



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor

Joanna Prukop

Cabinet Secretary

Lori Wrotenberg

Director

Oil Conservation Division

August 14, 2003

Kenneth R. Wade, Manager

Kersey & Company

P.O. Box 1248

Fredricksburg, TX 78624

Re: Case No. 12811, *Application of the New Mexico Oil Conservation Division for an Order Requiring Operators to Bring Three Hundred Eighty-Eight (388) Wells into Compliance with Rule 201.B, and Assessing Appropriate Civil Penalties; Eddy, Chaves and Otero Counties, New Mexico, de novo*

Dear Mr. Wade:

The Commission heard the above-mentioned case this morning. After hearing the testimony and evidence offered by the Oil Conservation Division and reviewing your letters of August 13 and July 11, 2003, the Commission found that it needs additional information to verify the plugging of the following wells: ASU A #001 and Federal #001.

The Division has a Sundry Notice dated March 21, 2002, for ASU A #001 stating that you had retained Hughes Drilling and that the well would be plugged by April 2, 2002. The Division also has a Sundry Notice dated March 21, 2002, for Federal #001 stating that you had retained Hughes Drilling and that the well would be plugged by April 1, 2002. However, the Division does not have a report from you for either well showing that the plugging was completed. Please provide copies of the following by Monday, September 1, 2003: notices filed with the Division along with any supporting documentation showing that these two wells were actually plugged prior to May 14, 2003.

Sincerely,

Lori Wrotenberg, Chair

Oil Conservation Commission

cc: Florene Davidson, Commission Secretary
Kathryn Becker, Assistant General Counsel, EMNRD



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Tim Gum
District Supervisor
Artesia District Office
Oil Conservation Division
1301 West Grand Avenue
Artesia, New Mexico 88210

Re: Case No. 12811, *Application of the New Mexico Oil Conservation Division for an Order Requiring Operators to Bring Three Hundred Eighty-Eight (388) Wells into Compliance with Rule 201.B, and Assessing Appropriate Civil Penalties; Eddy, Chaves and Otero Counties, New Mexico, de novo*

Dear Mr. Gum:

After hearing the testimony and evidence offered by the Oil Conservation Division and reviewing Kenneth Wade's letters of August 13 and July 11, 2003, the Commission found that it needs additional information to verify the plugging of the following wells: ASU A #001 (API 30-015-01306) and Federal #001 (API 30-015-01310). Please have one of your staff conduct a field inspection of the above-mentioned wells to verify that they have been properly plugged and report the results of the inspection to me by Monday, September 1, 2003.

Sincerely,

Lori Wrotenbery, Chair
Oil Conservation Commission

cc: Florene Davidson, Commission Secretary
Kathryn Becker, Assistant General Counsel, EMNRD