

**STATE OF NEW MEXICO  
COUNTY OF SANTA FE  
FIRST JUDICIAL DISTRICT COURT**

**STEPHANIE GARCIA RICHARD, COMMISSIONER OF  
PUBLIC LANDS OF THE STATE OF NEW MEXICO,**

**Plaintiff,**

**v.**

**Case No. \_\_\_\_\_**

**NORTHSTAR OPERATING COMPANY,  
CANO PETRO OF NEW MEXICO, INC., AND  
CROSS BORDER RESOURCES, INC.,**

**Defendants.**

**VERIFIED COMPLAINT**

COMES NOW Plaintiff Stephanie Garcia Richard, Commissioner of Public Lands of the State of New Mexico (the “Commissioner”), by and through her undersigned counsel, and brings the following causes of action against Defendants Northstar Operating Company, Cano Petro of New Mexico, Inc., and Cross Border Resources, Inc.

**PARTIES**

1. The Commissioner is the duly elected Commissioner of Public Lands, an office established under Article V, Section 1 of the New Mexico Constitution; Article XIII, Section 2 of the New Mexico Constitution; NMSA 1978, Section 19-1-1 (1912); and NMSA 1978, Section 19-1-2 (1953). The Commissioner is the chief executive officer of the New Mexico State Land Office (“State Land Office”) and has authority over lands (“state trust lands”) granted to the State of New Mexico (the “State”) by the federal government in trust to generate support for public schools and other state institutions, such as hospitals and universities (“beneficiaries”), and is designated under

New Mexico law to carry out the State's trust duties under the New Mexico Enabling Act (Act of Congress of June 20, 1910, 36 Stat. 557, Ch. 310, § 10) (the "Enabling Act"). The Commissioner has the authority and responsibility for the State's management, care, custody, control and disposition of state trust lands in accordance with the Enabling Act and with state law, including the authority to: (i) manage and lease state trust lands and collect all monies due to the State for lease of such lands; (ii) take all actions necessary to collect damages for trespass on state trust lands; and (iii) demand remediation and reclamation of state trust land caused by oil and gas activities.

2. Defendant Northstar Operating Company ("Northstar") is a foreign corporation doing business in New Mexico.

3. Cano Petro of New Mexico, Inc. ("Cano") is a foreign corporation doing business in the State of New Mexico.

4. Cross Border Resources, Inc. ("Cross Border") is a foreign corporation doing business in the State of New Mexico

### **JURISDICTION AND VENUE**

5. This Court has jurisdiction to hear this dispute pursuant to Article VI, Section 13 of the New Mexico Constitution.

6. Venue is proper in Santa Fe County pursuant to NMSA 1978, Sections 38-3-1(A) and (F).

### **ALLEGATIONS COMMON TO ALL CAUSES OF ACTION**

7. The State of New Mexico owns 880.54 acres of land in Township 07 South, Range 31 East, Section 32, E2/NE4, NE4/NW4, S2/SW4, NW4/SE4, and Township 08 South, Range 30 East, Section 02, Lots 1, 2, 3, 4, S2/N2, S2, N.M.P.M., located in Chaves County (the "Subject

Lands”). The Subject Lands were conveyed to the State of New Mexico by the United States. The Subject Lands are state trust lands, managed by the Commissioner for the benefit of state land trust beneficiaries, specifically common (i.e., public) schools.

8. The Commissioner has the authority to manage and lease the Subject Lands described, subject to the requirements of the Enabling Act and law cited above.

9. On December 17, 1963, the State Land Office issued oil and gas Lease No. K0-3754 encompassing the Subject Lands to R. Ken Williams. Lease No. K0-3754 was issued for a primary term of five years and “as long thereafter as oil and gas in paying quantities, or either of them, produced from said land by the lessee[.]” A true and correct copy of Lease No. K0-3754 is attached hereto as Exhibit 1.

