

Examiner Hearing – November 15, 2001

Docket No. 37-01

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Kennedy Johnson A No. 3	30-015-05010	16S	31E	35	L
Kennedy Johnson A No. 6	30-015-10165	16S	31E	35	M
North Shugart Queen Unit No. 1	30-015-05597	18S	31E	21	C
North Shugart Queen Unit No. 2	30-015-05592	18S	31E	21	D
North Shugart Queen Unit No. 3	30-015-05588	18S	31E	20	H
North Shugart Queen Unit No. 4	30-015-05591	18S	31E	21	E
North Shugart Queen Unit No. 5	30-015-05593	18S	31E	21	F
North Shugart Queen Unit No. 6	30-015-05598	18S	31E	21	K
North Shugart Queen Unit No. 7	30-015-05599	18S	31E	21	L
North Shugart Queen Unit No. 8	30-015-05586	18S	31E	20	I
North Shugart Queen Unit No. 9	30-015-05587	18S	31E	20	P
North Shugart Queen Unit No. 10	30-015-05590	18S	31E	21	M
North Shugart Queen Unit No. 11	30-015-05600	18S	31E	21	N

CASE 12757: Continued from November 1, 2001, Examiner Hearing.

Application of the New Mexico Oil Conservation Division for an Order Requiring Marks and Garner Production Ltd. Co. to Properly Plug Seventeen (17) Wells, Authorizing the Division to Plug Said Wells in Default of Compliance by Marks and Garner Ltd. Co., Ordering a Forfeiture of Applicable Plugging Bond and Assessing Civil Penalties for False Production Reporting; Eddy County, New Mexico. The Applicant seeks an order requiring Marks and Garner Ltd. Co., the operator of seventeen (17) inactive wells in Eddy County, New Mexico to properly plug and abandon the same, authorizing the Division to plug said wells if the operator or its surety fails to do so, forfeiting Operator's plugging bond, and assessing civil penalties for false production reporting. The affected wells are the following:

<u>API NO.</u>	<u>WELL NAME AND NO.</u>	<u>UNIT/SEC./TWSP/RNG</u>	<u>FNS</u>	<u>FEW</u>
30-015-02784	Cave Pool Unit #1	O-33-16S-29E	660S	1780E
30-015-02892	Cave Pool Unit #3	A-04-17S-29E	985N	987E
30-015-02880	Cave Pool Unit #12	E-04-17S-29E	1980N	660E
30-015-02881	Cave Pool Unit #14	G-04-17S-29E	1980N	1980E
30-015-02875	Cave Pool Unit #16	E-03-17S-29E	1973N	330W
30-015-02886	Cave Pool Unit #19	K-04-17S-29E	1980S	1880W
30-015-02891	Cave Pool Unit #30	O-04-17S-29E	990S	2310E
30-015-02927	Cave Pool Unit #32	A-09-17S-29E	660N	660E
30-015-02926	Cave Pool Unit #41	E-08-17S-29E	1650N	330W
30-015-02903	Cave Pool Unit #51	L-05-17S-29E	1650S	990W
30-015-02912	Cave Pool Unit #53	H-07-17S-29E	1650N	330E
30-015-25090	Red Twelve Levers Federal #8Q	I-33-16S-29E	1980S	990E
30-015-25152	Red Twelve Levers Federal #12	D-33-16S-29E	660N	660W
30-015-24991	Red Twelve State #4	O-05-17S-29E	990S	2310E
30-015-25055	Red Twelve State #6	K-05-17S-29E	2310S	1650E
30-015-02889	State #2	C-04-17S-19E	990N	1980W
30-015-24732	Theos State #1	G-05-17S-29E	1650N	1650E

CASE 12772: In the matter of the hearing called by the Oil Conservation Division for an order creating and extending certain pools in Chaves and Eddy Counties, New Mexico.

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SMITH & MARRS INC	STATE HTB SWD #001	30-025-21671	1-31-12S-34E	Lea
SPENCE ENERGY CO	KELLAHIN 14 STATE #002	30-025-29969	P-14-09S-32E	Lea
TENISON OIL CO	VAUGHN B 9 #001	30-025-09522	A-09-24S-36E	Lea
TEXLAND PETROLEUM, INC	J R HOLT #002	30-025-30582	3-02-17S-37E	Lea
TEXLAND PETROLEUM, INC	W D GRIMES NCT A #016	30-025-22627	D-32-18S-38E	Lea
W H BRININSTOOL	SHEARN STATE #001	30-025-27998	2-32-26S-37E	Lea

