



GENERAL RELEASE

For and in consideration of the sum of Ten Dollars (\$10.00) this day paid to the undersigned by Abo Petroleum, LLC, hereinunder called "The Company", receipt of which is hereby acknowledged, the undersigned does for himself, his successors in interest, heirs, legal representatives and assignees, release and forever discharge The Company, its successors, agents, contractors, servants and employees, from all actions, causes of action, claims and demands against The Company, its successors, agents, contractors, servants and employees, which the undersigned has or may have as a result of surface use in connection with the deepening, drilling, completing (or plugging and abandoning), equipping, operating and producing the following described well, which includes, but is not limited to, roads, electric lines and pipelines used in connection with such well listed below:

Eddy County, New Mexico

Township 18 South, Range 25 East, N.M.P.M.

Section 20: S2

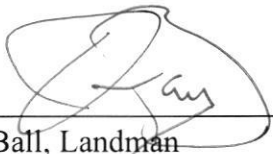
320.00 acres more or less.

Well Name: Penasco #001

Surface location: O-20-18S-25E, 660' FSL and 1,980' FEL

Operator: Abo Petroleum, LLC

Executed this 23rd day of September, 2024.



Jim Ball, Landman

District I
1625 N. French Dr., Hobbs, NM 88240
Phone:(575) 393-6161 Fax:(575) 393-0720
District II
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Phone:(575) 748-1283 Fax:(575) 748-9720
District III
1000 Rio Brazos Rd., Aztec, NM 87410
Phone:(505) 334-6178 Fax:(505) 334-6170
District IV
1220 S. St Francis Dr., Santa Fe, NM 87505
Phone:(505) 476-3470 Fax:(505) 476-3462

State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

DEFINITIONS

Action 392316

DEFINITIONS

| | |
|--|---|
| Operator: Abo Petroleum, LLC PO Box 900 Artesia, NM 88211 | OGRID: 330655 |
| | Action Number: 392316 |
| | Action Type: [C-103] Sub. Release After P&A (C-103Q) |

DEFINITIONS

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| For the sake of brevity and completeness, please allow for the following in all groups of questions and for the rest of this application: <ul style="list-style-type: none">• lease and well location, hereinafter "location";• flowlines or pipelines, hereinafter "pipelines";• and non-retrieved or abandoned, hereinafter "abandoned". |
|--|

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QUESTIONS

Action 392316

QUESTIONS

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QUESTIONS

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| Subsequent Report of: Location Ready For OCD Inspection After P&A | |
| Was this the last remaining or only well on the location | Not answered. |
| Are there any abandoned pipelines that are going to remain on the location | Not answered. |
| Is there any production equipment or structure (not including steel marker, poured onsite concrete bases, or pipelines) that is going to remain on the location | Not answered. |
| If any production equipment or structure is to remain on the location, please specify | Not answered. |

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| Site Evaluation | |
| Please answer all the questions in this group. | |
| Have all the required pits been remediated in compliance with OCD rules and the terms of the Operator's pit permit and closure plan | Not answered. |
| Have the rat hole and cellar been filled and leveled | Not answered. |
| Have the cathodic protection holes been properly abandoned | Not answered. |
| Has a steel marker, at least 4 inches in diameter and at least 4 feet above ground level, been set in concrete | Not answered. |
| The (concrete-set) steel marker shows: Must attach marker photograph(s). * | THE OPERATOR NAME, LEASE NAME AND WELL NUMBER AND LOCATION, INCLUDING UNIT LETTER, SECTION, TOWNSHIP AND RANGE, SHALL BE WELDED, STAMPED OR OTHERWISE PERMANENTLY ENGRAVED INTO THE MARKER'S METAL. |
| Has the location been leveled as nearly as possible to original ground contour | Not answered. |
| Have all the required pipelines and other production equipment been cleared | Not answered. |
| Has all the required junk and trash been cleared from the location | Not answered. |
| Have all the required anchors, dead men, tie downs and risers have been cut off at least two feet below ground level | Not answered. |
| Have all the required metal bolts and other materials have been removed | Not answered. |
| Poured onsite concrete bases do not have to be removed. | |
| Have all the the required portable bases been removed | Not answered. |
| Have all other environmental concerns have been addressed as per OCD rules | Not answered. |
| If any environmental concerns remain on the location, please specify | Not answered. |
| * Proof of the site marker (photograph) is required. Please submit any other site photographs that would assist in documenting the above answers, site features, additional concerns, or other nearby / remaing structures and equipment. | |

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QUESTIONS, Page 2

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QUESTIONS (continued)

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QUESTIONS**Abandoned Pipelines**

Only need to provide answers in this group, if any pipelines have been abandoned (in accordance with 19.15.35.10 NMAC).

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| Have all fluids have been removed from any abandoned pipelines | Not answered. |
| Have all abandoned pipelines been confirmed to NOT contain additional regulated NORM, other than that which accumulated under normal operation | Not answered. |
| Have all accessible points of abandoned pipelines been permanently capped | Not answered. |

Last Remaining or Only Well on the Location

Please answer all questions that apply in this group, specifically if there is no longer going to be any well or facility remaining at this location.

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| Have all electrical service poles and lines been removed from the location | Not answered. |
| Is there any electrical utility distribution infrastructure that is remaining on the location | Not answered. |
| Have all the battery and pit location(s) have been remediated in compliance with OCD rules and the terms of the Operator's pit permit and closure plan | Not answered. |
| Have all the retrievable pipelines, production equipment been removed from the location | Not answered. |
| Has all the junk and trash been removed from the location | Not answered. |

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ACKNOWLEDGMENTS

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| <input checked="" type="checkbox"/> | I hereby certify that all the work has been completed for this location and the site is ready for an OCD scheduled inspection. |
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CONDITIONS

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CONDITIONS

| Created By | Condition | Condition Date |
|------------|---|----------------|
| kfortner | Inspected 10/17/24 by David Alvarado Reported DHM GOOD LOCATION GOOD PERIMETER AND OUTERMOST PERIMETER GOOD READY FOR RELEASE | 10/22/2024 |