10. On August 8, 2001, R. Ken Williams assigned the lease, K0-3754-0001 (the “Lease”), encompassing the Subject Lands, to Limark Corporation. A true and correct copy of that assignment is attached hereto as Exhibit 2.

11. The assignment provides that it would remain in effect beyond the Lease’s primary term of five years “for so long as oil and gas is producing in paying quantities.”

12. On December 16, 2003, Limark Corporation and Northstar executed Articles of Merger, effective on December 31, 2003, with Northstar being the surviving corporation in the merger. A true and correct copy of those Articles are attached hereto as Exhibit 3.

13. The Lease confers on the lessee, Northstar, the exclusive right to occupy and use the Subject Lands for the purposes of oil and gas development.

14. There are at least 11 unplugged wells on the Subject Lands (the “Wells”):

<b>API</b>	<b>Well Name</b>	<b>Operator</b>
30-005-20271	CATO SAN ANDRES UNIT #005	CANO PETRO OF NEW MEXICO, INC.
30-005-20001	CATO SAN ANDRES UNIT #006	CANO PETRO OF NEW MEXICO, INC.
30-005-10536	CATO SAN ANDRES UNIT #007	CANO PETRO OF NEW MEXICO, INC.
30-005-27971	CATO SAN ANDRES UNIT #504	CANO PETRO OF NEW MEXICO, INC.
30-005-27980	CATO SAN ANDRES UNIT #505	CANO PETRO OF NEW MEXICO, INC.
30-005-27981	CATO SAN ANDRES UNIT #506	CANO PETRO OF NEW MEXICO, INC.
30-005-28022	CATO SAN ANDRES UNIT #507	CANO PETRO OF NEW MEXICO, INC.
30-005-20674	STATE 32 #002	CROSS BORDER RESOURCES, INC.
30-005-20695	STATE 32 #003	CROSS BORDER RESOURCES, INC.
30-005-20735	STATE 32 #004	CROSS BORDER RESOURCES, INC.
30-005-20789	STATE 32 #005	CROSS BORDER RESOURCES, INC.

15. Cano is the operator of record of seven of the Wells on file with the New Mexico Oil Conservation Division (“OCD”) that are located on the Subject Lands.

16. Cross Border is the operator of record of four of the Wells on file with the OCD that are located on the Subject Lands.

17. The Wells, and accordingly the Lease, stopped producing oil and gas in paying quantities by March 2019, at the latest.

18. As a result of the merger, Northstar assumed the Lease and agreed to “be liable and agree to pay for all damages to the range, livestock, growing crops or improvements caused by lessee’s operations on said lands.” Ex. 1, ¶ 11.

19. Upon assuming the Lease, Northstar also assumed the responsibility for protecting the Subject Lands from trespass and waste.

20. By letter dated February 23, 2021, the State Land Office notified Northstar that the Lease had expired. A true and correct copy of the notice of expiration is attached hereto as Exhibit 4.

21. State Land Office rules require that oil and gas lessees must, within 60 days of expiration of a Lease, “remove all improvements placed or erected on the premises,” as well as all

“lease related surface trash and debris,” including nonoperational equipment. 19.2.100.67(C) NMAC. Northstar has failed to comply with this requirement.

22. State Land Office lessees, like Northstar, are required to ensure that, upon cessation of operation of a well or expiration or cancellation of a lease, wells must be plugged in accordance with OCD standards, 19.15.25 NMAC. Northstar has failed to plug or obtain the plugging of at least 11 Wells, in violation of its duties to the State Land Office.

23. Upon the suspension of drilling operations, Northstar is also required to ensure that Cano and Cross Border, as operators of the Wells, file notices of intention to plug with the OCD, necessary in order to commence the process of plugging and abandonment of the Wells. In addition, since the Wells last produced in March 2019, the Wells were required to be plugged no later than June 2020 under OCD rules. 19.15.25.8(B) NMAC. Cano and Cross Border failed to comply with these OCD requirements. Northstar must obtain Cano and Cross Border’s cooperation in undertaking the plugging that is required for Northstar to comply with its own reclamation and remediation obligations to the State Land Office; or, if necessary, obtain a change in operatorship of the Wells in order to comply with its obligations to the State Land Office. Northstar has failed to do so.

