

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

APPLICATION OF THE NEW MEXICO OIL CONSERVATION DIVISION,
THROUGH THE ENFORCEMENT AND COMPLIANCE MANAGER, FOR A
COMPLIANCE ORDER AGAINST ROJO GRANDE COMPANY LLC, FINDING
THAT OPERATOR VIOLATED 19.15.4.201 NMAC AS TO ONE WELL,
REQUIRING OPERATOR TO RETURN SAID WELL INTO COMPLIANCE
WITH 19.15.4.201 NMAC BY A DATE CERTAIN, AND AUTHORIZING THE
DIVISION TO PLUG THE WELL AND FORFEIT THE APPLICABLE
FINANCIAL ASSURANCE IN THE EVENT OF NON-COMPLIANCE, EDDY
COUNTY, NEW MEXICO.

CASE NO. 13980

Affidavit of Dorothy Phillips

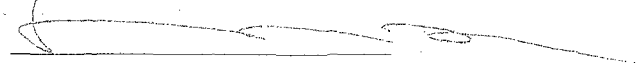
STATE OF NEW MEXICO)
) SS.
COUNTY OF SANTA FE)

Dorothy Phillips, being first duly sworn on oath, states as follows:

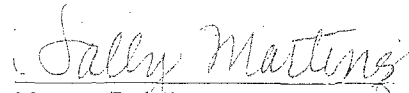
1. I have been employed as the bond administrator at the Santa Fe, New Mexico office of the Oil Conservation Division ("OCD") since 1997.
2. My duties include maintaining records of financial assurance documents filed by operators pursuant to NMSA 1978, Section 70-2-14.
3. I have reviewed OCD's financial assurance records to determine if financial assurance documents are on file for the Ramapo No. 006 well, API No. 30-015-30964, N-36-17S-27E.
4. ONGARD (oil and natural gas administration and revenue data base) maintains data on the financial assurances posted by operators. Exhibit A to this affidavit consists of a printout of the ONGARD screen showing that Rojo Grande Company, LLC, posted the following financial assurance pursuant to NMSA 1978, Section 70-2-14: \$5,000.00 single well cash bond, deposited with Western Bank of Artesia; P.O. Drawer 500; Artesia, New Mexico 88211-0500.
5. Exhibit B to this affidavit is a copy of the single well cash bond.
6. According to OCD records, the single well cash bond remains in effect.

Rojo Grande Company LLC

THIS CONCLUDES MY AFFIDAVIT.


Dorothy Phillips

SUBSCRIBED AND SWORN before me this 3rd day of January, 2008.


Notary Public

My Commission Expires:

3-24-08