STATE OF NEW MEXICO RECEIVED ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT OIL CONSERVATION DIVISION AUG 14 PM 1 42

APPLICATION OF THE NEW MEXICO OIL CONSERVATION DIVISION, THROUGH THE ENFORCEMENT AND COMPLIANCE MANAGER, FOR A COMPLIANCE ORDER AGAINST PARRISH, H. DWAYNE AND RHONDA K., FINDING OPERATOR IN VIOLATION OF RULE 19.15.4.201 NMAC AS TO ELEVEN WELLS; RULE 19.15.9.703 NMAC AS TO TWO WELLS; REQUIRING OPERATOR TO COME INTO COMPLIANCE BY A DATE CERTAIN; AND AUTHORIZING THE DIVISION TO PLUG THE THIRTEEN WELLS PURSUANT TO NMSA, 1978, SECTION 70-2-12(B) AND FORFEIT THE APPLICABLE FINANCIAL ASSURANCE IF OPERATOR FAILS TO COMPLY; EDDY COUNTY, NEW MEXICO.

CASE NO. 14164

ENTRY OF APPEARANCE AND PRE-HEARING STATEMENT

The Oil Conservation Division submits this entry of appearance and pre-hearing statement pursuant to OCD Rule 1211 [19.15.14.1211 NMAC].

APPEARANCES

<u>APPLICANT</u>

Oil Conservation Division

APPLICANT'S ATTORNEY

Sonny Swazo

Oil Conservation Division Energy, Minerals and Natural

Resources Department 1220 S. St. Francis Drive

Santa Fe, NM 87505 (505) 476-3463 FAX: 476-3462

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RESPONDENT

Parrish, H. Dwane and Rhonda K.

No entry of appearance filed.

STATEMENT OF THE CASE

Applicant Oil Conservation Division is seeking a compliance order requiring Respondent Parrish, H. Dwane and Rhonda K., to bring 11 inactive wells into compliance with OCD Rule 19.15.4.201 NMAC and 2 injection wells into compliance with OCD Rule 19.15.9.703 NMAC by dates certain, and authorizing the Division to plug the wells and forfeit the applicable financial assurance in the event of Respondent's non-compliance with the Order.

APPLICANT'S PROPOSED EVIDENCE

WITNESSES:

ESTIMATED TIME:

Daniel Sanchez

30 Minutes

OCD Enforcement and Compliance Manager

Richard Inge (by telephone) OCD Compliance Officer 30 minutes

PROCEDURAL MATTERS

None at this time.

Respectfully submitted

this day of August 2008 by

Sonny Swazo

Oil Conservation Division

Energy, Minerals and Natural

Resources Department

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Attorney for the Oil Conservation Division

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing pleading was served upon the following by first class mail this \u2214 day of August 2008:

Parrish, H. Dwane and Rhonda K. 1306 S. 9th St. Artesia, NM 88210

Western Bank P.O. Drawer 500 Artesia, NM 88211-0500

Lexon Insurance Company P.O. Box 98 Louisville, KY 40201

Lexon Insurance Company 10002 Shelbyville Rd., Suite 100 Louisville, KY 40223

Sonny Swazo