State of New Mexico Energy, Minerals and Natural Resources Department

Susana Martinez Governor

Ken McQueen Cabinet Secretary

Matthias Sayer Deputy Cabinet Secretary Heather Riley, Division Director Oil Conservation Division



February 13, 2018

TEMPO ENERGY, INC Operator OGRID #22223 P.O. Box 1034 Midland, TX 79702

> OCD Case # 16444 Exhibit 3: Notice of Violation Page 1 of 2

Re: 19.15.5.9 NMAC Compliance

violation of the inactive well rule.

Dear Operator:

The Oil Conservation Division (OCD) is conducting ongoing review of all operators' compliance status with Subsection A of 19.15.5.9 NMAC. According to OCD records, your company is not in compliance with Subsection A of 19.15.5.9 NMAC for the following reasons:

for well plugging set out in 19.15.8.9 NMAC. Specifically, your company has not posted the

Financial assurance. Your company is in violation of the financial assurance requirements

required financial assurance required for state or fee wells than two years. The wells requiring single-well financial a attached sheet.	
Corrective action. Order, issued onviolation of an order requiring corrective action.	, found your company to be in
X Inactive wells. According to the attached inactive wells in violation of 19.15.25.8 NMAC (the inactive well result agreed compliance order. As an operator of 2 well	ule) that are not subject to an inactive

Non-compliance with 19.15.5.9 NMAC will prevent your company from acquiring any new wells, acquiring approval of exploration and development plans, receiving new allowables, and obtaining drilling, injection, and other OCD issued permits, and potentially expose your company to additional compliance actions including an OCD order requiring compliance, and

than <u>1</u> well(s) in violation of the inactive well rule. Your company has <u>2</u> wells in

August 8, 2018 Page 2

revocation of injection permits. As the operator of a non 19.15.5.9 NMAC compliant company, you will not be permitted to register any additional companies to operate in New Mexico or have any interest exceeding 25 percent in any other companies in New Mexico.

The OCD is requesting that you review the OCD's online database for your specific Oil and Gas Registration Identification (OGRID) number and notify the OCD how your company plans to return to compliance with 19.15.5.9 NMAC. This is an opportunity for your company to work with the OCD toward achieving its goal of maintaining compliance with the rules of the State of New Mexico. You may request an Agreed Compliance Order, which would remove these wells from the inactive well list for six months, allowing your company to bring wells back into compliance while remaining compliant with 19.15.5.9.A(4) NMAC. Feel free to contact me if this option is acceptable to your company. Please respond to the OCD within 30 days of receipt of this letter. If no response is received the OCD may begin formal compliance action.

Respectfully yours,

Danuts

OCD Case # 16444 Exhibit 3: Notice of Violation Page 2 of 2

Daniel Sanchez, Compliance and Enforcement Manager (505)476-3493

Daniel.sanchez@state.nm.us

Ec: Heather Riley, Division Director
Allison Marks, Deputy Director
Maxey Brown, District 1 Supervisor
Vacant, District 2 Supervisor
Charlie Perrin, District 3 Supervisor
Will Jones, District 4 Supervisor
Keith Herrmann, Attorney, Santa Fe

Inactive Well List

Total Well Count: 2 Inactive Well Count: 2 Printed On: Tuesday, October 02 2018

/.	District	API	Well	ULSTR	OCD ULSTR Unit Ogrid Operator		Operator	Lease Type	Well Type	Last Production	Formation/Notes	Status	TA Exp Date
	1	30-025-27358	EXXON FORREST FEDERAL #001	P-08-26S-32E	P	22223	TEMPO ENERGY		\$	12/2015	CONV TO SWD 3/03		
	1	30-025-28245	STATE NNG #001	L-16-26S-32E	L	22223	TEMPO ENERGY INC		0	12/2015			

WHERE Operator:22223, County:All, District:All, Township:All, Range:All, Section:All, Production(months):15, Excludes Wells Under ACOI, Excludes Wells in Approved TA Period

> OCD Case # 16444 **Exhibit 1: Inactive Well List** Page 1 of 1







Inactive Well Additional Financial Assurance Report 22223 TEMPO ENERGY INC Total Well Count: 1 Printed On: Tuesday, October 02 2018

