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

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

> CASE NO. 14321 ORDER NO. R-13208

APPLICATION OF THE NEW MEXICO OIL CONSERVATION DIVISION, THROUGH THE ENFORCEMENT AND COMPLIANCE MANAGER, FOR A COMPLIANCE ORDER AGAINST KEVIN O. BUTLER AND ASSOCIATES, INC. [OGRID 12627], FINDING THAT THE OPERATOR IS IN VIOLATION OF 19.15.25.8 NMAC AS TO 32 WELLS; REQUIRING OPERATOR TO PLUG ALL 39 OF ITS WELLS OPERATED IN THE STATE OF NEW MEXICO BY A DATE CERTAIN, AND IN THE EVENT THE OPERATOR FAILS TO DO SO, AUTHORIZING THE DIVISION TO DO SO, FORFEITING ANY APPLICABLE BONDS, PURSUANT TO SECTION 70-2-14(B) NMSA 1978, EDDY, CHAVES AND LEA COUNTIES, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This case came on for hearing at 8:15 a.m. on January 7, 2010, at Santa Fe, New Mexico, before Examiner Terry Warnell.

NOW, on this 8th day of January, 2010, the Division Director, having considered the record and the recommendations of the Examiner,

FINDS THAT:

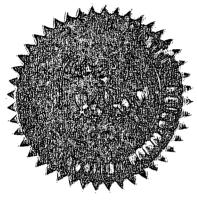
The applicant has requested its case be dismissed without prejudice.

IT IS THEREFORE ORDERED THAT:

Case No. 14321 is hereby dismissed without prejudice.

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DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.



SEAL

STATE OF NEW MEXICO OIL CONSERVATION DIVISION

MARK E. FESMIRE, P.E.

Director