

# New Mexico Energy, Minerals and Natural Resources Department

**Bill Richardson**  
Governor

Joanna Prukop  
Cabinet Secretary

Mark Fesmire  
Division Director  
Oil Conservation Division

RECEIVED 005

2009 AUG 26



August 26, 2009

Mr. Ernest Padilla, Esq.  
Padilla Law Firm, P.A.  
P.O. Box 2523  
Santa Fe, NM 87504-2523  
Email: [epadillaplf@qwestoffice.net](mailto:epadillaplf@qwestoffice.net)

Attorney for C&D Management Company d/b/a Freedom Ventures Company

Mr. Thomas Kizer, President  
C&D Management Company d/b/a Freedom Ventures Company  
4801 Lang NE, Suite 110  
Albuquerque, NM 87109  
Email: [oilfreedom@aol.com](mailto:oilfreedom@aol.com)

Re: De Novo Case #14055  
Plugging Invoices  
Muncy Federal #001      API #30-015-23083  
Muncy Federal #002      API #30-015-25012  
Saunders #012      API #30-015-22348  
Schneider #001      API #30-015-22907  
Scott Federal #001      API #30-015-25437

Dear Gentlemen:

As instructed by the Oil Conservation Commission at the August 13, 2009 hearing, I am providing you with copies of the invoices that show the costs the Oil Conservation Division paid to have the five C&D Management Company d/b/a Freedom Ventures Company (hereinafter, "C&D Management") wells identified above plugged. The invoices do not include any costs that the Division may have to pay in the future for cleanup and restoration of the sites.

One of the invoices is an invoice for the Rampano #006 well. C&D Management was not the operator of record of the Rampano #006 well and we are not seeking reimbursement for the plugging costs associated with the plugging of the Rampano #006 well. However, the invoice includes part of a performance bond that the Division



paid to have the five C&D Management wells identified above plugged. The Division is seeking reimbursement of that portion of the invoice.

The performance bond is identified in the invoice for the Rampano #006 well as "bonding cost." The bonding cost charged to the Division was \$23,890.00. Of the \$23,890.00 bonding cost charged to the Division, \$2,368.63 was for the plugging of the Muncy Federal #001; \$2,368.63 was for the plugging of the Muncy Federal #002; \$2,368.63 was for the plugging of the Saunders #012; \$3,006.34 was for the plugging of the Schneider #001; and \$2,459.73 was for the plugging of the Scott Federal #001.

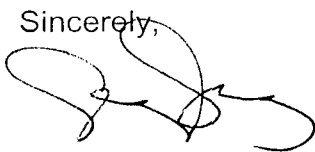
The following amounts are the costs the Division paid to have the five C&D Management wells identified above plugged.

Well	Invoice	Performance Bond	Total Cost
Muncy Federal #001	\$17,259.13	\$2,368.63	\$19,627.76
Muncy federal #002	\$32,948.64	\$2,368.63	\$35,317.27
Saunders #012	\$38,804.79	\$2,368.63	\$41,173.42
Schneider #001	\$43,256.07	\$3,006.34	\$46,262.41
Scott Federal #001	\$26,066.25	\$2,459.73	\$28,525.98
<b>Total</b>	<b>\$158,334.88</b>	<b>\$12,571.96</b>	<b>\$170,906.84</b>

Salvage from the Schneider #001 is accounted for in the Schneider #001 invoice. The amount salvaged from the Schneider #001 was \$230.00 for tubing.

C&D Management had posted a \$10,000.00 irrevocable letter of credit pursuant to NMSA 1978, Section 70-2-14 to secure its obligation to plug and abandon wells on privately owned or state-owned lands in New Mexico in compliance with Division rules. The letter of credit was issued by The First National Bank of Artesia. The Division has forfeited the \$10,000.00 and deposited it into the Oil and Gas Reclamation Fund. Ten Thousand dollars can be deducted from the \$170,906.84 for the \$10,000.00 letter of credit that was forfeited to the Division.

Sincerely,



Sonny Swazo  
OCD Assistant General Counsel

Copy

APR 27 2009

\*\*\*\*\*  
INVOICE  
\*\*\*\*\*

\*\*\*\*\*  
INVOICE  
\*\*\*\*\*

Mayo Marrs Casing Pulling Inc.  
Box 863- Phone 586-2844  
Kermit, Texas 79745

OIL CONSERVATION DIVISION/HOBBS DISTRICT  
STATE OF NEW MEXICO  
1307 W. GRAND AVE.  
ARTESIA, NEW MEXICO 88201  
ATTN: Sherry Bonham

DATE 4/23/2009  
INV. # 09-5948-1  
CONTRACT: # 80-521-00-04253

Company: NMOCD  
Lease: NMOCD FOR C & D MANAGEMENT

(SEE REPORT)

BID PRICE \$16,340.00

NEW MEXICO SALES TAX EDDY COUNTY 5.63% \$919.13  
TOTAL SALVAGE

FINAL PLUGGING COST FOR THIS WELL \$17,259.13

*ok to pay*  
*[Signature]*  
*4-30-09*

## MAYO MARRS CASING PULLING INC.

Lease: NMOCD  
 Project: NMOCD FOR C & D MANAGEMENT  
 ATTN: Sherry Bonham

FAX 505-393-9758  
 PUSHER - FRANK  
 Tracking # 09-5948-1

4/7/2009 14 HRS

SAFETY MEETING SUPERVISOR LOCATE WELL - MOVE IN EQUIPMENT - RD WELL HEAD - RU BOP - RIH WITH GUAGE  
 RING TO 976' CALL PHIL AND SAID TO SET CIBP @ 422' - RIH AND SET CIBP @ 422' - POH - RIH WITH TUBING - SDFD