24. State Land Office rules further require that upon cessation of operations, oil and gas lessees must fully reclaim oil and gas lease sites, which includes remediation of spills and leaks, reseeding and berming of roads, removal of debris, and reclamation/revegetation of well pads. 19.2.100.67(C) NMAC. Northstar has failed to comply with these requirements.

25. By leaving improvements such as tank batteries, pump jacks, surface flowlines, and other abandoned infrastructure on the Subject Lands, and by leaving the Wells unplugged, Northstar, Cano, and Cross Border are committing an ongoing trespass.

26. By letter dated March 29, 2021, the State Land Office notified Northstar, Cano, and Cross Border of these deficiencies and demanded that Northstar in the first instance assume its responsibilities under the Lease and State Land Office rules. A true and correct copy of that letter is attached hereto as Exhibit 5.

27. Defendants have not taken any of the required remedial actions or assumed their responsibilities under State law and State Land Office rules.

**COUNT I**  
**Trespass, Waste and Negligence Per Se Based Upon Statutory Trespass and Waste**

28. The Commissioner repeats Paragraphs 1 through 27 above, and incorporates them as if set forth fully here.

29. Defendants have violated NMSA 1978, Section 19-6-3, under which each act of trespass and waste upon state trust land is a misdemeanor, punishable by a fine of up to five hundred dollars (\$500.00) per day, with each day's violation being a separate offense. These violations of trespass and waste by Defendants constitute negligence per se.

30. In addition, Defendants have caused damage to the Subject Lands by failing to remove debris, reclaim and remediate the site of its operations on those lands.

31. As such, the Commissioner is entitled to injunctive relief and an award of damages for the diminution of the value of the Subject Lands caused by Defendants' acts of trespass and waste, and/or the cost of corrective action associated with remediation and reclamation of Defendants' acts of trespass and waste.

**COUNT II**  
**Common-Law Trespass and Waste**

32. The Commissioner repeats Paragraphs 1 through 31 above, and incorporates them as if set forth fully here.

33. Defendants have committed the tort of trespass under the common law, and have wasted State resources in the course of committing that trespass, by wrongfully occupying the Subject Lands and by failing to remove debris, plug the Wells, and reclaim and remediate the site of their operations on those lands.

34. As such, the Commissioner is entitled to injunctive relief and an award of damages for the diminution of the value of the Subject Lands caused by Defendants' acts of trespass and waste; and the cost of corrective action associated with remediation and reclamation of Defendants' acts of trespass and waste.

**COUNT III**  
**Breach of Contract**

35. The Commissioner repeats Paragraphs 1 through 34 above, and incorporates them as if set forth fully here.

36. In assuming and agreeing to the terms of the Lease, Northstar committed itself to adhere to all applicable state laws, including 19.2.100.66 and 19.2.100.67 NMAC. Those rules require full site remediation and reclamation upon the cessation of lease operations.

37. In addition, under the Lease, Northstar is responsible for all damage to the Subject Lands.

38. Northstar has damaged the Subject Lands.

39. Northstar has failed to honor its contractual obligations to remediate and reclaim the Subject Lands.

40. The Commissioner is entitled to specific performance of the environmental remediation and reclamation obligations contained in Northstar's contract (i.e., the Lease).

41. In the alternative, the Commissioner is entitled to damages in an amount to be proven at trial to compensate the State for Northstar's breach of the Lease.

**COUNT IV**  
**Permanent Injunction**

42. The Commissioner repeats Paragraphs 1 through 41 above, and incorporates them as if set forth fully here.

43. Defendants have failed to comply with their respective obligations as a former lessee and operator to reclaim and remediate the Subject Lands, including the plugging and formal abandonment of the unplugged Wells.

