

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

SURETY BOND

- SINGLE WELL PLUGGING [19.15.8.9(C)(1); 19.15.8.9(D)(1) NMAC]
- BLANKET PLUGGING [19.15.8.9(C)(2) NMAC; 19.15.8.9(D)(2) NMAC]
- RECYCLING FACILITY OR CONTAINMENT [19.15.34.15 NMAC]
- SURFACE WASTE MANAGEMENT FACILITY [19.15.36.11 NMAC]
- WQCC DISCHARGE PERMIT (EXCLUDING UIC WELLS) [20.6.2.3107.A(11) NMAC]
- WQCC DISCHARGE PERMIT FOR UIC CLASS I, III, and V INJECTION WELLS [20.6.2.5006 NMAC; 20.6.2.5210.B(17) NMAC; 20.6.2.5320 NMAC; 20.6.2.5342(A)(1) NMAC; 20.6.2.5361(A)(3) NMAC; 20.6.2.5362(A)(3) NMAC; 20.6.2.5363 NMAC]
- ABATEMENT PLAN [19.15.30.11(C) NMAC; 20.6.2.4104(C) NMAC]

BOND NUMBER _____

BOND AMOUNT _____

FINANCIAL INSTITUTION _____

OPERATOR/PRINCIPAL _____

OGRID NUMBER _____

WELL/FACILITY _____

TYPE OF WELL [Active [Inactive [Approved Temporary Abandonment

WELL DEPTH _____

LOCATION Section [_____] Township [_____] Range [_____]

County [_____]

API/ PERMIT NUMBER _____

KNOW ALL MEN BY THESE PRESENTS:

That _____, (an individual – **if dba must read – Example: John Doe dba ABC Services**) (a general partnership) (a corporation) (limited liability company) (limited partnership) organized in the State of _____, and authorized to do business in the State of New Mexico), as PRINCIPAL, and _____, a corporation organized and existing under the laws of the State of _____ and authorized to do business in the State of New Mexico, as SURETY, are firmly bound unto the State of New Mexico, for the use and benefit of the Oil Conservation Division of the Energy, Minerals and Natural Resources Department (or successor agency) (the DIVISION), pursuant to NMSA 1978, Section 70-2-14, as amended, in the sum of \$ _____, for the payment of which the PRINCIPAL and SURETY hereby bind themselves, their successors, and assigns, jointly and severally, firmly by these presents.

The conditions of this obligation are one of the following:

1. WHEREAS, the PRINCIPAL has commenced or may commence the drilling of one well to a depth not to exceed _____ feet, to prospect for and/or produce oil or gas, carbon dioxide gas, helium gas, or brine minerals, or as an injection or other service well related to such exploration or production, or owns or operates, or may acquire, own, or operate such well, the identification and location of said well being:
_____ API No. 30- _____,
(Name of Well)
located _____ feet from the (North/South) line and _____ feet from the (East/West) line of Section _____, Township _____ (North) (South), Range _____ (East) (West), NMPM, _____ County, New Mexico.
2. WHEREAS, the PRINCIPAL has heretofore or may hereafter enter into the collection, disposal, evaporation, remediation, reclamation, treatment or storage of produced water, drilling fluids, drill cuttings, completion fluids, contaminated soils, Basic Sediment & Water, tank bottoms, waste oil or other oil field related waste in Section _____, Township _____, Range _____, NMPM, County _____, New Mexico.

3. The OPERATOR/PRINCIPAL(APPLICANT/PERMITTEE) has or may enter into the collection, treatment, storage, recycling, and re-use of produced water in Section_____, Township _____, Range _____, NMPM, County _____, New Mexico ("Facility"). ISSUER has been advised that OPERATOR/PRINCIPAL has requested this Bond as security for OPERATOR/PRINCIPAL's compliance with all laws and rules applicable to such activities, including, but not limited to, proper closing and remediation of the Facility.

NOW, THEREFORE, if the PRINCIPAL and SURETY or either of them, or their successors or assigns or any of them, shall cause said well be properly plugged and abandoned when dry or when no longer productive or useful for other beneficial purpose, in accordance with the rules and orders of the DIVISION, Oil Conservation Commission, or a court of competent jurisdiction, including but not limited to 19.15.8.9 and 19.15.25.10 NMAC, as such rules now exist or may hereafter be amended;

THEN AND IN THAT EVENT, this obligation shall be null and void; otherwise and in default of complete compliance with any and all of said obligations, the same shall remain in full force and effect.

PRINCIPAL

SURETY

Address

Address

By _____
Signature

Attorney-in-Fact

Title

Corporate surety, affix Corporate seal below:

IF PRINCIPAL is a corporation, affix Corporate Seal below:

ACKNOWLEDGMENT FOR INDIVIDUAL

(If dba, must read – Example: John Doe dba Well Services)

State of _____)
 SS.

County of _____)

This instrument was acknowledged before me on this _____ day of _____,

20____, by _____.

(Name of Individual)

Notary Public

SEAL

My Commission Expires:

ACKNOWLEDGMENT FOR PARTNERSHIP, CORPORATION, OR LIMITED LIABILITY COMPANY

State of _____)
 SS.

County of _____)

This instrument was acknowledged before me on this _____ day of _____,

20____, by _____ of

(Capacity, e.g., partner, president, manager, member, company)

(Name of Partnership, corporation, or limited liability company)

Notary Public

SEAL

My Commission Expires:

ACKNOWLEDGMENT FOR CORPORATE SURETY

State of _____)
 SS.
County of _____)

This instrument was acknowledged before me on this _____ day of _____,
20 _____, by _____ of
 (Name of Attorney-in-Fact)

 (Name of Corporate Surety)

Notary Public

SEAL

My Commission Expires:

CORPORATE SURETY ATTACH
POWER OF ATTORNEY

APPROVED BY:
OIL CONSERVATION DIVISION OF
NEW MEXICO

By _____

Date _____