Property Well Name	Louse Type	ULSTR	OCD Unit Letter	API	Well Type	Last Prod/Inj	Inactive Additional Bond Dus	Messured Depth	Required Send Amount	Band Required Now	Covered By Blanket TA Bond	Bond in Place	in Vietetien
10858 STATE NNG #001	5	L-16-26S-32E	L	30-025-28245	0	12/2015	01/01/2018	4469	9469	Y	•	0	Y

WHERE Ogrid:22223

OCD Case # 16444 **Exhibit 2: Additional Financial Assurance Report** Page 1 of 1

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

APPLICATION OF THE NEW MEXICO OIL CONSERVATION DIVISION COMPLIANCE AND ENFORCEMENT BUREAU FOR A COMPLIANCE ORDER AGAINST TEMPO ENERGY, INC, FOR WELLS OPERATED IN LEA COUNTY, NEW MEXICO.

CASE NO. 16444

AFFIDAVIT OF DANIEL SANCHEZ

- I, Daniel Sanchez, being first duly sworn on oath, states as follows:
- 1. I am employed as the Compliance and Enforcement Manager at the Oil Conservation Division ("OCD").

My duties include as the Compliance & Enforcement Manager

Manage the division's four district offices and Environmental Bureau.

Program Director for the EPA's Underground Injection Control program.

Coordinate field inspections between the BLM (Carlsbad, Roswell, and Hobbs District Offices and the OCD (Artesia and Hobbs District Offices).

Conduct quarterly meetings between the BLM and OCD to coordinate various enforcement actions on co-jurisdictional sites and issues.

Manage the use of the State Reclamation Fund for the purpose of plugging abandoned wells, remediation of well sites and the remediation of oil and gas related environmental contamination.

Testify in Hearing Examiner and Commission hearings in support of OCD staff positions on compliance and enforcement issues.

Conduct operator orientation for operators new to the state.

Negotiate Agreed Compliance Orders with operators out of compliance with OCD Rule 5.9.

Simplify and standardize the Oil Conservation Division's business procedures.

Eliminate outdated practices and address current regulatory issues.

Oversee the consistent interpretation and enforcement of division rules.

Ensure compliance with rules and permits on oil and gas facilities and operations.

Assure that inactive wells are tested and plugged in accordance with division rules.

Act as a backup for C-115, production reports, review and approvals.

Act as a backup for data entry of ACOI wells into the divisions Risk Based Data Management System.

OCD Case # 16444

Exhibit 4: Affidavit of Non-Production, 19.15.5.9 NMAC and Financial Assurance Violations

Page 1 of 3

- 2. The OCD's information on production and injection comes from monthly production reports filed by the well operators.
- 3. In 1993 the OCD began using the ONGARD (Oil and Natural Gas Administration and Revenue Database) to record oil and gas production and injection by well. Since 1993, production and injection data from the monthly production reports filed by operators has been entered into ONGARD.
- 4. When the OCD began using the ONGARD system in 1993, it converted existing production and injection data into ONGARD for those wells that were not shown as "plugged" according to the OCD records available at that time. The pre-1993 production and injection information for each such well was totaled and appears in ONGARD under the last month of production or injection for that well.
- 5. Upon information and belief, Tempo Energy, Inc., ("Operator") is a Foreign Profit Corporation and is operating the wells ("subject wells") in Lea County, New Mexico identified in *Exhibit 1, Inactive Well List*.
- 6. Upon information and belief, the New Mexico Secretary of State has Operator registered under entity number 1270172 and identifies Frank Pannell, Vice President, as officer of record.
- 7. Upon information and belief, the subject wells operated by Operator in New Mexico have been inactive for a continuous period exceeding one year plus 90 days, and are neither plugged and abandoned in accord with 19.15.25.9 to -11 NMAC nor on approved temporary abandonment status in accord with 19.15.25.12 NMAC.
- 8. Upon information and belief, the number of subject wells out of compliance with 19.15.25.8 NMAC (wells to be properly abandoned) exceeds the amount allowed by 19.15.5.9 NMAC. As and operator of 2 wells, Operator may not have more than 2 wells out of compliance with 19.15.25.8 NMAC
- 9. Exhibits 1-4 presented in this case are true and accurate reproductions of OCD records and were prepared by me or under my direction.
- 10. 19.15.8.9.C NMAC states that an operator shall cover a well that has been in temporary abandonment for more than two years by either a one-well financial assurance or a blanket plugging financial assurance for wells in temporarily abandoned status.
- 11. Operator currently is in need of acceptable financial assurance in the amount of \$9,469, for the State NNG #001 well, API No. 30-25-28245.

