

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

**WELL PLUGGING AND SITE RESTORATION CONTRACT**

**THIS CONTRACT** is made and entered into by and between the New Mexico Energy, Minerals and Natural Resources Department (hereinafter referred to as "EMNRD") and, **A-Plus Well Service, Inc.** (hereinafter referred to as "the Contractor").

**IT IS MUTUALLY AGREED BETWEEN THE PARTIES, AS FOLLOWS:**

**1 Scope of Work**

**1.1** The Contractor shall properly plug the crude oil or natural gas wells referenced in subparagraph 1.3 below and restore the associated well sites.

**1.2** The work shall be performed according to the **plugging procedures** attached hereto as **Exhibit A** and the **restoration procedures** attached hereto as **Exhibit B**. All work shall comply with the Oil and Gas Act, the Water Quality Act, the Solid Waste Act, applicable Rules and Regulations of the New Mexico Oil Conservation Commission and the New Mexico Oil Conservation Division (Division), and all other applicable state, federal and local laws, regulations and ordinances.

**1.3** The wells and well sites, which are to be plugged and restored pursuant to this Contract, are as follows:

OPERATOR	WELL NAME	LOCATION	COUNTY
Robert & Marjorie Wilkinson	Jaco No. 60	D-32-20N-9W	McKinley
Pitco Production Company	State 36-22-6-No. 1	M-36-22N-6W	Sandoval

**1.4** Additional work required to perform the work described above and as set forth on Exhibits A and B, hereto, the total value of which shall not exceed total of ten percent (10%) of the Base Contract Sum, up to a maximum of Twenty Thousand Dollars (\$20,000.00) may be authorized to avoid a work stoppage by the EMNRD on-site representative, so long as the need for the additional work could not be reasonably foreseen prior to bidding through a diligent and thorough review of Division records and a thorough on-site inspection, and so long as Change Order is subsequently entered into pursuant to the provisions of paragraph 16, below. If work not described in the previous sentence is required, an Amendment or Change Order must be entered into pursuant to the provisions of paragraph 16, below, *before* any work is performed.

**1.5** The work shall be performed under the supervision of an EMNRD representative, as designated in subparagraph 24.1. The representative may approve minor changes to the Scope of Work, approve invoices and payments hereunder, and approve the final work product.

**1.6** Upon receipt of a Notice to Proceed from EMNRD, the Contractor shall move in and rig up on location and commence work. All work shall be completed no later than one year from the effective date of this Contract.

**1.7** During the course of the work, the Contractor shall provide a daily summary of work performed