6 A-5 - DOUBLE DERRICK RIG	\$275.00 /HR	=	\$1,650.00
1 A-1 - SUPERVISOR	\$300.00 /DAY	=	\$300.00
2 A-2 - CREW TRAVEL, ROUND TRIP TIME	\$175.00 /HR	=	\$350.00
5 B-1.1 CEMENTING EQUIPMENT ON LOCATION/5 DAY MINIMUM	\$525.00 /DAY	=	\$2,625.00
20 B-2 CEMENT EQUIPMENT TRAVEL, ROUND TRIP MILES	\$3.00 /MILE	=	\$60.00
4 C-1.1 WIRELINE UNIT ON LOCATION/4 DAY MINIMUM	\$250.00 /DAY	=	\$1,000.00
20 C-2 WIRELINE TRAVEL, ROUND TRIP MILES	\$3.00 /MILE	=	\$60.00
1 E-3.1 BOP RAM RENTAL 1 1/4", 1 1/2", 2-1/16, 3 1/4" FIRST 5 DAYS	\$450.00	=	\$450.00
1 E-6.1 BOP COMPANION FLANGE/FIRST 5 DAYS	\$400.00	=	\$400.00
5 E-12 BLOW DOWN TANK WITH STEEL LINES/5 DAY MINIMUM	\$125.00 /DAY	=	\$625.00
4 G-1 TANDEM RIG UP TRUCK WITH DRIVER	\$125.00 /HR	=	\$500.00
4 G-2 HELPER OR SWAMPER	\$25.00 /HR	=	\$100.00
2 G-5 NON-VACUUM TRUCK WITH DRIVER 120 BBL	\$85.00 /HR	=	\$170.00
4 G-12 TEST EXISTING ANCHORS	\$500.00	=	\$2,000.00
5 A-9 - SUBSISTENCE	\$55.00 /DAY/M	=	\$275.00
1 C-5 GAUGE RING RUN IN TUBING OR CASING	\$300.00	=	\$300.00
1 C-10.4 CIBP 5 1/2"	\$1,500.00	=	\$1,500.00

Total Daily Cost = \$12,365.00

4/8/2009 10 HRS

SAFETY MEETING - RIH AND CIRCULATE 45 SACKS TO SURFACE FROM 422' - TO WINDY TO RIG DOWN RIG DOWN - DIG  
 OUT CELLAR - CUT OFF WELL HEAD - INSTALL DRY HOLE MARKER - CLEAN UP LOCATION - SDFD

9 A-5 - DOUBLE DERRICK RIG	\$275.00 /HR	=	\$2,475.00
1 A-1 - SUPERVISOR	\$300.00 /DAY	=	\$300.00
2 A-2 - CREW TRAVEL, ROUND TRIP TIME	\$175.00 /HR	=	\$350.00
5 A-9 - SUBSISTENCE	\$55.00 /DAY/M	=	\$275.00
4 G-7 BACKHOE SERVICES WITH OPERATOR/4 HR MINIMUM	\$50.00 /HR	=	\$200.00
4 G-10 WELDER, INCLUDING TRAVEL & EQUIPMENT/4 HR MINIMUM	\$50.00 /HR	=	\$200.00
1 G-11 P&A MARKER	\$175.00	=	\$175.00

Total Daily Cost = \$16,340.00

\*\*\*\*\*  
INVOICE  
\*\*\*\*\*

\*\*\*\*\*  
INVOICE  
\*\*\*\*\*

Mayo Marrs Casing Pulling Inc.  
Box 863- Phone 586-2844  
Kermit, Texas 79745

OIL CONSERVATION DIVISION/ARTESIA DISTRICT  
STATE OF NEW MEXICO  
1307 W. GRAND AVE.  
ARTESIA, NEW MEXICO 88201  
ATTN: Sherry Bonham

DATE 4/23/2009  
INV. # 09-5946-1  
CONTRACT: # 80-521-00-04253

Company: NMOCD  
Lease: NMOCD FOR C & D MANAGEMENT

(SEE REPORT)

BID PRICE \$31,193.98

NEW MEXICO SALES TAX	EDDY	COUNTY	5.63%	\$1,754.66
TOTAL SALVAGE				

FINAL PLUGGING COST FOR THIS WELL	\$32,948.64
-----------------------------------	-------------

OK to pay  
Sbk  
5-5-09

## MAYO MARRS CASING PULLING INC.

Lease: NMOCD  
 Project: NMOCD FOR C & D MANAGEMENT  
 ATTN: Sherry Bonham

FAX 505-393-9758  
 PUSHHER - FRANK  
 Tracking # 09-5946-1

4/6/2009 14 HRS

SAFETY MEETING SUPERVISOR LOCATE WELL - MOVE IN EQUIPMENT - WAIT FOR ANCHORS -RD WELL HEAD - RU BOP -  
 RIH WITH GUAGE RING TO 425' - POH - RIH WITH CIBP TO 400' - POH - TEST CASING TO 500# - RIH TO 400' CIRCULATE 45  
 SACKS OF CEMENT TO SURFACE - SDFD