OCD Case # 16444

Exhibit 4: Affidavit of Non-Production, 19.15.5.9 NMAC and Financial Assurance Violations

Daniel Sanchez

SUBSCRIBED AND SWORN before me on this October 3, 2018.

Notary Public

My Commission Expires:

December 13, 2018



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

APPLICATION OF THE NEW MEXICO OIL CONSERVATION DIVISION COMPLIANCE AND ENFORCEMENT BUREAU FOR A COMPLIANCE ORDER AGAINST TEMPO ENERGY, INC., FOR WELLS OPERATED IN LEA COUNTY, NEW MEXICO.

CASE NO. 16444

AFFIDAVIT OF SERVICE

In accordance with 19.15.4.9 and 19.15.4.12 NMAC, I hereby certify that notice of the October 4, 2018 hearing in the above captioned case was mailed to the following party(ies) by certified mail, return receipt requested, at least 20 days prior to the hearing date, with a copy of the application:

Tempo Energy Inc. P.O. Box 1034 Midland, TX 79702 CT Corporation System 123 East Marcy St. Santa Fe, NM 87501

Travelers Indemnity Co.
VIA New Mexico Superintendent of Insurance
Attn: Service of Process
P.O. Box 1689
Santa Fe, NM 87504-1689

A copy of this notice is attached as Exhibit 5-A to this affidavit.

Keith W. Herrmann

SUBSCRIBED AND SWORN before me on this October 3, 2018.

My Commission Expires:

December 13,2018

OFFICIAL SEAL
BRITTANY DUTTON-LEYDA
Notary Public
State of New Mexico

Case 16444
Exhibit 5: Affidavit of Notice
Page 1 of 1

State of New Mexico Energy, Minerals and Natural Resources Department

Susana Martinez Governor

Ken McQueen
Cabinet Secretary

David Catanach, Division Director
Oil Conservation Division



Matthias Sayer Deputy Cabinet Secretary

September 7, 2018

Tempo Energy Inc. P.O. Box 1034 Midland, TX 79702

Travelers Indemnity Co.
VIA New Mexico Superintendent of Insurance

VIA CERTIFIED MAIL, RETURN RECEIPT: 7018 0040 0000 5414 7764

Re: OCD Case No. 16444 for a Compliance Order against Tempo Energy Inc.

Dear Operator:

Pursuant to the notice provisions contained in 19.15.4 NMAC, you are hereby notified that at 8:15 AM on October 4, 2018, the New Mexico Oil Conservation Division ("OCD") will hold a hearing in front of a Division Examiner seeking an order determining that Tempo Energy, Inc. ("Operator") (1) is out of compliance with 19.15.5.9(A)(4), 19.15.8, 19.15.25.8 NMAC and NMSA 1978, § 70-2-14; (2) requiring the Operator to return to compliance with 19.15.5.9(A)(4), 19.15.8, 19.15.25.8 NMAC, and NMSA 1978, § 70-2-14 within forty-five (45) days, and requiring producing wells shut-in until compliance is achieved; and (3) in the event of noncompliance, declaring the wells abandoned and authorizing the OCD to plug the violating wells in accordance with a Division-approved plugging program and restore and remediate the location, recover costs from the Operator's financial assurance as permitted by 19.15.8.13 NMAC, and seek indemnification and costs as permitted by NMSA 1978, § 70-2-14(E). The hearing will be held in Porter Hall at 1220 South St. Francis Dr., Santa Fe, New Mexico.

Please review 19.15.4 NMAC to see applicable rules for division hearings. A person entitled to notice may enter an appearance at any time by filing a written notice of appearance with the division or the commission clerk, as applicable, or, subject to the provisions in Subsection C of 19.15.4.10 NMAC, by oral appearance on the record at the hearing. A party who has not entered an appearance at least one business day prior to the pre-hearing statement filing date provided in Paragraph (1) of Subsection B of 19.15.4.13 NMAC shall not be allowed to present technical evidence at the hearing unless the Oil Conservation Commission chairman or the OCD examiner, for good cause, otherwise directs.

