STATE OF NEW MEXICO
Energy, Minerals and Natural Resources Department
Oil Conservation Division
1220 South St. Francis Drive, Santa Fe, New Mexico 87505

BLANKET PLUGGING BOND (“Bond”)  

BOND NO.__________________

KNOW ALL MEN BY THESE PRESENTS:

Name of Operator (“Operator”):

Operator’s Mailing Address:

State in which Operator is Organized:

Operator’s OGRID Number:

Name of Surety:

Surety Company’s Mailing Address:

Required Financial Assurance (“Financial Assurance”) (choose one):

- $50,000.00 and covering one to ten wells ☑
- $75,000.00 and covering eleven to fifty wells ☑
- $125,000.00 and covering fifty-one to 100 wells ☑
- $250,000.00 and covering more than 100 wells ☑

WHEREAS, Operator, authorized to do business in the State of New Mexico, and Surety, authorized by the Superintendent of Insurance to do business in the State of New Mexico, pursuant to NMSA 1978, Section 70-2-14, as may be amended from time to time, are jointly and severally, firmly bound to the State of New Mexico’s Energy, Minerals and Natural Resources Department (“Department”), or its successor, for payment of the amount of the Financial Assurance indicated above.

WHEREAS, Operator has commenced or may commence the drilling of a well or wells to prospect for and/or produce oil and/or gas, carbon dioxide gas, helium gas, or brine minerals, or an injection or other service well or wells related to such exploration or production, on lands within the State of New Mexico, or does own or operate such a well or such wells, the identification and location of said wells being expressly waived by both Operator and Surety.

NOW, THEREFORE, Operator and Surety expressly agree, under this Bond obligation, they shall cause all of said wells to be properly plugged and abandoned when dry or when no longer productive or useful for other beneficial purpose, in accordance with the statutes, rules, and orders of the Department’s Oil Conservation Division, Oil Conservation Commission, or a court of competent jurisdiction, including, but not limited to, 19.15.8.9, 19.15.25.8, and 19.15.25.10 NMAC, as such rules now exist or may hereafter be amended;

THEN AND IN THAT EVENT, this obligation shall be null and void; otherwise, and in default of complete compliance with any and all of said obligations, the same shall remain in full force and effect.
PROVIDED, HOWEVER, that 30 days after receipt by the Department’s Oil Conservation Division of written notice of cancellation from the Surety, the obligation of the Surety shall terminate as to wells acquired, drilled, or started, after said 30-day period, but shall continue in effect, notwithstanding said notice, as to wells before the 31st day after receipt of said notice; under such circumstances, the determination of wells currently already drilled, acquired, and started shall be determined by the Department’s records as said records exist on the 31st day after receipt of said notice.

___________________________________    ________________________________
PRINCIPAL                             SURETY
___________________________________                  ________________________________
Address                  Address
By________________________________                By______________________________
Signature                       Attorney-in-Fact

If PRINCIPAL is a corporation, affix corporate seal here

Corporate surety affix corporate seal here
ACKNOWLEDGMENT FORM FOR INDIVIDUAL
(If dba, must read – Example: John Doe dba ABC Services)

STATE OF _________________
COUNTY OF _________________

This Instrument was acknowledged before me on this _____________ day of _____________________________,
by ________________________________________________.

(Name of Individual)

_________________________________
Notary Public

SEAL

My Commission Expires

ACKNOWLEDGMENT FORM FOR CORPORATION, PARTNERSHIP, OR LIMITED LIABILITY COMPANY

STATE OF _________________
COUNTY OF _________________

This Instrument was acknowledged before me on this ____________ day ________________________ 20_____
by ________________________________________________ as _______________________________________________

(Name of Person Signing Instrument) (Capacity, e.g. President, Partner, Manager, Member)

(Name of Corporation, Partnership, Limited Liability Company)

_________________________________
Notary Public

SEAL

My Commission Expires

ACKNOWLEDGMENT FORM FOR CORPORATE SURETY

STATE OF _________________
COUNTY OF _________________

This Instrument was acknowledged before me on this ___________ day of ________________________ 20_____
by __________________________________________, as Attorney-in-Fact for __________________________

(Name of Attorney-in-Fact) (Name of Corporate Surety)

_________________________________
Notary Public

SEAL

My Commission Expires

Corporate surety attach power of attorney

APPROVED BY:

Oil Conservation Division of New Mexico

By____________________________________

Date_______________________________