44. The Commissioner has no adequate remedy at law to prevent irreparable injury resulting from Defendants' failure to comply with its obligations.

45. The Commissioner is entitled to permanent injunctive relief enjoining and requiring Defendants to comply with the requirements of 19.2.100.67(C) NMAC, including plugging and formal abandonment of the unplugged Wells.

**REQUEST FOR RELIEF**

**WHEREFORE**, the Commissioner prays for judgment against Defendants as follows:

- A. An award of compensatory damages as set forth above;
- B. An order directing Defendants to specifically perform their obligations under the Lease and state law;
- C. An injunction requiring Defendants to comply with their site reclamation and remediation obligations under state law, and to promptly plug and abandon the unplugged Wells;
- D. An award of pre-judgment and post-judgment interest on any amounts recovered herein;
- E. An award of the Commissioner's costs in bringing this action herein, including reasonable attorney's fees and expenses; and



F. Such other and further relief as the Court may deem appropriate under the circumstances.

Respectfully submitted,


/s/ Ari Biernoff

Ari Biernoff  
General Counsel  
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*Attorney for Stephanie Garcia Richard,  
Commissioner of Public Lands of the State  
of New Mexico*

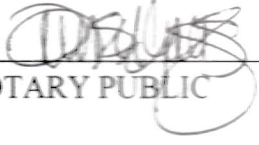
## VERIFICATION

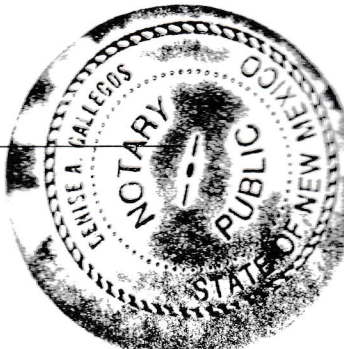
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Allison Marks, being first duly sworn, deposes and states that she is the Director of the Oil, Gas & Minerals Division of the New Mexico State Land Office, that she has read the foregoing Verified Complaint, and that she knows the allegations of fact are true, except that allegations made upon information and belief, which she believes to be true.

  
Allison Marks

SUBSCRIBED AND SWORN TO before me this 19<sup>th</sup> day of April, 2021, by Allison Marks.

  
NOTARY PUBLIC



My Commission Expires:

August 27, 2024

EXHIBIT 1

FORM 57—ORIGINAL COPY

LEASE NO. K-3754APPLICATION NO. K-3754

## OIL AND GAS LEASE

THIS AGREEMENT, dated this the 17th day of December, A.D., 1963, made and entered into by and between the state of New Mexico, acting by and through the undersigned, its commissioner of public lands, thereunto duly authorized, party of the first part and hereinafter called the "lessor", and

R. KEN WILLIAMS

413 First National Bank Bldg. Midland, Texas 79704  
party of the second part, hereinafter called the "lessee", whether one or more,

## WITNESSETH:

WHEREAS, the said lessee has filed in the office of the commissioner of public lands an application for an oil and gas lease covering the lands hereinafter described and has tendered therewith the required first payment being not less than the amount required by law and by the rules and regulations of the New Mexico State Land Office; and

WHEREAS, all of the requirements of law relative to said application and tender have been duly complied with and said application has been approved and allowed by the commissioner of public lands;

THEREFORE, for and in consideration of the premises as well as the sum of THREE THOUSAND ONE

