

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

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**APPLICATION OF THE NEW MEXICO OIL CONSERVATION DIVISION
COMPLIANCE AND ENFORCEMENT BUREAU FOR A COMPLIANCE
ORDER AGAINST RAM ENERGY, LLC, FOR WELLS OPERATED IN LEA
COUNTY, NEW MEXICO**

CASE NO 15698

APPLICATION

The New Mexico 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 RAM Energy LLC (Operator) is out of compliance with 19 15 8 NMAC and NMSA 1978 § 70-2-14 (2) requiring Operator to return to compliance with 19 15 8 NMAC and (3) in the event of non compliance finding the Operator in violation of a Division order for each day after the deadline established in the sought order to obtain acceptable financial assurance This application deals specifically with Operator s violations of OCD rules regarding financial assurance and does not include all violations that may exist The OCD retains its right to bring a compliance action for any other existing and future violations In support of this application the OCD states

1 Operator is a foreign limited liability company that operates ninety-eight (98) wells in Lea County New Mexico under OGRID No 309777

2 Operator s address of record with OCD is 5100 East Skelly Drive Suite 600, Tulsa OK 74135

3 The New Mexico Secretary of State has Operator registered under corporation number 4904036 and identifies LEL Energy LLC Manager and Larry E Lee Manager as officers of record

4 NMSA 1978 § 70 2-14 requires that each person firm corporation or association who operates any oil gas or service well within the state as a condition precedent to drilling or producing the well furnish financial assurance in the form of an irrevocable letter of credit or a cash or surety bond or a well specific plugging insurance policy to the OCD running to the benefit of the state and conditioned that the well be plugged and abandoned and the location restored and remediated in compliance with OCD rules

5 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

6 Operator currently is in need of acceptable financial assurance for the following wells

- a Brownfield A #001 API # 30-025 05031 \$17 035 required bond amount
- b John Shults #001 API # 30 025-05019 \$17 105 required bond amount,
- c State 8 #003 API # 30 025-30832 \$17 830 required bond amount
- d West Dollarhide Queen Sand Unit #084 API # 30-025 30007 \$8 979 required bond amount
- e West Dollarhide Queen Sand Unit #090 API # 30 025 30056 \$8 975 required bond amount

- f West Dollarhide Queen Sand Unit #120 API # 30-025-30242 \$8 943
required bond amount
- g West Dollarhide Queen Sand Unit #126 API # 30 025-30288 \$8 900
required bond amount
- h West Dollarhide Queen Sand Unit #135 API # 30-025 30295 \$8 950
required bond amount
- i West Dollarhide Queen Sand Unit #140 API # 30 025 30297 \$8 970
required bond amount

WHEREFORE the Bureau by and through its compliance and enforcement manager hereby applies to the Director to enter an Order

- A Determining that Operator is in violation of 19 15 8 NMAC
- B Determining that Operator is in violation of NMSA 1978 § 70 2 14
- C Requiring Operator to provide the OCD with acceptable financial assurance within 30 days of the issuance of an order
- D In the event of non-compliance with the sought Division order by the dates established by the OCD finding the Operator in violation of a Division order
- E For such other and further relief as the Director deems just and proper under the circumstances

RESPECTFULLY SUBMITTED
this 11 day of April 2017 by



Keith W Herrmann
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Resources Department of the State of
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Attorney for the Compliance and
Enforcement Bureau

Case No 15698 **Application of The New Mexico Oil Conservation Division Compliance and Enforcement Bureau for a Compliance Order against RAM Energy, LLC, for Wells Operated in San Juan County, New Mexico** The New Mexico 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 RAM Energy LLC (Operator) is out of compliance with 19 15 8 NMAC and NMSA 1978 § 70 2-14 (2) requiring Operator to return to compliance with 19 15 8 NMAC and (3) in the event of non compliance finding the Operator in violation of a Division order for each day after the deadline established in the sought order to obtain acceptable financial assurance

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