



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON
Governor
Joanna Prukop
Cabinet Secretary

Mark E. Fesmire, P.E.
Director
Oil Conservation Division

3/5/2007

C&D MANAGEMENT COMPANY DBA FREEDOM VENTURES - 231382
4801 LANG NE SUITE 110
ALBUQUERQUE, NM 87109

Rule 1115 of the Oil Conservation Division requires that C-115s (Monthly Production Reports) be filed electronically on or before the 15th day of the second month following the month of production (see attached copy of Rule 1115). As of today, we have not received your electronically submitted C-115s for the following period: 12/2006. If you do not believe you are required to file C115 Production Reports, please contact me immediately.

Otherwise, you are being notified that the OCD intends to revoke your authorization to transport from or inject into all wells you operate if an acceptable and complete C-115 is not received electronically within 120 days of the original due date. You may choose to request a hearing on this proposed cancellation within 120 days of the original due date.

Please contact me at 505-476-3484 or by email at david.bradshaw@state.nm.us if you have any questions or if I may help you regarding this matter.

David Bradshaw
Automation and Records

OCD Case# 14055
C & D Management
July 30, 08 De Novo
Ex# 7

C&D Exh 2