

T. D. Pope Well No. 5	30-025-05213	1980' FNL & 330' FWL	E	36	14 South - 37 East
T. D. Pope Well No. 9	30-025-05217	660' FNL & 1650' FWL	C	36	14 South - 37 East

Failure to comply will subject the operator to a fine of \$1,000.00 per well per day until completed.

(7) All workover, temporary abandonment, and/or plug and abandonment procedures on the above-described 14 wells shall be submitted to the Supervisor of the Hobbs District Office for approval. The operator shall notify the Supervisor of the Hobbs District Office of the Division at least 24 hours in advance for every temporary abandonment and/or plug and abandonment procedure so it can be witnessed.

Failure to comply with any steps of these procedures will subject the operator to a fine of \$1,000.00 per day per well per occurrence until the necessary requirements or action is complied with.

(8) Polaris shall sample groundwater from all nearby fresh water wells and have such samples analyzed for hydrocarbon contamination. This data is to be submitted to the Supervisor of the Hobbs District Office of the Division for review by October 31, 1997. The Hobbs District Office of the Division must be notified 24 hours prior to sampling so that a representative can be present.

Failure to comply with any steps of these procedures will subject the operator to a fine of \$1,000.00 per day per well per occurrence until the necessary requirements or action is complied with.

IT IS FURTHER ORDERED THAT:

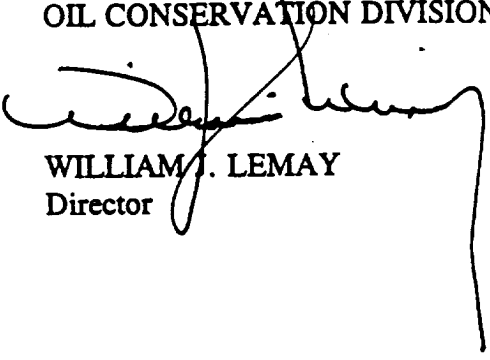
(9) Should the operator either fail or refuse to carry out the provisions of this order, the Division shall take action to: (i) have the well properly plugged and abandoned; and/or (ii) clean up the well sites and related production facilities, at which time the Division Director shall take action to foreclose on the United States Fidelity and Guaranty Company \$50,000.00 blanket plugging bond on which Polaris is principal to help defer such costs accrued by the Division.

(10) The Supervisor of the Division's Hobbs District Office may, for good cause shown, lessen such fines imposed and/or have deadlines extended.

(11) Jurisdiction of this cause is retained for the entry of such further orders as the Division may deem necessary.

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

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION


WILLIAM J. LEMAY
Director

SEAL