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December 6, 2011

Florene Davidson Oil Conservation Division 1220 South St. Francis Drive Santa Fe, New Mexico 87505 RECEIVED OCD 2011 DEC -b P 12: 56

Case 14055

Dear Florene:

Enclosed for filing, on behalf of C & D Management Company, are an original and one copy of an application to re-open Case No. 14055, together with a proposed advertisement. The advertisement has also been e-mailed to the Division. Applicant requests that the matter be set for the January 5, 2012 Examiner hearing. Thank you.

Very truly yours,

Jarmes Bruce

Attorney for C & D Management Company

PERSONS NOTIFIED OF APPLICATION

Daniel Sanchez Oil Conservation Division

Sonny Swazo Oil Conservation Division

Bureau of Land Management

BEFORE THE NEW MEXICO OIL CONSERVATION DIVISION

RECEIVED OCD

APPLICATION OF C & D MANAGEMENT COMPANY TO RE-OPEN CASE NO. 14055 FOR A COMPLIANCE ORDER, *ETC.*, EDDY COUNTY, NEW MEXICO.

2011 DEC -6 P 12: 56

Case No. 14055

APPLICATION

C & D Management Company applies to re-open Case No. 14055 to allow applicant additional time to comply with the terms of Order No. R-12913, as amended, and in support thereof, states:

- 1. Applicant is the operator of record of seventeen (17) wells located in (a) Sections 12, 13, 14, 24, and 25 of Township 17 South, Range 27 East, N.M.P.M., and (b) Section 18 of Township 17 South, Range 28 East, N.M.P.M., identified in Commission Order No. R-12913-E.
- 2. Order No. R-12913 mandated applicant to bring all wells into compliance with Division reporting obligations and financial assurance requirements, and to bring all subject wells into compliance by returning them to production, temporarily abandoning the wells, or plugging and abandoning the wells. If it did not do so, the Division was authorized to plug and abandon the wells. The Commission also suspended applicant's authority to transport pending satisfaction of the above requirements.
- 3. Applicant did not meet the time requirements of Order Nos. R-12913-E and R-12913-G.
- 4. Since the Commission entered its orders, the sole shareholder and officer of applicant died. Applicant now has new management which desires to comply with the Commission's and Division's requirements, and bring the wells into compliance. **Exhibit A**.

- 5. Applicant requests that Case No. 14055 be re-opened to allow applicant to provide evidence of its compliance with reporting obligations and financial assurance requirements, and to enter an order granting applicant further time to bring wells into compliance before they are plugged by the Division.
- 6. Applicant also requests that any order entered re-instate applicant's authority to transport, so that applicant may sell oil on hand and allow it to produce wells capable of producing to pay for ongoing operations.

WHEREFORE, applicant requests that, after notice and hearing, the Division enter its order granting the relief requested above.

Respectfully submitted,

James Bruce

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Santa Fe, New Mexico 87504

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Attorney for C & D Management Company

MINUTES OF THE SPECIAL MEETING OF C & D MANAGEMENT COMPANY

The Special Meeting of C & D Management Company was held Tuesday, June 7, 2011, at 10:00AM. Present at the Meeting were Martina Castle, and, by telephone, Company attorney William D. Bagley.

Martina Castle reported that Thomas Rene Kizer, the sole shareholder of the Company, died April 6, 2011, in Las Vegas, Nevada.

The parties reviewed the Thomas Rene Kizer Revocable Trust which was duly signed and notarized and provides that Martina Castle is both the Successor Trustee and the sole beneficiary of all of Mr. Kizer's assets which include all of the shares of C & D Management Company.

The parties then reviewed the Operating Agreement and it was RESOLVED that Martina Castle assume the duties of management to continue the business of the Company as its sole shareholder and president.

There being no further business the meeting was adjourned

Martina Castle, President and

and Sole Shareholder

EXHIBIT A

PROPOSED ADVERTISEMENT

Case No. 14055 (re-opened):

Application of C & D Management Company to Re-Open Case No. 14055, etc., Eddy County, New Mexico. Applicant is the operator of record of seventeen (17) wells located in Sections 12, 13, 14, 24, and 25 of Township 17 South, Range 27 East, N.M.P.M., and Section 18 of Township 17 South, Range 28 East, N.M.P.M., identified in Commission Order No. R-12913-E. Applicant requests that Case No. 14055 be re-opened to allow applicant to provide evidence of its compliance with Division reporting obligations and financial assurance requirements, and that the Division enter an order granting applicant further time to bring wells into compliance before they are plugged by the Division. Applicant also requests that any order entered re-instate applicant's authority to transport. The wells are located approximately 10 miles east-southeast of Artesia, New Mexico.

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