OCD Case # 16444 Exhibit 5-A: Direct Notice to Operator Page 1 of 5 September 7, 2018 Page 2

If you have any questions regarding the hearing process, please contact me at (505) 476-3463 or keith.herrmann@state.nm.us.

Sincerely

Keith Herrmann

Attorney for the New Mexico Oil Conservation Division

Compliance and Enforcement Bureau

Encl: OCD Case No. 16444 Compliance and Enforcement Bureau Application for Hearing

Cc: CT Corporation System

123 East Marcy St. Santa Fe, NM 87501

VIA CERTIFIED MAIL, RETURN RECEIPT: 7018 0040 0000 5414 7771

OCD Case # 16444 Exhibit 5-A: Direct Notice to Operator Page 2 of 5

New Mexico Energy, Minerals and Natural Resources Department Office of the General Counsel 1220 South St. Francis Drive Santa Fe, NM 87505

ITAM OFIFIELD



NEOPOST

FIRST-CLASS MAIL

09/07/2018 US POSTAGE \$006.88º



ZIP 87505 041M11273712

CT Corporation System Santa Fe, NM 87501 123 East Marcy St.

871

NIXIE

8689 13 18

RETURN TO SENDER NOT DELIVERABLE AS ADDRESSED UNABLE TO FORWARD

87505422599 ü

87501\$2034 COUZ 87505>4225

.

VEOPOST

FIRST-CLASS MAIL

09/07/2018 US POSTAGE \$006.88º



0000 5414 7764

THE PROPERTY OF THE Cracie to Forward

041M11273712

ZIP 87505

New Mexico Energy, Minerals and Natural Resources Department Office of the General Counsel 1220 South St. Francis Drive Santa Fe, NM 87505

C) Moved Left No Acid O Insulacient Accress

Exhibit 5.A: Direct Notice to Operator OCD Case # 16444

Page 3 of 5

UNAB_E TO FORWARD/FOR REVIEW ** 8008**

79792193434 DU *0593-03848-14-26 And the second s Ü

7970281834

SENDER: COMPLETE THIS SECTION

Contribute items 1, 2, and 3.

Phit your name and adchess on the reverse so that we can return the card to you.

Attach this card to the back of the mallpleco, or on the front if space permits.

Attach this card to the back of the mallpleco, or on the front if space permits.

Attach this card to the back of the mallpleco, or on the front if space permits.

Attach this card to the back of the mallpleco, or on the front if space permits.

Attach this card to the back of the mallpleco, or on the front if space permits.

Attach this card to the back of the mallpleco, or on the front if space permits.

Attach this card to the back of the mallpleco, or on the front if space permits.

Attach this card to the back of the mallpleco, or on the front if space permits.

Attach this card to the back of the mallpleco, or on the front if space permits.

Attach this card to the back of the mallpleco, or on the front if space permits.

Attach this card to the back of the mallpleco, or on the front if space permits.

Attach this card to the back of the mallpleco, or on the front if space permits.

Attach this card to the back of the mallpleco, or on the front if space permits.

Attach this card to the back of the mallpleco, or one of the mallpleco, or one of the mall permits and the permits of the permits o

OCD Case # 16444 Exhibit 5-A: Direct Notice to Operator Page 4 of 5

OCD Case # 16444 Exhibit 5-A: Direct Notice to Operator Page 5 of 5



STATE OF NEW MEXICO OFFICE OF THE SUPERINTENDENT OF INSURANCE CERTIFICATE

STATE OF NEW MEXICO COUNTY OF JUDICIAL DISTRICT

OCD CASE NO. 16444

No. OCD Case No. 16444

APPLICATION OF THE NEW MEXICO OIL CONSERVATION DIVISION COMPLIANCE AND ENFORCEMENT BUREAU FOR A COMPLIANCE ORDER AGAINST TEMPO ENERGY INC., FOR WELLS OPERATED IN LEA COUNTY, NEW MEXICO Defendants,

ACCEPTANCE OF SERVICE

I, John G. Franchini, Superintendent of Insurance of the State of New Mexico, do hereby certify that a copy of a Application and Compliance Order against Tempo Energy, Inc. was served on Travelers Indemnity Company on 9/10/2018 as provided in Section 59A-5-31 and 59A-5-32 NMSA 1978, and was received by said company on 9/12/2018 confirmed by Postmaster return receipt.



In Witness Whereof, I have hereunto set my official seal on September 17, 2018.

