

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

**APPLICATION OF THE NEW MEXICO OIL CONSERVATION DIVISION,  
THROUGH THE SUPERVISOR OF DISTRICT I, FOR AN ORDER REQUIRING  
CHARLES E. YANCURA TO PROPERLY PLUG ONE (1) WELL IN LEA  
COUNTY, NEW MEXICO, AUTHORIZING THE DIVISION TO PLUG SAID  
WELL AND ORDERING A FORFEITURE OF APPLICABLE PLUGGING  
BOND.**

CASE NO. 12861

**APPLICATION FOR PLUGGING AND FORFEITURE OF BOND**

1. Charles E. Yancura ("Operator") is the operator of the following well located in Lea County, New Mexico:

State 43-35 Well No. 1 (API No. 30-025-02810), located 1980 feet from the South line and 660 feet from the East line (Unit I) in Section 35, Township 16 South, Range 35 East

2. Operator has posted a single-well cash bond in the amount of \$10,000, secured by an assignment of funds on deposit with SunWest Bank of Hobbs, NA (nka Bank of America) in account no. 3007885, in compliance with NMSA 1978, Sec. 70-2-14 and O.C.D. Rule 101, which bond is conditioned upon compliance with the statutes of the State of New Mexico and the Rules of the Oil Conservation Division ("Division") with respect to the proper plugging and abandonment said well.

3. The subject wells have not produced any hydrocarbon or carbon dioxide substance for more than one year and are no longer usable for beneficial purposes. No permit for temporary abandonment has been requested by the Operator or approved by the Division.

4. By virtue of Operator's failure to use the well for production or other beneficial purposes or to secure a current temporary abandonment permit, the well is presumed abandoned, and is required to be plugged.

5. Division Rule 201.B, issued pursuant to the authority of NMSA 1978, Secs. 70-2-12 and 70-2-14, requires that wells that are inactive for more than one year or are no longer usable for beneficial purposes be properly plugged.

6. Division Rule 101.M, issued pursuant to the same authority, authorizes the Division, after notice and hearing, to order the operator to plug and abandon any well or wells not in compliance with Rule 201, and to direct the Division to cause such well or wells to be plugged in accordance with a Division approved plugging program if, after the time provided in such order, the operator and its surety, if any, have failed to do so.

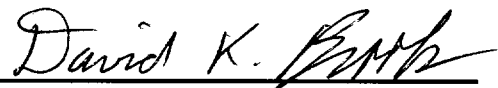
WHEREFORE, the Supervisor of District I of the Division hereby applies to the Director to enter an order:

- A. Determining whether the subject well should be plugged and abandoned in accordance with a Division-approved plugging program.
- B. Upon a determination that the well should be plugged, directing the Operator to plug said well by a date certain.
- C. Further ordering that if the Operator fails to plug and abandon said well as ordered by the Director, the Division be authorized: (i) to plug the subject wells in accordance with a division-approved plugging program; (ii) to declare forfeit the cash bond furnished by the Operator, and to foreclose on the deposit securing same to the extent necessary to fully reimburse the

Division for its expenses incurred in accomplishing the foregoing; and (iii) to take necessary and appropriate measures to recover from the Operator any costs of plugging the subject well in excess of the amount of the said bond.

- D. For such other and further relief as the Division deems just and proper under the circumstances.

RESPECTFULLY SUBMITTED,

A handwritten signature in cursive script, reading "David K. Brooks", written in black ink over a horizontal line.

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