HUNDRED THIRTY NINE DOLLARS AND 16/100 (\$ 3,139.16 ) Dollars,

the same being the amount of the tender above mentioned, paid in cash and evidenced by official receipt no. G-34594

and of the further sum of \$ 5.00 filing fee, and of the covenants and agreements hereinafter contained on the part of the lessee to be paid, kept and performed, the said lessor has granted and demised, leased and let, and by these presents does grant, demise, lease and let unto the said lessee, exclusively, for the sole and only purpose of exploration, development and production of oil or gas, or both thereon and therefrom with the right to own all oil and gas so produced and saved therefrom and not reserved as royalty by the lessor under the terms of this lease, together with right of ways, easements and servitudes for pipelines, telephone and telegraph lines, tanks, power houses, stations, gasoline plants, and fixtures for producing, treating and caring for such products, and housing and boarding employees, and any and all rights and privileges necessary, incident to or convenient for the economical operation of said land, for oil and gas, with right for such purposes to the free use of oil, gas, casing-head gas, or water from said lands, but not from lessor's water wells, and with the rights of removing either during or after the term hereof, all and any improvements placed or erected on the premises by the lessee, including the right to pull all casing, subject, however, to the conditions hereinafter set out, the following described land situated in the county of Chaves, state of New Mexico, and more particularly described as follows:

Line	SUBDIVISION	Sec.	Twp.	Rge.	Acres	Institution	✓
1	E $\frac{1}{2}$ NE $\frac{1}{4}$ , NE $\frac{1}{2}$ NW $\frac{1}{4}$ , S $\frac{1}{2}$ SW $\frac{1}{4}$ , NW $\frac{1}{4}$ SE $\frac{1}{4}$	32	7S	31E	240.00	CS	✓
2	Lot 1 (40.06), Lot 2 (40.11) Lot 3 (40.16), Lot 4 (40.21), S $\frac{1}{2}$ N $\frac{1}{2}$ , S $\frac{1}{2}$	2	8S	30E	640.54	CS	✓
3					880.54		
4							
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Said lands having been awarded to lessee and designated as Tract No. 2 at a public sale held by the commissioner of public lands on December 17th, 1963 (To be filled in only where lands are offered at public sale.)

To have and to hold said land, and all the rights and privileges granted hereunder, to and unto the lessee for a primary term of five years from the date hereof, and as long thereafter as oil and gas in paying quantities, or either of them, is produced from said land by the lessee, subject to all of the terms and conditions as hereinafter set forth.

In consideration of the premises the parties covenant and agree as follows:

1. Subject to the free use without royalty, as hereinbefore provided, the lessee shall pay the lessor as royalty one-eighth part of the oil produced and saved from the leased premises or the cash value thereof, at the option of the lessor, such value to be the price prevailing the day oil is run into a pipeline, if the oil be run into a pipeline, or into storage tanks, if the oil be stored.

2. Subject to the free use without royalty, as hereinbefore provided, the lessee shall pay the lessor as royalty one-eighth of the cash value of gas, including casing-head gas, produced and saved from the leased premises and marketed or utilized, such value to be equal to the greater of the following amounts:

- (a) the net proceeds derived from the sale of such gas in the field, or
- (b) five cents (\$0.05) per thousand cubic feet (m.c.f.) the volume of gas for such purposes to be computed on a pressure basis of 10 ounces above an assumed atmospheric pressure of 14.4 pounds per square inch, or 13.023 pounds per square inch absolute, at 60° Fahrenheit, and pursuant to appropriate regulations of the commissioner of public lands which may provide, among other things, for a flowing temperature of 60° Fahrenheit to be assumed and applied in volume computation in all cases where a recording thermometer is not employed by the lessee in gas measurement, and for specific gravity tests at the lessee's expense at intervals not greater than one year in all cases where a recording gravimeter is not employed by the lessee in gas measurement; provided, however, the cash value for royalty purposes of carbon dioxide gas and of hydrocarbon gas delivered to a gas-line plant for extraction of liquid hydrocarbons shall be equal to the net proceeds derived from the sale of such gas, including any liquid hydrocarbons recovered therefrom.