12 A-5 - DOUBLE DERRICK RIG	\$275.00 /HR	=	\$3,300.00
1 A-1 - SUPERVISOR	\$300.00 /DAY	=	\$300.00
2 A-2 - CREW TRAVEL, ROUND TRIP TIME	\$175.00 /HR	=	\$350.00
5 B-1.1 CEMENTING EQUIPMENT ON LOCATION/5 DAY MINIMUM	\$525.00 /DAY	=	\$2,625.00
20 B-2 CEMENT EQUIPMENT TRAVEL, ROUND TRIP MILES	\$3.00 /MILE	=	\$60.00
4 C-1.1 WIRELINE UNIT ON LOCATION/4 DAY MINIMUM	\$250.00 /DAY	=	\$1,000.00
20 C-2 WIRELINE TRAVEL, ROUND TRIP MILES	\$3.00 /MILE	=	\$60.00
1 E-3.1 BOP RAM RENTAL 1 1/2", 1 1/2", 2-1/16, 3 1/2" FIRST 5 DAYS	\$450.00	=	\$450.00
1 E-6.1 BOP COMPANION FLANGE/FIRST 5 DAYS	\$400.00	=	\$400.00
5 E-12 BLOW DOWN TANK WITH STEEL LINES/5 DAY MINIMUM	\$125.00 /DAY	=	\$625.00
5 G-1 TANDEM RIG UP TRUCK WITH DRIVER	\$125.00 /HR	=	\$625.00
6 G-2 HELPER OR SWAMPER	\$25.00 /HR	=	\$150.00
6 G-5 NON-VACUUM TRUCK WITH DRIVER 120 BBL	\$85.00 /HR	=	\$510.00
1 G-12 TEST EXISTING ANCHORS	\$500.00	=	\$500.00
5 A-9 - SUBSISTENCE	\$55.00 /DAY/M	=	\$275.00
1 C-5 GAUGE RING RUN IN TUBING OR CASING	\$300.00	=	\$300.00
1 C-10.4 CIBP 5 1/2"	\$1,500.00	=	\$1,500.00
45 B-5 ASTM TYPE C	\$14.00	=	\$630.00

Total Daily Cost = \$13,660.00

4/7/2009 10 HRS

SAFETY MEETING - RIG DOWN - DIG OUT CELLAR - CUT OFF WELL HEAD - INSTALL DRY HOLE MARKER - CLEAN UP  
 LOCATION - SDFD

4 A-5 - DOUBLE DERRICK RIG	\$275.00 /HR	=	\$1,100.00
1 A-1 - SUPERVISOR	\$300.00 /DAY	=	\$300.00
2 A-2 - CREW TRAVEL, ROUND TRIP TIME	\$175.00 /HR	=	\$350.00
5 A-9 - SUBSISTENCE	\$55.00 /DAY/M	=	\$275.00
4 G-7 BACKHOE SERVICES WITH OPERATOR/4 HR MINIMUM	\$50.00 /HR	=	\$200.00
1 G-10 WELDER, INCLUDING TRAVEL & EQUIPMENT/4 HR MINIMUM	\$50.00 /HR	=	\$50.00
1 G-11 P&A MARKER	\$175.00	=	\$175.00
1712.71 H-1 ALL ITEMS PROVIDED BY 3RD PARTY, HANDLING FEE(OK1514)	1.1	=	\$1,883.98
12000 H-1 ALL ITEMS PROVIDED BY 3RD PARTY, HANDLING FEE(dm 0142)	1.1	=	\$13,200.00

Total Daily Cost = \$31,193.98

\*\*\*\*\*

INVOICE

\*\*\*\*\*

MAY 28 2009

\*\*\*\*\*

INVOICE

\*\*\*\*\*

Mayo Marrs Casing Pulling Inc.  
Box 863- Phone 586-2844  
Kermit, Texas 79745

OIL CONSERVATION DIVISION/HOBBS DISTRICT  
STATE OF NEW MEXICO  
1307 W. GRAND AVE.  
ARTESIA, NEW MEXICO 88201  
ATTN: Sherry Bonham

DATE 5/14/2009  
INV. # 09-5951-1  
CONTRACT: # 80-521-00-04253

Company: NMOCD  
Lease: SAUNDERS # 12

(SEE REPORT)

BID PRICE \$36,738.23

NEW MEXICO SALES TAX	EDDY	COUNTY	5.63%	\$2,066.53
TOTAL SALVAGE				

FINAL PLUGGING COST FOR THIS WELL \$38,804.75

*okay to pay*  
*SR 5-28-09*

## MAYO MARRS CASING PULLING INC.

Lease: NMOCD  
 Project: NMOCD FOR C & D MANAGEMENT  
 ATTN: SAUNDERS # 12  
 Sherry Bonham