Superintendent of Insurance

State of New Mexico Energy, Minerals and Natural Resources Department

Susana Martinez Governor

David Martin
Cabinet Secretary

Brett F. Woods, Ph.D. Deputy Cabinet Secretary David R. Catanach, Division Director Oil Conservation Division



September 7, 2018

Via email: leader@leaco.net

Lovington Daily Leader P.O. Drawer 1717 Lovington, New Mexico 88260

Attention: Legal Department

Re: Notice of Publication - Case No. 16444

Dear Legal Department:

Please publish the attached notice one time immediately on receipt of this request. Please proofread carefully, as any error in a land description or in a key word or phrase can invalidate the entire notice.

Immediately upon completion of publication, please send the following to this office:

- 1. Publisher's affidavit in duplicate.
- 2. Statement of cost (also in duplicate).
- 3. Certified invoices for prompt payment.

We should have these immediately after publication in order that the legal notice will be available for the hearing which it advertises, and also so that there will be no delay in your receiving payment.

Please publish the notice as soon as possible.

Sincerely,

Florene Davidson Attachment OCD Case # 16444 Exhibit 6: Affidavit of Publication Page 1 of 3

NOTICE OF HEARING STATE OF NEW MEXICO ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT OIL CONSERVATION DIVISION SANTA FE, NEW MEXICO

The State of New Mexico, through its Oil Conservation Division, hereby gives notice pursuant to law and the Rules and Regulations of the Division of the following public hearing to be held at 8:15 a.m. on October 4, 2018, in Porter Hall, 1st floor, Wendell Chino Building, 1220 South St. Francis Drive, Santa Fe, New Mexico, before an examiner duly appointed for the hearing. If you are an individual with a disability who needs a reader, amplifier, qualified sign language interpreter, or any other form of auxiliary aid or service to attend or participate in the hearing, please contact Florene Davidson at (505) 476-3458 or through the New Mexico Relay Network, 1-800-659-1779 by September 24, 2018. Public documents can be provided in various accessible formats. Members of the public may obtain copies of the docket by contacting Ms. Davidson at the phone number indicated above. Also, the docket will be posted on the Oil Conservation Division website at www.emnrd.state.nm.us/OCD/. A party who plans on using projection equipment at a hearing must contact Ms. Davidson seven business days prior to the hearing requesting the use of the projection equipment. Wireless internet is available; however, the party must provide its own laptop computer.

STATE OF NEW MEXICO TO:

All named parties and persons having any right, title, interest or claim in the following cases and notice to the public.

(NOTE: All land descriptions herein refer to the New Mexico Principal Meridian whether or not so stated.)

Case No. 16444: Application of The New Mexico Oil Conservation Division Compliance and Enforcement Bureau for a Compliance Order against Tempo Energy, Inc., for Wells Operated in Lea County, New Mexico. The Oil Conservation Division Compliance and Enforcement Bureau ("Bureau"), through its undersigned attorney, hereby files this application with the Oil Conservation Division ("OCD" or "Division") pursuant to the provisions of NMSA 1978, §70-2-12 for a compliance order (1) determining operator Tempo Energy, Inc. ("Operator") is out of compliance with 19.15.5.9(A)(4), 19.15.8, 19.15.25.8 NMAC and NMSA 1978, § 70-2-14; (2) requiring the Operator to return to compliance with 19.15.5.9(A)(4), 19.15.8, 19.15.25.8 NMAC and NMSA 1978, § 70-2-14 within 45 days and requiring producing wells shut-in until compliance is achieved; and (3) in the event of non-compliance, declaring the wells abandoned and authorizing the OCD to plug the violating wells in accordance with a Division-approved plugging program and restore and remediate the location, recover costs from the Operator's financial assurance as permitted by 19.15.8.13 NMAC, and seek indemnification as permitted by NMSA 1978, § 70-2-14(E).

Given under the Seal of the State of New Mexico Oil Conservation Commission at Santa Fe, New Mexico on this 7th day of September, 2018.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION
Heather Riley, Director
S E A L

OCD Case # 16444 Exhibit 6: Affidavit of Publication Page 2 of 3

Affidavit of Publication

STATE OF NEW MEXICO

) ss.

