

necessary to properly plug and abandon these wells, forfeit the plugging bonds for these wells, and recover from the operator additional costs the Division may incur to properly plug and abandon these wells.

**IT IS THEREFORE ORDERED THAT:**

(1) Leigh Operating Company of Dallas, Texas, is hereby ordered to plug and abandon the following-described wells in Lea County, New Mexico, on or before July 15, 2002:

<u>Well Name</u>	<u>API Number</u>	<u>Well Location</u>
Caudill State No. 1	30-025-27461	1660' FSL & 1660' FWL (Unit K) Section 26, T-15 South, R-36 East;
Caudill State No. 2	30-025-27637	660' FNL & 1980' FEL (Unit B) Section 26, T-15 South, R-36 East;

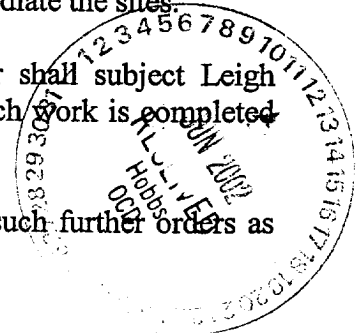
and to remediate the sites in accordance with Division rules.

(2) Leigh Operating Company, prior to plugging and abandoning the above-described wells, shall obtain from the supervisor of the Division's district office in Hobbs, an approved plugging program and shall notify the Hobbs District Office of the date and time this work is to commence, whereupon the Division may witness such work.

(3) Should Leigh Operating Company fail or refuse to carry out such provisions in accordance with the terms of this order, the Division shall then take such actions as are necessary to: (i) have these wells properly plugged and abandoned, including remediating the site in accordance with Division rules; (ii) forfeit the plugging bonds for these wells and utilize these funds to plug the wells; and (iii) recover from the operator additional costs the Division may incur to properly plug and abandon these wells and remediate the sites.

(4) Failure to comply with the provisions of this order shall subject Leigh Operating Company to a fine of \$1,000.00 per day per well until such work is completed (see Section 70-2-31, NMSA 1978).

(5) 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

*Lori Wrotenbery*  
LORI WROTENBERY  
Director