Klein, Ranell, EMNRD

From:

Klein, Ranell, EMNRD

Sent:

Wednesday, January 23, 2019 2:00 PM

To:

Matt Phillips; Erica Hixson; Clayton Sporich

Cc:

Podany, Raymond, EMNRD

Subject:

Pliny the Elder Fee #202H & 217H APD's

Attachments:

Taprock Pliny the Elder Fee #202H & 217H APD's.pdf; Rule 19.15.8 Financial

Pling the Edder See # 2174

Assurance.pdf; Notice and Announcement - Financial Rule.pdf

Good afternoon,

Please see the attached top page of the APD's for each of the captioned wells. I have hand written a note at the bottom of the page that you need to be aware of. I have had this page also scanned into the well file. These APD's should not have been approved, due to the new Financial Assurance rule that went into effect on January 15, 2019. Our records indicate that Taprock has 81 total wells, of which 56 of these wells are state or fee wells. This would increase your bond to \$125,000. I will not be able to approve any completions until bonding is current. I am attaching a copy of the announcement that is listed on our website, along with a copy of Rule 19.15.8 Financial Assurance.

If you have any questions, please do not hesitate to contact me.

Rusty Klein
Business Operations Specialist — A
NMOCD — Division 2
811 South First Street
Artesia, NM 88210
575-748-1283 — ect. 109

PLEASE NOTE: NEW REQUIREMENTS CONCERNING FINANCIAL ASSURANCE AND TEMPORARILY ABANDONED WELLS EFFECTIVE JANUARY 15, 2019, ARE NOW POSTED ON OUR WEBSITE UNDER "ANNOUNCEMENTS"