FAX 505-393-9758  
 PUSHER - FRANK  
 Tracking # 09-5951-1

4/14/2009 12 HRS

SAFETY MEETING SUPERVISOR LOCATE WELL - MOVE IN EQUIPMENT - RD WELL HEAD - RU BOP - RIH WITH GUAGE RING TO 1456' - SDFD

6 A-5 - DOUBLE DERRICK RIG	\$275.00 /HR	=	\$1,650.00
1 A-1 - SUPERVISOR	\$300.00 /DAY	=	\$300.00
2 A-2 - CREW TRAVEL, ROUND TRIP TIME	\$175.00 /HR	=	\$350.00
5 B-1.1 CEMENTING EQUIPMENT ON LOCATION/5 DAY MINIMUM	\$525.00 /DAY	=	\$2,625.00
20 B-2 CEMENT EQUIPMENT TRAVEL, ROUND TRIP MILES	\$3.00 /MILE	=	\$60.00
4 C-1.1 WIRELINE UNIT ON LOCATION/4 DAY MINIMUM	\$250.00 /DAY	=	\$1,000.00
20 C-2 WIRELINE TRAVEL, ROUND TRIP MILES	\$3.00 /MILE	=	\$60.00
1 E-3.1 BOP RAM RENTAL 1 1/4", 1 1/2", 2-1/16, 3 1/2" FIRST 5 DAYS	\$450.00	=	\$450.00
1 E-6.1 BOP COMPANION FLANGE/FIRST 5 DAYS	\$400.00	=	\$400.00
5 E-12 BLOW DOWN TANK WITH STEEL LINES/5 DAY MINIMUM	\$125.00 /DAY	=	\$625.00
2 G-5 NON-VACUUM TRUCK WITH DRIVER 120 BBL	\$85.00 /HR	=	\$170.00
1 G-12 TEST EXISTING ANCHORS	\$500.00	=	\$500.00
5 A-9 - SUBSISTENCE	\$55.00 /DAY/M	=	\$275.00
60 B-5 ASTM TYPE C	\$14.00	=	\$840.00
40 G-14 COST FOR FRESH WATER	\$1.00 /BBL	=	\$40.00
6 G-15 COST FOR BRINE WATER	\$1.50 /BBL	=	\$9.00

Total Daily Cost = \$9,354.00

4/15/2009 10 HRS

SAFETY MEETING - RIH WITH CIBP TO 1486' - POH - RIH - WELL WOULD NOT CIRCULATE - PUMP 50 SACKS @ 1486' - POH - WOC - RIH AND TAG @ 1386' - POH -WELL WOULD NOT CIRCULATE - PUMP 50 SACKS - POH - WOC - SDFD

9 A-5 - DOUBLE DERRICK RIG	\$275.00 /HR	=	\$2,475.00
1 A-1 - SUPERVISOR	\$300.00 /DAY	=	\$300.00
2 A-2 - CREW TRAVEL, ROUND TRIP TIME	\$175.00 /HR	=	\$350.00
5 A-9 - SUBSISTENCE	\$55.00 /DAY/M	=	\$275.00
30 B-5 ASTM TYPE C	\$14.00	=	\$420.00
25 G-14 COST FOR FRESH WATER	\$1.00 /BBL	=	\$25.00
8 G-5 NON-VACUUM TRUCK WITH DRIVER 120 BBL	\$85.00 /HR	=	\$680.00
70 G-15 COST FOR BRINE WATER	\$1.50 /BBL	=	\$105.00
20 B-7 SALT GEL, 50# BAG - FOB LOCATION	\$13.00	=	\$260.00

Total Daily Cost = \$14,244.00

4/16/2009 10 HRS

SAFETY MEETING - RIH AND TAG @ 929' - POH - RIH AND PERF @ 372' - CIRCULATE 125 SACKS TO SURFACE - ND BOP - NU WELL HEAD - CUT OFF WELLHEAD - FILL WITH 25 SACKS TO SURFACE - SDFD

10 A-5 - DOUBLE DERRICK RIG	\$275.00 /HR	=	\$2,750.00
1 A-1 - SUPERVISOR	\$300.00 /DAY	=	\$300.00
2 A-2 - CREW TRAVEL, ROUND TRIP TIME	\$175.00 /HR	=	\$350.00
8 G-5 NON-VACUUM TRUCK WITH DRIVER 120 BBL	\$85.00 /HR	=	\$680.00
5 A-9 - SUBSISTENCE	\$55.00 /DAY/M	=	\$275.00
1 C-3 PERFORATE 3 HOLES INCLUDING DEPTH CHARGE	\$500.00	=	\$500.00
150 B-5 ASTM TYPE C	\$14.00	=	\$2,100.00
60 G-14 COST FOR FRESH WATER	\$1.00 /BBL	=	\$60.00
1 D-2 PACKER RENTAL 4 1/2" OR 5 1/2" CASING	\$500.00	=	\$500.00

Total Daily Cost = \$21,759.00



4/17/2009

10.5 HRS

SAFETY MEETING - RIG DOWN - DIG OUT CELLAR - CUT OFF WELL HEAD AND ANCHORS - INSTALL DRY  
HOLE MARKER - CLEAN UP LOCATION - START MOVING TO STATE M # 1 - SDFD

