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

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

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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

CASE NO. 12811

ORDER NO. R-11934-A DE NOVO

ORDER VACATING ORDER NO. R-11934 AS IT APPLIES TO KERSEY AND COMPANY AND KERSEY AND DONOHUE

THIS MATTER, having come before the New Mexico Oil Conservation Commission on August 14, 2003, on application of Kersey and Company and Kersey and **Donohue** for de novo review of Order No. **R-1**1934, entered in Case No. 12811, insofar as it applies to Kersey and Company and Kersey and Donohue and the Commission finding that Kersey and Company's wells ASU No. 2 (API No. 30-015-10227), ASU "A" No. 1 (API No. 30-015-01306), and Texaco State No. 2 (API No. 30-015-02633), and Kersey and **Donohue's** wells Federal No. 1 (API No. 30-015-01310) and Federal No. 2 (API No. 30-015-01309), were in compliance prior to the Oil Conservation Division's May 14, 2003 order, vacates Order No. R-1 1934, entered in Case No. 12811, insofar as it applies to Kersey and Company and Kersey and Donohue.

IT IS THEREFORE ORDERED THAT:

Order No. **R-1**1934, entered in Case No. **12811**, as it applies to Kersey and Company and Kersey and Donohue is vacated.

Case No. 12811 Order No. R-11934-A Page 2

DONE at Santa Fe, New Mexico on this 13th day of November, 2003.

STATE OF NEW MEXICO OIL CONSERVATION COMMISSION

WROTENBERY, CHAIR LORI

JAMI BAILEY, MEMBER

ROBERTLEE, (MEMBER

SEAL