COUNTY OF LEA

Joyce Clemens being first duly sworn on oath deposes and says that she is Advertising Manager of THE LOVINGTON LEADER, a once a week newspaper of general paid circulation published in the English language at Lovington, Lea County, New Mexico; that said newspaper has been so published in such county continuously and uninterruptedly for a period in excess of Twenty-six (26) consecutive weeks next prior to the first publication of the notice hereto attached as hereinafter shown; and that said newspaper is in all things duly qualified to publish legal notices within the meaning of Chapter 167 of the 1937 Session Laws of the State of New Mexico.

That the notice which is hereto attached. entitled Legal Notice was published in a regular and entire issue of THE LOVINGTON LEADER and not supplement thereof, for one (1) day(s), beginning with the issue of September 13, 2018 and ending with the issue of September 13, 2018.

And that the cost of publishing said notice is the sum of \$ 98.28 which sum has been (Paid) as Court Costs.

Joyce Clemens, Advertising Manager Subscribed and sworn to before me this 17th day of September, 2018.

Llina tort

Gina Fort

Notary Public, Lea County, New Mexico My Commission Expires June 30, 2022



LEGAL NOTICE

NOTICE OF HEARING STATE OF NEW MEXICO ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT OIL CONSERVATION DIVISION SANTA FE, NEW MEXICO

The State of New Mexico, through its Oil Conservation Division, hereby gives notice pursuant to law and the Rules and Regulations of the Division of the following public hearing to be held at 8:15 a.m. on October 4, 2018, in Porter Hall, 1st floor, Wendell Chino Building, 1220 South St. Francis Drive, Santa Hall, 1st floor, Wendell Chino Building, 1220 South St. Francis Drive, Santa Fe, New Mexico, before an examiner duly appointed for the hearing. If you are an individual with a disability who needs a reader, amplifier, qualified sign language interpreter, or any other form of auxiliary aid or service to attend or participate in the hearing, please contact Florene Davidson at (505) 476-4458 or through the New Mexico Relay Network, 1-800-659-1779 by September 24, 2018. Public documents can be provided in various accessible formats. Members of the public may obtain copies of the docket by contacting Ms. Davidson at the phone number indicated above. Also, the docket will be posted on the Oil Conservation Division website at www.emnrd.state.nm.us/OCD/. A party who plans on using projection equipment at a hearing must contact Ms. Davidson seven business days prior to the hearing requesting the use of the projection equipment. Wireless internet is available; however, the party must provide its own laptop computer. STATE OF NEW MEXICO TO:
All named parties and persons having any right, title, interest or claim in the following cases and notice to the public.
(NOTE: All land descriptions herein refer to the New Mexico Principal Meridian whether or not so stated.)
Case No. 16444: Application of The New Mexico Oil Conservation Division.

ian whether or not so stated.)

Case No. 16444: Application of The New Mexico Oil Conservation Division Compliance and Enforcement Bureau for a Compliance Order against Tempo Energy, Inc., for Wells Operated in Lea County, New Mexico. The Oil Conservation Division Compliance and Enforcement Bureau ("Bureau"), through its undersigned attorney, hereby files this application with the Oil Conservation Division ("OCD" or "Division") pursuant to the provisions of NMSA 1978, §70-2-12 for a compliance order (1) determining operator Tempo Energy, Inc. ("Operator") is out of compliance with 19.15.5.9(A)(4), 19.15.8, 19.15.25.8 NMAC and NMSA 1978, § 70-2-14; (2) requiring the Operator to return to compliance with 19.15.5.9(A)(4), 19.15.8, 19.15.25.8 NMAC and NMSA 1978, § 70-2-14 within 45 days and requiring producing wells shut-in until compliance is achieved; and (3) in the event of non-compliance, declaring the wells abandoned and authorizing the OCD to plug the pliance, declaring the wells abandoned and authorizing the OCD to plug the pliance, declaring the wells abandoned and authorizing the COD to plag the violating wells in accordance with a Division-approved plugging program and restore and remediate the location, recover costs from the Operator's financial assurance as permitted by 19.15.8.13 NMAC, and seek indemnification as permitted by NMSA 1978, § 70-2-14(E).

Given under the Seal of the State of New Mexico Oil Conservation Commission at Santa Fe, New Mexico on this 7th day of September, 2018.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION Heather Riley, Director

Published in the Lovington Leader September 13, 2018

OCD Case # 16444 **Exhibit 6: Affidavit of Publication** Page 3 of 3