

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

IN RE: NMOCD-ACOI-201959

**AGREED COMPLIANCE ORDER FOR INACTIVE WELLS**

Pursuant to the New Mexico Oil and Gas Act ("Act"), NMSA 1978, Section 70-2-1, *et seq.*, and 19.15.5.10(E) NMAC, the Director of the Oil Conservation Division ("OCD") and Maverick Permian, LLC (331199) ("Operator") enter into this Agreed Compliance Order for Inactive Wells ("ACOI").

**I. FINDINGS OF FACT AND CONCLUSIONS OF LAW**

1. OCD is charged with the administration and enforcement of the Oil and Gas Act and the rules and has jurisdiction over Operator and its wells in the state of New Mexico.
2. Operator is the operator of record for 868 wells of which 27 are inactive.
3. Operator is under OGRID # 331199.
4. Operator will address each well listed on **Exhibit "A"** ("Well" or "Wells") due to Acquisition of Wells.
5. Operator has sufficient financial assurance for the Wells under 19.15.8.9(C) NMAC.
6. Operator intends to restore production from the Wells before the applicability of the requirement for inactive well financial assurance under 19.15.8.9(D) NMAC.
7. OCD is authorized to impose sanctions for violations of the Oil and Gas Act and the rules, including denial or revocation of registrations, applications, permits, authorizations and transfers, and the assessment of civil penalties. *See* 19.15.5.10NMAC.
8. Operator requests this ACOI to avoid sanctions for violating the Oil and Gas Act and 19.15.25 NMAC with respect to the Wells.
9. Operator admits the findings of fact and waives any right to appeal from this ACOI.

## II. ORDER

9. No later than the dates listed on Exhibit A, Operator shall take one of the following actions for each well
  - (a) restore the Well to production and file a C-115;
  - (b) place the Well on approved temporary abandonment status in accordance with 19.15.25 NMAC; and
  - (c) plug the Well in accordance with 19.15.25 NMAC and file a C-103.
10. No later than the 15<sup>th</sup> day of each month following the entry of this ACOI, Operator shall file a report describing the action taken for each Well, and such other information as OCD may request for time to time. The report shall be sent by electronic mail to OCD's Administrative and Compliance Bureau, at [OCDAdminComp@state.nm.us](mailto:OCDAdminComp@state.nm.us)
11. Operator shall maintain sufficient financial assurance for the Wells under 19.15.8.9(C) NMAC.
12. If Operator fails to comply with a requirement of this ACOI for a Well, the Well shall be deemed to be out of compliance with the Oil and Gas Act and rules.
13. If Operator fails to comply with a requirement of this ACOI, no later than thirty (30) days after receipt of a written demand from OCD, in addition to any other sanction imposed by OCD pursuant to the Oil and Gas Act and the rules adopted thereunder, Operator shall pay a stipulated penalty of \$500.00 for each day until it complies with each separate requirement ("Stipulated Penalty"). Each failure to comply with a requirement of this ACOI shall be subject to a separate Stipulated Penalty.
14. If Operator fails to pay the Stipulated Penalty or portion thereof within thirty (30) days after receipt of a written demand from OCD, it shall pay interest on the Stipulated Penalty or unpaid portion thereof until paid in full at the interest rate of 8.75 percent.
15. Operator shall not transfer a Well to another operator unless approved by OCD.

16. Notwithstanding the foregoing provisions, OCD reserves the right to apply for authorization to plug a Well and to forfeit the financial assurance if the Well poses an imminent threat to the public health or environment.
17. OCD reserves the right to sanction Operator for any alleged violation not addressed in this Order.