8 A-5 - DOUBLE DERRICK RIG	\$275.00 /HR	=	\$2,200.00
1 A-1 - SUPERVISOR	\$300.00 /DAY	=	\$300.00
2 A-2 - CREW TRAVEL, ROUND TRIP TIME	\$175.00 /HR	=	\$350.00
4 G-5 NON-VACUUM TRUCK WITH DRIVER 120 BBL	\$85.00 /HR	=	\$340.00
5 A-9 - SUBSISTENCE	\$55.00 /DAY/W	=	\$275.00
4 G-7 BACKHOE SERVICES WITH OPERATOR/4 HR MINIMUM	\$50.00 /HR	=	\$200.00
4 G-10 WELDER, INCLUDING TRAVEL & EQUIPMENT/4 HR MINIMUM	\$50.00 /HR	=	\$200.00
1 G-11 P&A MARKER	\$175.00	=	\$175.00
464.75 H-1 ALL ITEMS PROVIDED BY 3RD PARTY, HANDLING FEE(OK316	1.1	=	\$511.23
9480 H-1 ALL ITEMS PROVIDED BY 3RD PARTY, HANDLING FEE(dm 01	1.1	=	\$10,428.00

Total Daily Cost = \$36,738.23

COPY

APR 27 2009

\*\*\*\*\*

INVOICE

\*\*\*\*\*

\*\*\*\*\*

INVOICE

\*\*\*\*\*

Mayo Marrs Casing Pulling Inc.  
Box 863- Phone 586-2844  
Kermit, Texas 79745

OIL CONSERVATION DIVISION/HOBBS DISTRICT

STATE OF NEW MEXICO

1307 W. GRAND AVE.

ARTESIA, NEW MEXICO 88201

ATTN: Sherry Bonham

DATE 4/23/2009

INV. # 09-5944-1

CONTRACT: # 80-521-00-04253

Company: NMOCD

Lease: NMOCD FOR C & D MANAGEMENT

(SEE REPORT)

BID PRICE \$40,952.50

NEW MEXICO SALES TAX	EDDY	COUNTY	5.63%	\$2,303.58
TOTAL SALVAGE				

FINAL PLUGGING COST FOR THIS WELL	\$43,256.07
-----------------------------------	-------------

ok to pay  
BH  
4-30-09

## MAYO MARRS CASING PULLING INC.

Lease: NMOCD  
 Project: NMOCD FOR C & D MANAGEMENT  
 ATTN: Sherry Bonham

FAX 505-393-9758  
 PUSHER - FRANK  
 Tracking # 09-5944-1

3/31/2009 12 HRS

SAFETY MEETING SUPERVISOR LOCATE WELL - MOVE IN EQUIPMENT - WAIT FOR ANCHORS - RD WELL HEAD - RU BOP - POH WITH 37 JOINTS OF 2 3/8" - SDFD

10 A-5 - DOUBLE DERRICK RIG	\$275.00 /HR	=	\$2,750.00
1 A-1 - SUPERVISOR	\$300.00 /DAY	=	\$300.00
2 A-2 - CREW TRAVEL, ROUND TRIP TIME	\$175.00 /HR	=	\$350.00
5 B-1.1 CEMENTING EQUIPMENT ON LOCATION/5 DAY MINIMUM	\$525.00 /DAY	=	\$2,625.00
20 B-2 CEMENT EQUIPMENT TRAVEL, ROUND TRIP MILES	\$3.00 /MILE	=	\$60.00
4 C-1.1 WIRELINE UNIT ON LOCATION/4 DAY MINIMUM	\$250.00 /DAY	=	\$1,000.00
20 C-2 WIRELINE TRAVEL, ROUND TRIP MILES	\$3.00 /MILE	=	\$60.00
1 E-3.1 BOP RAM RENTAL 1 1/2", 1 1/2", 2-1/16, 3 1/2" FIRST 5 DAYS	\$450.00	=	\$450.00
1 E-6.1 BOP COMPANION FLANGE/FIRST 5 DAYS	\$400.00	=	\$400.00
5 E-12 BLOW DOWN TANK WITH STEEL LINES/5 DAY MINIMUM	\$125.00 /DAY	=	\$625.00
5 G-1 TANDEM RIG UP TRUCK WITH DRIVER	\$125.00 /HR	=	\$625.00
6 G-2 HELPER OR SWAMPER	\$25.00 /HR	=	\$150.00
6 G-5 NON-VACUUM TRUCK WITH DRIVER 120 BBL	\$85.00 /HR	=	\$510.00
1 G-12 TEST EXISTING ANCHORS	\$500.00	=	\$500.00
4 G-13 INSTALL 4 ANCHORS	\$275.00 /ANCHOR	=	\$1,100.00
5 A-9 - SUBSISTENCE	\$55.00 /DAY/M	=	\$275.00
-1150 L-4 TUBING 2 3/8"	\$0.20 /FT	=	(\$230.00)

Total Daily Cost = \$11,550.00

4/1/2009 10.5 HRS

SAFETY MEETING - RIH WITH GAUGE RING TO 1400' - POH - RIH WITH CIBP TO 1383' - POH - SDFD DUE TO WIND

3 A-5 - DOUBLE DERRICK RIG	\$275.00 /HR	=	\$825.00
1 A-1 - SUPERVISOR	\$300.00 /DAY	=	\$300.00
2 A-2 - CREW TRAVEL, ROUND TRIP TIME	\$175.00 /HR	=	\$350.00
5 A-9 - SUBSISTENCE	\$55.00 /DAY/M	=	\$275.00
1 C-5 GAUGE RING RUN IN TUBING OR CASING	\$300.00	=	\$300.00
1 C-10.4 CIBP 5 1/2"	\$1,500.00	=	\$1,500.00