Notwithstanding the foregoing provisions, the lessor, acting by its commissioner of public lands, may require the payment of royalty for all or any part of the gas produced and saved under this lease and marketed or utilized at a price per m.c.f. equal to the maximum price being paid for gas of like kind and quality and under like conditions in the same field or area or may reduce the royalty value of any such gas (to any amount not less than the net proceeds of sale thereof in the field) if the commissioner of public lands shall determine such action to be necessary to the successful operation of the lands for oil or gas purposes or to encouragement of the greatest ultimate recovery of oil or gas or to the promotion of conservation of oil or gas.

This lease shall not expire at the end of either the primary or secondary term hereof if there is a well capable of producing gas in paying quantities located upon some part of the lands embraced herein where such well is shut-in due to the inability of the lessee to obtain a pipeline connection or to market the gas therefrom; provided, however, the owner of this lease as to the lands upon which such well is located shall pay an annual royalty equal to the annual rental payable by such owner under the terms of this lease but not less than one hundred dollars (\$100.00) per well per year, said royalty to be paid on or before the annual rental paying date next ensuing after the expiration of ninety days from the date said well was shut-in and on or before said rental date thereafter. The payment of said annual royalty shall be considered for all purposes the same as if gas were being produced in paying quantities and upon the commencement of marketing of gas from said well or wells the royalty paid for the lease year in which the gas is first marketed shall be credited upon the royalty payable hereunder to the lessor for such year. The provisions of this section shall also apply where gas is being marketed from said leased premises and through no fault of the lessee, the pipeline connection or market is lost or ceases, in which case this lease shall not expire so long as said annual royalty is paid as herein provided. Notwithstanding the provisions of this section to the contrary, this lease shall not be continued after ten years from the date hereof for any period of more than five years by the payment of said annual royalty.

3. Lessee agrees to make full settlement on the 20th day of each month for all royalties due the lessor for the preceding month, under this lease, and to permit the lessor or its agents, at all reasonable hours, to examine lessee's books relating to the production and disposition of oil and gas produced. Lessee further agrees to submit to lessor annually upon forms furnished by lessor, verified reports showing lessee's operations for the preceding year.

4. It is expressly agreed that the consideration hereinbefore specified is a good, valid and substantial consideration and sufficient in all respects to support each and every covenant herein, including specifically the option granted the lessee to prevent the termination of this lease from year to year, by the payment or tender of the further rental hereinafter provided for.

An annual rental at the rate of 25¢ per acre shall become due and payable to the lessor by the lessee, or by any transferee or assignee of the same, or any part hereof, where such transferee or assignee has been recognized, and such transfer or assignment approved by the lessor as hereinafter provided, upon each acre of the land above described and then claimed by such lessee, transferee or assignee hereunder, and the same shall be due and payable in advance to the lessor on the successive anniversary dates of this lease, but the annual rental on any assignment shall in no event be less than six dollars (\$6.00).

In the event the lessee shall elect to surrender any or all of said acreage, he shall deliver to the commissioner a duly executed release thereof and in event said lease has been recorded, then he shall upon request furnish and deliver to said commissioner a certified copy of a duly recorded release.

5. The lessee may at any time by paying to the state of New Mexico, acting by its commissioner of public lands, or other authorized officer, all amounts then due as provided herein and the further sum of ten dollars (\$10.00), surrender and cancel this lease insofar as the same covers all or any portion of the lands herein leased and be relieved from further obligations or liability hereunder, in the manner as hereinbefore provided. Provided, this surrender clause and the option herein reserved to the lessee shall cease and become absolutely inoperative immediately and concurrently with the institution of any suit in any court of law or equity by the lessee, lessor, or any assignee, to enforce this lease, or any of its terms express or implied.

6. All payments due hereunder shall be made on or before the day such payment is due, in cash or by certified exchange at the office of the commissioner of public lands in Santa Fe, New Mexico.

