

State of New Mexico
Energy, Minerals and Natural Resources Department

Michelle Lujan Grisham
Governor

Sarah Cottrell Propst
Cabinet Secretary

Todd E. Leahy, JD, PhD
Deputy Secretary

Adrienne Sandoval, Director
Oil Conservation Division



October 16, 2019

Special Energy Corporation
Attn: Gary Bond
P.O. Drawer 369
Stillwater, OK 74076

Re: ACOI No. 323-D
Operator: Special Energy Corporation; OGRID No. 138008

Dear Operator:

Thank you for returning the signed agreed compliance order regarding inactive wells operated by Special Energy Corporation (Special Energy). Enclosed is a copy of the fully executed order.

The Order requires Special Energy to bring **4** of the wells identified in the Order into compliance with Rule 19.15.25.8 NMAC by **March 21, 2020**. Please remember that to bring a well into compliance under the order, Special Energy must not only plug the wellbore, place the well on approved temporary abandonment, or return it to production or other beneficial use, Special Energy must also file the appropriate paperwork. For example, if Special Energy plugs the wellbore of a well, it must also file a C-103 subsequent report on the plugging. You may wish to confirm the status of each well on the list with the appropriate district office prior to the expiration of the Order.

The Order also requires Special Energy to file a compliance report with the Oil Conservation Division (OCD) Compliance and Enforcement Manager, Daniel Sanchez, by **March 21, 2020**. This means **the compliance report must be received by the OCD by August 21, 2020**. I will review the report to determine whether the wells have been returned to compliance. If you have questions about how to file a compliance report, please contact me at (505) 476-3493.

As Special Energy works to fulfill its obligations under the order, it should also monitor the status of its other wells to ensure that wells do not remain inactive for a period exceeding 15 months. Remember that you can search the OCD's Inactive Well List for wells that are inactive, but not yet out of compliance.

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The OCD appreciates Special Energy's commitment to bringing its inactive wells into compliance. If you have any questions, or if I can help you in any way, please do not hesitate to call. My email address is daniel.sanchez@state.nm.us.

Sincerely yours,

A handwritten signature in black ink, appearing to read "Daniel Sanchez", followed by a long, sweeping horizontal line that extends to the right.

Daniel Sanchez
NMOCD Compliance & Enforcement Manager

Encl. ACOI No. 323-D

CC:

Michael Bratcher, OCD District I & II Supervisor
Brandon Powell, OCD District III & IV Supervisor