

State of New Mexico
Energy, Minerals and Natural Resources Department

Michelle Lujan Grisham
Governor

Sarah Cottrell Propst
Cabinet Secretary

Todd E. Leahy, JD, PhD
Deputy Cabinet Secretary

Adrienne Sandoval Director
Oil Conservation Division



Dear _____,

Operators with too many non-compliant wells per the rule 19.15.5.9(B) NMAC can choose to enter into an Agreed Compliance Order (ACO) with the OCD. Before entering into an ACO, Operators must provide the OCD with a plan of well development activities. This plan needs to include the following information in Excel spreadsheet format:

- A list of all non-compliant wells
- The number of wells per month to be completed (brought into production or plugged)
- For each well, identify if it is to be plugged or produced, and by what date
- For each well, the average production per month of the well before it stopped producing
- What type of financial assurance each well is covered by
- A summary of all prior ACO's with detail on what has been done and needs to still be completed pursuant to that ACO.

Attached is the OCD's ACO form for operator review and use. The form may not be altered in any way.

If you choose to enter into the ACO, please email the ACO and well development plan to OCDAdminComp@state.nm.us.

If you have any questions, please contact Karen Collins at karen.collins@state.nm.us

Thank you,

Karen Collins