CASE 12771: Application of the New Mexico Oil Conservation Division for an Order Requiring Operators to Bring Sixty-Two (62) Wells into Compliance with Rule 201.B, and Assessing Appropriate Civil Penalties; Lea, Roosevelt and Chaves Counties, New Mexico. The Applicant seeks an order requiring the operators of 62 inactive wells located in Lea, Roosevelt and Chaves Counties, New Mexico, to bring said wells into compliance with OCD Rule 201.B by either restoring said wells to production or beneficial use, plugging and abandoning said wells or securing Division approval for temporary abandonment thereof. The affected wells are the following:

<u>OPERATOR</u>	<u>WELL NAME AND NUMBER</u>	<u>API #</u>	<u>ULSTR</u>	<u>COUNTY</u>
RW OIL CO	RENO FEDERAL #002	30-005-10151	M-03-15S-31E	Chaves
RW OIL CO	RENO FEDERAL #003	30-005-10152	K-03-15S-31E	Chaves
RW OIL CO	RENO FEDERAL #004	30-005-10153	N-03-15S-31E	Chaves
RW OIL CO	RENO FEDERAL #001	30-005-00548	L-03-15S-31E	Chaves

CASE 12771: Application of the New Mexico Oil Conservation Division for an Order Requiring Operators to Bring Sixty-Two (62) Wells into Compliance with Rule 201.B, and Assessing Appropriate Civil Penalties; Lea, Roosevelt and Chaves Counties, New Mexico. The Applicant seeks an order requiring the operators of 62 inactive wells located in Lea, Roosevelt and Chaves Counties, New Mexico, to bring said wells into compliance with OCD Rule 201.B by either restoring said wells to production or beneficial use, plugging and abandoning said wells or securing Division approval for temporary abandonment thereof. The affected wells are the following:

<u>OPERATOR</u>	<u>WELL NAME AND NUMBER</u>	<u>API #</u>	<u>ULSTR</u>	<u>COUNTY</u>
SMITH & MARRS INC	HAYES #003	30-041-00186	L-29-08S-37E	Roosevelt
SMITH & MARRS INC	HAYES #004	30-041-00187	N-29-08S-37E	Roosevelt
SMITH & MARRS INC	LAS CRUCES B #001	30-041-00234	1-30-08S-37E	Roosevelt

CASE 12726: Continued from November 1, 2001, Examiner Hearing.

Application for Order Shutting In Wells, Canceling Allowables and Assessing Civil Penalties, Eddy County, New Mexico. Applicant seeks an order shutting in 18 wells in Eddy County, New Mexico, and canceling their allowables until such time as Tom R. Cone, who has applied to the Division to assume operation of these wells files the additional bonds required by the Division, and assessing civil penalties against Cone for producing these wells without Division approval. The affected wells are the following, all of which are located in Eddy County, New Mexico:

<u>Well</u>	<u>API No.</u>	<u>Twsp</u>	<u>Range</u>	<u>Sec</u>	<u>Unit</u>
Carper Johnson A No. 2	30-015-05004	16S	31E	35	H
Federal 13 No. 1	30-015-04597	19S	30E	13	E
Federal 13 No. 2	30-015-04599	19S	30E	13	F
Kennedy Johnson A No. 1	30-015-05008	16S	31E	35	F
Kennedy Johnson A No. 2	30-015-05009	16S	31E	35	H



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON

Governor

Jennifer A. Salisbury

Cabinet Secretary

October 24, 2001

Lori Wrotenbery

Director

Oil Conservation Division

Hon. David Catanach,
Hearing Examiner
New Mexico Oil Conservation Division
1220 S. St. Francis Drive
Santa Fe, NM 87505

Re: Case No. 12757; Application of the New Mexico Oil Conservation Division for an Order Requiring Marks and Garner Production Ltd. Co. to Properly Plug Seventeen (17) Wells, Authorizing the Division to Plug Said Wells in Default of Compliance by Marks and Garner Production Ltd. Co, Ordering a Forfeiture of Applicable Plugging Bond and Assessing Civil Penalties for False Production Reporting; Eddy County, New Mexico

Dear Examiner Catanach:

The New Mexico Oil Conservation Division hereby requests a continuance of the hearing set in the referenced case on Thursday, November 1, 2001 until the next examiner docket on Thursday, November 15, 2001.

Notice of the subject hearing was attempted to be served on United States Fidelity & Guaranty Company, surety for the respondent, operator, by certified mail addressed to the agent who issued the bond. The notice letter was returned to the Division marked "Unclaimed." This continuance is requested so that notice may be mailed to the surety at its corporate offices.

Very truly yours,

David K. Brooks
Assistant General Counsel

Cc: Marks and Garner Production Ltd. Co.
P.O. Box 70
Lovington, NM 88260