

Talked to Cheryl  
Deng - 9/30/08

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

IN THE MATTER OF THE HEARING CALLED  
BY THE OIL CONSERVATION COMMISSION FOR  
THE PURPOSE OF CONSIDERING:

APPLICATION OF THE NEW MEXICO  
OIL CONSERVATION DIVISION, THROUGH  
THE ENFORCEMENT AND COMPLIANCE  
MANAGER, FOR A COMPLIANCE ORDER  
AGAINST MARKS AND GARNER PRODUCTION  
LTD. COMPANY; (1) FINDING THAT OPERATOR  
VIOLATED 19.15.4 201 NMAC AS THE TWENTY-  
THREE WELLS OR ALTERNATIVELY IS IN  
VIOLATION OF 19.15.13.1115 NMAC; (2) REQUIRING  
OPERATOR TO BRING SAID WELLS INTO  
COMPLIANCE WITH 19.15.14.201 NMAC AND/OR  
19.15.13.1115 NMAC BY A DATE CERTAIN; AND  
(3) REQUIREING THAT THE OPERATOR PAY  
PENALTIES, AND IN THE EVENT OF NON-COMPLIANCE,  
DECLARING THE WELLS ABANDONED AND  
AUTHORIZING THE DIVISION TO PLUG SAID WELLS AND  
FORFEIT THE APPLICABLE FINANCIAL ASSURANCE;  
LEA COUNTY, NEW MEXICO.

CASE NO. 14041 (De Novo)  
ORDER NO. R-12963-A

2008 SEP 25 PM 3 09  
RECEIVED

MOTION FOR EXTENSION OF DEADLINES

Marks and Garner Production LTD., Co., (Marks and Garner) by and through its undersigned counsel of record, hereby requests an extension within which to comply with new bonding requirements and payment of the fine imposed by Order R-12963-A issued by the Commission on September 11, 2008. In support of this motion, Marks and Garner states:

1. Under Order R-12963-A the Commission set September 25, 2008 as the deadline for posting additional bonding requirements and paying a penalty in the amount of \$23,000.
2. The approximate additional bonding requirements are as follows.

WELL NAME	API #	Additional Bonding
CAVE POOL UNIT #027	30-015-02897	\$7,500.00
CAVE POOL UNIT #036	30-015-02915	\$7,450.00
COQUINA STATE #001	30-025-27992	\$8,850.00
JULIA CULP # 001	30-025-24979	\$15,675.00
NORTH EAST MALJAMAR	30-025-21291	\$15,900.00
W.M. SNYDER #001	30-025-02703	\$15,765.00
THEOS STATE #001	30-015-24732	\$7,550.00
RED TWELVE STATE #006	30-015-25055	\$8,600.00
STATE #001	30-015-02888	\$7,436.00
LEA/UA/STATE #001	30-025-28484	\$15,864.00
		<b>\$110,590.00</b>

3. Since the hearing before the Commission, Marks and Garner has plugged the Coquina State No. 1 and is rigged up plugging the Northeast Maljimar Unit No. 1. It has also submitted the proper paperwork for the Julia Culp No. 1, which had been plugged earlier. It will finish plugging the Northeast Maljimar Unit No. 1 in the next few days, and will rig up on the W.M. Snyder No. 1 immediately thereafter. Following the W.M. Snyder No. 1, it will continuously plug the other wells. Marks & Gardner is also still trying to work out the change of operator on the Lea/UA/State No. 1.

4. Plugging costs are running \$20,000 to \$40,000 per well depending on the depth of the well, and are significantly impacting Marks and Garner's financial reserves.

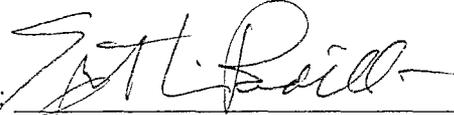
5. Marks and Garner request herein are as follows:

- a. that it not have to post additional bonding for the Coquina State No. 1, Northeast Maljimar Unit No. 1, Julia Culp No. 1, the W.M. Snyder No. 1 and the Lea/UA/State No.1 until October 25, 2008.
- b. That it will not have to post additional bonding for the the Cave Pool Unit Nos. 27 and 36, Theos State No. 1, Red Twelve State No. 6, and the State No. 1 until October 10, 2008.
- c. As to the penalty of \$23,000 Marks and Gardner requests payment of the amount in four equal installments, the first being on October 1, 2008, and the three additional payments due on the first of each month thereafter until paid in full.

**WHEREFORE**, for the foregoing reasons, Marks and Garner requests the relief as stated in Paragraph 5 of this motion.

Respectfully submitted,

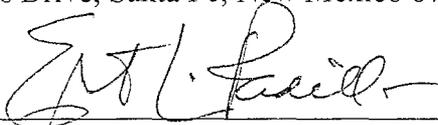
PADILLA LAW FIRM P.A.

By:   
Ernest L. Padilla

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(505) 988-7577

**CERTIFICATE OF SERVICE**

I hereby certify that a true and correct copy of the foregoing Motion for Extension of Deadlines was hand-delivered to Mikal M. Altomare, Esq., counsel for the New Mexico Oil Conservation Division, and Cheryl Bada, Esq. counsel for the Oil Conservation Commission, 1220 S. St. Francis Drive, Santa Fe, New Mexico 87505, this 25<sup>th</sup> day of September, 2008.

  
ERNEST L. PADILLA