STATE OF NEW MEXICO
ONE WELL PLUGGING BOND

BOND NO.__________________
WELL DEPTH________________
AMOUNT OF BOND_______________
COUNTY_________________

Note: Bond Amount is $25,000.00 plus $2.00 per foot of projected depth of proposed well or depth of existing well; the depth of a well is the true vertical depth for vertical and horizontal wells and the measured depth for deviated or directional wells. See 19.15.8.9(C)(1) and 19.15.8.9(D)(1) NMAC.

File with the Oil Conservation Division, 1220 South St. Francis Drive, Santa Fe, NM 87505

KNOW ALL MEN BY THESE PRESENTS:

That _____________________________, (an individual – if dba must read – Example: John Doe dba ABC Services) (a general partnership) (a corporation) (limited liability company) (limited partnership) organized in the State of ______________________, and authorized to do business in the State of New Mexico, as PRINCIPAL, and_______________________, a corporation organized and existing under the laws of the State of ______________________, and authorized to do business in the State of New Mexico, as SURETY, are firmly bound unto the State of New Mexico, for the use and benefit of the Oil Conservation Division of the Energy, Minerals and Natural Resources Department (or successor agency) (the DIVISION), pursuant to NMSA 1978, Section 70-2-14, as amended, in the sum of ______________________, for the payment of which the PRINCIPAL and SURETY hereby bind themselves, their successors, and assigns, jointly and severally, firmly by these presents.

The conditions of this obligation are such that:

WHEREAS, the PRINCIPAL has commenced or may commence the drilling of one well to a depth not to exceed __________________ feet, to prospect for and/or produce oil or gas, carbon dioxide gas, helium gas, or brine minerals, or as an injection or other service well related to such exploration or production, or owns or operates, or may acquire, own, or operate such well, the identification and location of said well being:

___________________(Name of Well) API No. 30-_____________, located __________________feet from the (North/South) line and __________________feet from the (East/West) line of Section___________ Township___________ (North) (South), Range___________ (East) (West), NMPM. __________________________________County, New Mexico.

NOW, THEREFORE, if the PRINCIPAL and SURETY or either of them, or their successors or assigns or any of them, shall cause said well be properly plugged and abandoned when dry or when no longer productive or useful for other beneficial purpose, in accordance with the rules and orders of the DIVISION, Oil Conservation Commission, or a court of competent jurisdiction, including but not limited to 19.15.8.9 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.

_______________________________________________                  ______________________________________________
PRINCIPAL                                                                                                                          SURETY
_______________________________________________                                                  _____________________________________________
Address                                                                                                                                     Address
By_____________________________________________                    _____________________________________________
Signature                                                                                                                           Attorney-in-Fact
_______________________________________________
Title

If PRINCIPAL is a corporation, affix Corporate surety affix
Corporate seal here                                                                          Corporate seal here

Form O & G B-1
ACKNOWLEDGMENT FORM FOR INDIVIDUAL
(If dba, must read – Example: John Doe dba Well Services)

STATE OF _____________________
COUNTY OF _____________________
This instrument was acknowledged before me on this _______________ day of _______________ 20____
by _______________________________________.
(Name of Individual)

SEAL
______________________________________ Notary Public

My Commission Expires

ACKNOWLEDGMENT FORM FOR PARTNERSHIP, CORPORATION, OR LIMITED LIABILITY COMPANY

STATE OF _____________________
COUNTY OF _____________________
This instrument was acknowledged before me on _____________ day of _____________ 20____
by _______________________________________, as ___________________________________________ of _____________________________________________________
(Capacity, e.g., partner, president, manager, member) (Name of partnership, corporation, or limited liability company)

SEAL
______________________________________ Notary Public

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 ________________________________________________, as Attorney-in-Fact for ________________________________________, as Attorney-in-Fact for ____________________________________________
(Name of Attorney-in-Fact) (Name of Corporate Surety)

SEAL
______________________________________ Notary Public

My Commission Expires

Corporate Surety attach Power of Attorney

APPROVED BY:

OIL CONSERVATION DIVISION OF NEW MEXICO

By____________________________________________

Date____________________________________________