Total Daily Cost = \$15,100.00

4/2/2009 11 HRS

SAFETY MEETING - RIH WITH TUBING - COULD NOT BREAK CIRCULATION - POH - RIH AND HUNT HOLE - FOUND HOLE FROM 252' TO 378' - POH - RIH AND SPOT 25 SACKS @ 1383' - POH - RIH AND PERF @ 563' - RIH AND PUMP 35 SACKS - POH - WOC - RIH AND TAG @ 463' - POH - RIH AND PERF @ 60' - CIRCULATE 40 SACKS TO SURFACE - SDFD

11 A-5 - DOUBLE DERRICK RIG	\$275.00 /HR	=	\$3,025.00
1 A-1 - SUPERVISOR	\$300.00 /DAY	=	\$300.00
2 A-2 - CREW TRAVEL, ROUND TRIP TIME	\$175.00 /HR	=	\$350.00
9 G-5 NON-VACUUM TRUCK WITH DRIVER 120 BBL	\$85.00 /HR	=	\$765.00
5 A-9 - SUBSISTENCE	\$55.00 /DAY/M	=	\$275.00
2 C-3 PERFORATE 3 HOLES INCLUDING DEPTH CHARGE	\$500.00	=	\$1,000.00
100 B-5 ASTM TYPE C	\$14.00	=	\$1,400.00
35 G-14 COST FOR FRESH WATER	\$1.00 /BBL	=	\$35.00
50 G-15 COST FOR BRINE WATER	\$1.50 /BBL	=	\$75.00
15 B-7 SALT GEL, 50# BAG - FOB LOCATION	\$13.00	=	\$195.00
1 D-2 PACKER RENTAL 4 1/2" OR 5 1/2" CASING	\$500.00	=	\$500.00

Total Daily Cost = \$23,020.00

4/3/2009

10.5 HRS

SAFETY MEETING - RIH AND TAG @ 40' - POH - DIG OUT WELL HEAD - CUT OFF WELL HEAD - FILL CASING IN  
AND OUT OF 5 1/2" TO SURFACE WITH 15 SACKS - SDFD DUE TO WIND

7 A-5 - DOUBLE DERRICK RIG	\$275.00 /HR	=	\$1,925.00
1 A-1 - SUPERVISOR	\$300.00 /DAY	=	\$300.00
2 A-2 - CREW TRAVEL, ROUND TRIP TIME	\$175.00 /HR	=	\$350.00
4 G-5 NON-VACUUM TRUCK WITH DRIVER 120 BBL	\$85.00 /HR	=	\$340.00
15 B-5 ASTM TYPE C	\$14.00	=	\$210.00
0 G-15 COST FOR BRINE WATER	\$1.25 /BBL	=	\$0.00
20 G-14 COST FOR FRESH WATER	\$0.85 /BBL	=	\$17.00
4 G-7 BACKHOE SERVICES WITH OPERATOR/4 HR MINIMUM	\$50.00 /HR	=	\$200.00
4 A-9 - SUBSISTENCE	\$55.00 /DAY/M	=	\$220.00
4 G-10 WELDER, INCLUDING TRAVEL & EQUIPMENT/4 HR MINIMUM	\$50.00 /HR	=	\$200.00
4362.32 H-1 ALL ITEMS PROVIDED BY 3RD PARTY, HANDLING FEE(OK1515)	1.1	=	\$4,798.55
119.95 H-1 ALL ITEMS PROVIDED BY 3RD PARTY, HANDLING FEE(sandpoin)	1.1	=	\$131.95
8400 H-1 ALL ITEMS PROVIDED BY 3RD PARTY, HANDLING FEE(dm 0142	1.1	=	\$9,240.00

Total Daily Cost = \$40,952.50

MA 27-0119

\*\*\*\*\*  
INVOICE  
\*\*\*\*\*

\*\*\*\*\*  
INVOICE  
\*\*\*\*\*

Mayo Marrs Casing Pulling Inc.  
Box 863- Phone 586-2844  
Kermit, Texas 79745

OIL CONSERVATION DIVISION/HOBBS DISTRICT  
STATE OF NEW MEXICO  
1307 W. GRAND AVE.  
ARTESIA, NEW MEXICO 88201  
ATTN: Sherry Bonham

DATE 5/14/2009  
INV. # 09-5950-1  
CONTRACT: # 80-521-00-04253

Company: NMOCD  
Lease: SCOTT FEDERAL # 1

(SEE REPORT)

BID PRICE					\$24,678.11
NEW MEXICO SALES TAX	EDDY	COUNTY	5.63%		\$1,388.14
TOTAL SALVAGE					
FINAL PLUGGING COST FOR THIS WELL					\$26,066.25

*Ok to pay*  
*SBH*  
*5-26-09*

105

MAY 17 2009

## MAYO MARRS CASING PULLING INC.

NMOCD  
 Lease: NMOCD FOR C & D MANAGEMENT  
 Project: SCOTT FEDERAL # 1  
 ATTN: Sherry Bonham