NEW MEXICO OIL CONSERVATION DIVISION

  
\_\_\_\_\_  
Adrienne Sandoval

6/30/2022  
\_\_\_\_\_  
Date

Lauri Stanfield  
\_\_\_\_\_  
Name of Authorized Representative

June 27, 2022  
\_\_\_\_\_  
Date

Exhibit A		
Operator Name:	Maverick Permian LLC	
Operator OGRID:	331199	
ACOI submittal Date:	6/23/2022	
ACOI Approval Date:		
Total Number of Non-Compliant Wells:	27	
Number of Wells per month brought into production or plugged:	4.5	
ACOI # : (Assigned by OCD)	201959	
List of Noncompliant Wells		
API	Well Name/Number	Plug or Produce?
		Example
30-025-12345	Anywhere 31	Produce
30-025-00636	BAISH B #003	Produce
30-025-01566	COCKBURN B STATE #002	Plug
30-025-02836	EAST VACUUM (GSA) UNIT #002	Produce
30-025-26929	EAST VACUUM (GSA) UNIT #002	Produce
30-025-02973	EAST VACUUM (GSA) UNIT #002H	Produce
30-025-26381	EAST VACUUM (GSA) UNIT #006	Plug
30-025-26865	EAST VACUUM (GSA) UNIT #008	Produce
30-025-21651	EAST VACUUM (GSA) UNIT #112	Plug
30-025-25539	PEARL B #005	Produce
30-025-00690	PEARL B #017	Produce
30-025-07846	SEMU BTD #011	Produce
30-025-01425	STATE F TG #004	Produce
30-025-08541	VACUUM ABO UNIT #067	Plug
30-025-08547	VACUUM ABO UNIT #072	Produce
30-025-42070	VACUUM ABO UNIT #687	Produce
30-025-42072	VACUUM ABO UNIT #707	Produce
30-025-20854	VACUUM GLORIETA EAST UNIT #001	Produce
30-025-20866	VACUUM GLORIETA EAST UNIT #001	Produce
30-025-20846	VACUUM GLORIETA EAST UNIT #001	Plug
30-025-20826	VACUUM GLORIETA EAST UNIT #001	Plug
30-025-20797	VACUUM GLORIETA EAST UNIT #001K	Produce
30-025-20855	VACUUM GLORIETA EAST UNIT #002	Produce
30-025-38386	VACUUM GLORIETA EAST UNIT #029	Produce
30-025-42104	VACUUM GLORIETA EAST UNIT #114H	Produce
30-025-42103	VACUUM GLORIETA EAST UNIT #123H	Produce
30-025-42691	VACUUM GLORIETA EAST UNIT #224H	Produce

30-025-44141	ZEPP0 5 FEDERAL COM #025H	Produce



Date of plugging or production	Date of Last Production	Financial Assurance Single well or Blanket bond?	Amount of Financial Assurance	TA Exp Date
10/31/2021 (End of month it happens in)		single well	\$45,600.00	
Aug-22	Jul-19	Blanket	\$250,000	
Nov-22	Jun-14	Blanket	\$250,000	6/11/2021
Aug-22	Aug-19	Blanket	\$250,000	10/20/2024
Aug-22	Feb-21	Blanket	\$250,000	
Aug-22	Mar-19	Blanket	\$250,000	3/8/2024
Nov-22	Nov-20	Blanket	\$250,000	
Aug-22	Jul-20	Blanket	\$250,000	
Nov-22	Dec-20	Blanket	\$250,000	
Aug-22	Feb-20	Blanket	\$250,000	
Sep-22	Oct-19	Blanket	\$250,000	
Sep-22	Jan-21	Blanket	\$250,000	
Sep-22	Sep-19	Blanket	\$250,000	
Nov-22	Nov-19	Blanket	\$250,000	
Sep-22	Jan-19	Blanket	\$250,000	9/3/2026
Oct-22	Oct-17	Blanket	\$250,000	1/4/2023
Oct-22	Nov-19	Blanket	\$250,000	1/14/2024
Oct-22	Nov-19	Blanket	\$250,000	3/6/2026
Oct-22	Dec-20	Blanket	\$250,000	
Nov-22	Aug-19	Blanket	\$250,000	
Nov-22	Mar-20	Blanket	\$250,000	
Nov-22	May-16	Blanket	\$250,000	5/1/2026
Nov-22	Sep-20	Blanket	\$250,000	
Nov-22	Sep-17	Blanket	\$250,000	8/20/2026
Dec-22	Jul-17	Blanket	\$250,000	9/3/2026
Dec-22	Jan-18	Blanket	\$250,000	10/16/2022
Dec-22	Apr-16	Blanket	\$250,000	4/1/2026

Dec-22	Dec-19	Blanket	\$250,000	