

Order No. R-12913-A ordered Operator to:

1) Plug and abandon the following wells by September 14, 2008

- Shearn Becky Federal No. 001
- Shearn Freedom Federal No. 002
- Shearn Samantha Federal No. 001
- Shearn Shilo Federal No. 001

Operator did not plug all 4 wells by the September 14, 2008 deadline

2) Bring the following wells into compliance with Rule 201 by September 14, 2008 by plugging and abandoning, placing in approved temporary abandonment status, or returning to production by that date

- Muncy Federal No. 001
- Muncy Federal No. 002
- Saunders No. 012
- Schneider No. 001
- Scott Federal No. 001

Order specifies that “no well shall be deemed in compliance with 19.15.4.201 NMAC or this Order until C&D Management Company shall have filed true and accurate production reports, form C-115, with the Division with respect to such well for all months for which such reports are due.”

Operator did not bring the 5 wells into compliance with Rule 201 by the September 14, 2008 deadline

3) File C-115's for all its wells from January 2008 thru the current due reporting period of May 2008 by September 14, 2008

Operator did not file any C-115's by the September 14, 2008 deadline

4) Pay \$16,000 civil penalty by September 15, 2008

Operator did not pay penalty

● Pay \$5,000 civil penalty if following 5 wells not brought into compliance by September 14, 2008

- Shearn Becky Federal No. 001
- Shearn Freedom Federal No. 002
- Shearn Samantha Federal No. 001
- Shearn Shilo Federal No. 001

**Case 14055 De Novo
C&D Management Company
dba Freedom Ventures Company
OCD Exhibit 42**

- Muncy Federal No. 002

Operator did not bring all 5 wells into compliance by September 14 deadline and did not pay penalty