FAX 505-393-9758  
 PUSHER - FRANK  
 Tracking # 09-5950-1

4/13/2009 12 HRS

SAFETY MEETING SUPERVISOR LOCATE WELL - MOVE IN EQUIPMENT - RD WELL HEAD - POH WITH TUBING - RU  
 BOP - RIH WITH GUAGE RING TO 472' CALL PHIL AND JIM AMOS - SAID CIRCULATE CEMENT - RIH AND PUMP 60  
 SACKS - DID NOT CIRCULATE - SDFD

6 A-5 - DOUBLE DERRICK RIG	\$275.00 /HR	=	\$1,650.00
1 A-1 - SUPERVISOR	\$300.00 /DAY	=	\$300.00
2 A-2 - CREW TRAVEL, ROUND TRIP TIME	\$175.00 /HR	=	\$350.00
5 B-1.1 CEMENTING EQUIPMENT ON LOCATION/5 DAY MINIMUM	\$525.00 /DAY	=	\$2,625.00
20 B-2 CEMENT EQUIPMENT TRAVEL, ROUND TRIP MILES	\$3.00 /MILE	=	\$60.00
4 C-1.1 WIRELINE UNIT ON LOCATION/4 DAY MINIMUM	\$250.00 /DAY	=	\$1,000.00
20 C-2 WIRELINE TRAVEL, ROUND TRIP MILES	\$3.00 /MILE	=	\$60.00
1 E-3.1 BOP RAM RENTAL 1 1/2", 1 1/2", 2-1/16, 3 1/2" FIRST 5 DAYS	\$450.00	=	\$450.00
1 E-6.1 BOP COMPANION FLANGE/FIRST 5 DAYS	\$400.00	=	\$400.00
5 E-12 BLOW DOWN TANK WITH STEEL LINES/5 DAY MINIMUM	\$125.00 /DAY	=	\$625.00
4 G-1 TANDEM RIG UP TRUCK WITH DRIVER	\$125.00 /HR	=	\$500.00
4 G-2 HELPER OR SWAMPER	\$25.00 /HR	=	\$100.00
2 G-5 NON-VACUUM TRUCK WITH DRIVER 120 BBL	\$85.00 /HR	=	\$170.00
1 G-12 TEST EXISTING ANCHORS	\$500.00	=	\$500.00
5 A-9 - SUBSISTENCE	\$55.00 /DAY/M	=	\$275.00
60 B-5 ASTM TYPE C	\$14.00	=	\$840.00
40 G-14 COST FOR FRESH WATER	\$1.00 /BBL	=	\$40.00
6 G-15 COST FOR BRINE WATER	\$1.50 /BBL	=	\$9.00

Total Daily Cost = \$9,954.00

4/14/2009 10 HRS

SAFETY MEETING - RIH AND TAG @ 263' - CIRCULATE 30 SACKS TO SURFACE - RIG DOWN - DIG OUT CELLAR -  
 CUT OFF WELL HEAD - INSTALL DRY HOLE MARKER - CLEAN UP LOCATION - SDFD

9 A-5 - DOUBLE DERRICK RIG	\$275.00 /HR	=	\$2,475.00
1 A-1 - SUPERVISOR	\$300.00 /DAY	=	\$300.00
2 A-2 - CREW TRAVEL, ROUND TRIP TIME	\$175.00 /HR	=	\$350.00
5 A-9 - SUBSISTENCE	\$55.00 /DAY/M	=	\$275.00
4 G-7 BACKHOE SERVICES WITH OPERATOR/4 HR MINIMUM	\$50.00 /HR	=	\$200.00
4 G-10 WELDER, INCLUDING TRAVEL & EQUIPMENT/4 HR MINIMUM	\$50.00 /HR	=	\$200.00
1 G-11 P&A MARKER	\$175.00	=	\$175.00
30 B-5 ASTM TYPE C	\$14.00	=	\$420.00
25 G-14 COST FOR FRESH WATER	\$1.00 /BBL	=	\$25.00
2091.38 H-1 ALL ITEMS PROVIDED BY 3RD PARTY, HANDLING FEE(OK314	1.1	=	\$2,300.52
7200 H-1 ALL ITEMS PROVIDED BY 3RD PARTY, HANDLING FEE(dm 04	1.1	=	\$7,920.00
75.99 H-1 ALL ITEMS PROVIDED BY 3RD PARTY, HANDLING FEE(SAND	1.1	=	\$83.58

Total Daily Cost = \$24,678.11

30-015-30764

MAY 21 2009

\*\*\*\*\*

INVOICE

\*\*\*\*\*

\*\*\*\*\*

INVOICE

\*\*\*\*\*

Mayo Marrs Casing Pulling Inc.  
Box 863- Phone 586-2844  
Kermit, Texas 79745

OIL CONSERVATION DIVISION/HOBBS DISTRICT

STATE OF NEW MEXICO

1307 W. GRAND AVE.

ARTESIA, NEW MEXICO 88201

ATTN: Sherry Bonham

DATE 5/14/2009

INV. # 09-5943-1

CONTRACT: # 80-521-00-04253

Company: NMOCD  
Lease: RAMPANO # 6

(SEE REPORT)

BID PRICE \$64,586.09

NEW MEXICO SALES TAX	EDDY	COUNTY	5.63%	\$3,632.97
TOTAL SALVAGE				

FINAL PLUGGING COST FOR THIS WELL	\$68,219.05
-----------------------------------	-------------

ok to pay  
SBH  
5-26-09

2-103-

## MAYO MARRS CASING PULLING INC

Lease: NMOCD  
 Project: NMOCD FOR ROJO GRANDE  
 ATTN: RAMPANO # 6  
 Sherry Bonham

