of the second month following the month of production (see attached copy of Rule 1115). As of today, we have not received your C-115s for the following period(s):

**12/2005 - 03/2006**

If you do not believe you are required to file C115 Production Reports, please contact me immediately. Otherwise, you are being notified that the OCD intends to revoke your authorization to transport from or inject into all wells you operate if an acceptable and complete C-115 for all outstanding dates listed above is not received electronically by the following date:

**8/15/2006**

You may choose to request a hearing on this proposed cancellation prior to the due date listed above.

Please contact me at 505-476-3484 or by email at david.bradshaw@state.nm.us if you have any questions or if I may help you regarding this matter.

David Bradshaw  
Automation and Records Bureau

# C115 - Compliance - 120-Day Action Report

OPERATOR	OGRID	DATE		MTHS OUT OF COMP.	120-DAY ACTION DATE	COMMENT	CONTACT DETAILS	CONTACT PERSON	CONTACT PHONE
		NOTICE SENT	NOTICE SENT TO						
THORNTON HOPPER	22997	6/2/2006	HARLON HOPPER	12/05-3/06+4-6/06	8/15/2006	No WC's 11/05 - Mary files for Hopper who advised her their wells were sold - WC's as of 12/05 - gave me Harlon's contact info. Harlon advised is selling wells & not producing - I advised he still needed to submit C115's - no vol rpt since 1/03	Spoke w/Mary 5/2. LM for Harlon 5/5. Spoke with Harlon on 5/8	Mary Schberger Harlon Hopper	432-684-6361 432-377-2252

**SENDER: COMPLETE THIS SECTION**

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Thornton Hopper  
PO Box 953  
Midland, TX 79701

**COMPLETE THIS SECTION ON DELIVERY**

A. Signature

*x Mary Eschberger*

Agent

Addressee

B. Received by (Printed Name)

*Mary Eschberger*

C. Date of Delivery

*10-17-06*

D. Is delivery address different from item 1?  Yes

If YES, enter delivery address below:  No

3. Service Type

Certified Mail  Express Mail

Registered  Return Receipt for Merchandise

Insured Mail  C.O.D.

4. Restricted Delivery? (Extra Fee)

Yes

2. Article Number  
(Transfer from service label)

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