7. The lessee with the consent of the lessor, shall have the right to assign this lease in whole or in part. Provided, however, that no assignment of an undivided interest in the lease or in any part thereof nor any assignment of less than a legal subdivision shall be recognized or approved by the lessor. Upon approval in writing by the lessor of an assignment, the assignor shall stand relieved from all obligations to the lessor with respect to the lands embraced in the assignment and the lessor shall likewise be relieved from all obligations to the assignor as to such tracts, and the assignee shall succeed to all of the rights and privileges of the assignor with respect to such tracts and shall be held to have assumed all of the duties and obligations of the assignor to the lessor as to such tracts.

8. In the event a well or wells producing oil or gas in paying quantities should be brought in on adjacent land draining the leased premises, lessee shall drill such offset well or wells as a reasonably prudent operator would drill under the same or similar circumstances.

9. The lessee agrees to notify the lessor of the location of each well before commencing drilling thereon, to keep a complete and accurate log of each well drilled and to furnish a copy thereof, verified by some person having actual knowledge of the facts, to the lessor upon the completion of any well, and to furnish the log of any unfinished well at any time when requested to do so by the lessor.

If any lands embraced in this lease shall be included in any deed or contract of purchase outstanding and subsisting issued pursuant to any sale made of the surface of such lands prior to the date of this lease, it is agreed and understood that no drilling operation shall be commenced on any such lands so sold unless and until the lessee or his assignee shall have filed a good and sufficient bond with the lessor as required by law, to secure the payment for such damage to the livestock, range, water, crops or tangible improvements on such lands as may be suffered by the purchaser holding such deed or contract of purchase, or his successors, by reason of the developments, use and occupation of such lands by such lessee. Provided, however, that no such bond shall be required if such purchaser shall waive the right to require such bond to be given in the manner provided by law.

10. In drilling wells all water-bearing strata shall be noted in the log, and the lessor reserves the right to require that all or any part of the casing shall be left in any nonproductive well when lessor deems it to the interest of the state of New Mexico to maintain said well or wells for water. For such casing so left in wells the lessor shall pay to the lessee the reasonable value thereof.

11. Lessee shall be liable and agree to pay for all damages to the range, livestock, growing crops or improvements caused by lessee's operations on said lands. When requested by the lessor, the lessee shall bury pipelines below plow depth.



12. The lessee shall not remove machinery or fixtures placed on said premise, nor draw the casing from any well unless and until all payments and obligations due the lessor under the terms of this agreement shall have been paid or satisfied. The lessee's right to remove the casing is subject to the provision of Paragraph 10 above.

13. Upon failure or default of the lessee or any assignee to comply with any of the provisions or covenants hereof, the lessor is hereby authorized to cancel this lease and such cancellation shall extend to and include all rights hereunder as to the whole of the tract so claimed, or processed by the lessee or assignee so defaulting, but shall not extend to, nor affect the rights of any other lessee or assignee claiming any portion of the lands upon which no default has been made; provided, however, that before any such cancellation shall be made, the lessor shall mail to the lessee, or assignee so defaulting, by registered mail, addressed to the post-office address of such lessee or assignee as shown by the records of the state land office, a notice of intention of cancellation specifying the default for which cancellation is to be made, and if within thirty days from the date of mailing said notice the said lessee or assignee shall remedy the default specified in said notice, cancellation shall not be made.

14. All of the terms of this agreement shall extend to and bind the heirs, executors, administrators, successors and assigns of the parties hereto.

15. If the lessee shall have failed to make discovery of oil or gas in paying quantities during the primary term hereof or if such discovery shall have been made and production shall have ceased for any reason, the lessee may continue this lease in full force and effect for an additional term of five years and as long thereafter as oil and gas in paying quantities or either of them is produced from the leased premises by paying each year in advance, as herein provided, double the rental provided herein for the primary term or the highest rental prevailing at the commencement of the secondary term in any rental district, or districts in which the lands, or any part thereof, may be situated, if it be greater than double the rental provided for the primary term; provided, however, such rental shall be paid within the time provided by Section 13 hereof, and provided, further, that if oil or gas in paying quantities should be discovered during the secondary term hereof but production should cease, this lease shall continue for the remainder of said secondary term of five years so long as said rental is paid, and if oil or gas in paying quantities is being produced at the end of the secondary term of five years so long thereafter as oil and gas in paying quantities or either of them is produced from the leased premises.