FAX 505-393-9758  
 PUSHES - FRANK  
 Tracking # 09-5943-1

3/26/2009 12 HRS

SAFETY MEETING SUPERVISOR LOCATE WELL - MOVE IN EQUIPMENT - WAIT FOR ANCHORS - POH WITH 20 5/8 RODS - RD WELL HEAD - RU BOP - POH WITH 17 JOINTS OF 2 3/8" - RIH AND SPOT 100 SACKS - POH - SDFD

10 A-5 - DOUBLE DERRICK RIG	\$275.00 /HR	=	\$2,750.00
1 A-1 - SUPERVISOR	\$300.00 /DAY	=	\$300.00
4 A-2 - CREW TRAVEL, ROUND TRIP TIME	\$175.00 /HR	=	\$700.00
5 B-1.1 CEMENTING EQUIPMENT ON LOCATION 5 DAY MINIMUM	\$525.00 /DAY	=	\$2,625.00
440 B-2 CEMENT EQUIPMENT TRAVEL, ROUND TRIP MILES	\$3.00 /MILE	=	\$1,320.00
4 C-1.1 WIRELINE UNIT ON LOCATION 4 DAY MINIMUM	\$250.00 /DAY	=	\$1,000.00
220 C-2 WIRELINE TRAVEL, ROUND TRIP MILES	\$3.00 /MILE	=	\$660.00
1 E-3.1 BOP RAM RENTAL 1 1/2", 1 3/4", 2-1/16, 3 1/2" FIRST 5 DAYS	\$450.00	=	\$450.00
1 E-6.1 BOP COMPANION FLANGE/FIRST 5 DAYS	\$400.00	=	\$400.00
5 E-12 BLOW DOWN TANK WITH STEEL LINES 5 DAY MINIMUM	\$125.00 /DAY	=	\$625.00
6 G-1 TANDEM RIG UP TRUCK WITH DRIVER	\$125.00 /HR	=	\$750.00
4 G-2 HELPER OR SWAMPER	\$25.00 /HR	=	\$100.00
6 G-5 NON-VACUUM TRUCK WITH DRIVER 120 BBL	\$85.00 /HR	=	\$510.00
100 B-5 ASTM TYPE C	\$14.00	=	\$1,400.00
30 G-14 COST FOR FRESH WATER	\$0.85 /BBL	=	\$25.50
1 G-12 TEST EXISTING ANCHORS	\$500.00	=	\$500.00
4 G-13 INSTALL 4 ANCHORS	\$275.00 /ANCH	=	\$1,100.00
5 A-9 - SUBSISTENCE	\$55.00 /DAY/M	=	\$275.00
477800 K-1 - BONDING COST, ALL ITEMS PROVIDED, THIRD PARTY	5%	=	\$23,890.00
-20 L-2 RODS	\$3.00 /ROD	=	(\$6.00)
-500 L-4 TUBING 2 3/8"	\$0.20 /FT	=	(\$100.00)

Total Daily Cost = \$39,220.50

3/27/2009 10.5 HRS

SAFETY MEETING - SDFD DUE TO WEATHER

5 A-9 - SUBSISTENCE	\$55.00 /DAY/M	=	\$275.00
---------------------	----------------	---	----------

Total Daily Cost = \$39,495.50

3/30/2009 8 HRS

SAFETY MEETING - RIH AND TAG @ 305' - CIRCULATE PLUGGING MUD - ND BOP - NU WELL HEAD - CIRCULATE 35 SACKS TO SURFACE - RIG DOWN - DIG OUT CELLAR - CUT OFF WELL HEAD - INSTALL DRY HOLE MARKER - CLEAN UP LOCATION - SDFD

8 A-5 - DOUBLE DERRICK RIG	\$275.00 /HR	=	\$2,200.00
1 A-1 - SUPERVISOR	\$300.00 /DAY	=	\$300.00
4 A-2 - CREW TRAVEL, ROUND TRIP TIME	\$175.00 /HR	=	\$700.00
6 G-5 NON-VACUUM TRUCK WITH DRIVER 120 BBL	\$85.00 /HR	=	\$510.00
5 A-9 - SUBSISTENCE	\$55.00 /DAY/M	=	\$275.00
4 G-7 BACKHOE SERVICES WITH OPERATOR 4 HR MINIMUM	\$50.00 /HR	=	\$200.00
4 G-10 WELDER, INCLUDING TRAVEL & EQUIPMENT 4 HR MINIMUM	\$50.00 /HR	=	\$200.00
1 G-11 P&A MARKER	\$175.00	=	\$175.00
35 G-14 COST FOR FRESH WATER	\$1.00 /BBL	=	\$35.00
25 G-15 COST FOR BRINE WATER	\$1.50 /BBL	=	\$37.50
1798.26 H-1 ALL ITEMS PROVIDED BY 3RD PARTY, HANDLING FEE(OK)	1.1	=	\$1,978.09
16800 H-1 ALL ITEMS PROVIDED BY 3RD PARTY, HANDLING FEE(dm 01	1.1	=	\$18,480.00

Total Daily Cost = \$64,586.09