16. If this lease shall have been maintained in accordance with the provisions hereof and if at the expiration of the secondary term provided for herein oil or gas is not being produced on said land but lessee or any assignee is then engaged in bona fide drilling or reworking operations thereon, this lease shall remain in full force and effect so long as such operations are diligently prosecuted and, if they result in the production of oil or gas, so long thereafter as oil and gas in paying quantities, or either of them, is produced from said land; provided, however, such operations extending beyond the secondary term shall be approved by the lessor upon written application filed with the lessor on or before the expiration of said term, and a report of the status of all such operations shall be made by the lessee to the lessor every thirty days and a cessation of such operations for more than twenty consecutive days shall be considered as an abandonment of such operations and thereupon the provisions hereof shall be of no further force or effect. Operations commenced and continued as herein provided shall extend this lease as to all lands as to which the same is in full force and effect as of the time said drilling operations are commenced; provided, however, this lease shall be subject to cancellation for failure to pay rentals or to otherwise comply with the foregoing provisions of this section in accordance with Section 13 hereof.

17. Should production of oil or gas or either of them in paying quantities be obtained while this lease is in force and effect and should thereafter cease from any cause after the expiration of ten years from the date hereof this lease shall not terminate if lessee commences additional drilling or reworking operations within sixty days after the cessation of such production and shall remain in full force and effect so long as such operations are prosecuted in good faith with no cessation of more than twenty consecutive days, and if such operations result in the production of oil or gas in paying quantities, so long thereafter as oil or gas in paying quantities is produced from said land; provided, however, written notice of intention to commence such operations shall be filed with the lessor within thirty days after the cessation of such production, and report of the status of such operations shall be made by the lessee to the lessor every thirty days, and the cessation of such operations for more than twenty consecutive days shall be considered as an abandonment of such operations and this lease shall thereupon terminate.

In witness whereof, the party of the first part has hereunto signed and caused its name to be signed by its commissioner of public lands thereunto duly authorized, with the seal of his office affixed, and the lessee has signed this agreement the day and year first above written.

By: Esmeralda  
Commissioner of Public Lands, Lessor

R. Ken Williams  
Lessee

Distributed this the 27th day of December, 1963

(PERSONAL ACKNOWLEDGMENT)

STATE OF Texas } ss.  
COUNTY OF Midland }  
The foregoing instrument was acknowledged before me this 26th day of December, 1963, by  
R. Ken Williams  
My commission expires: June 1, 1965  
Gayle Hargrove Notary Public

(ACKNOWLEDGMENT BY ATTORNEY-IN-FACT)

STATE OF \_\_\_\_\_ } ss.  
COUNTY OF \_\_\_\_\_ }  
The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_\_\_, by  
\_\_\_\_\_, as attorney-in-fact in behalf of \_\_\_\_\_  
My commission expires: \_\_\_\_\_ Notary Public

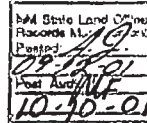
(ACKNOWLEDGMENT BY CORPORATION)

STATE OF \_\_\_\_\_ } ss.  
COUNTY OF \_\_\_\_\_ }  
The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_\_\_, by  
\_\_\_\_\_, of \_\_\_\_\_  
(Name) (Title) (Corporation)  
a \_\_\_\_\_ corporation, on behalf of said corporation.  
My commission expires: \_\_\_\_\_ Notary Public



**EXHIBIT 2****NEW MEXICO STATE LAND OFFICE  
ASSIGNMENT OF OIL AND GAS LEASE**

From Lease  
Number  
K-3754-0  
To Lease Number  
K-3754-1



FOR VALUE RECEIVED R. Ken Williams, OGRIDNo 120798  
Name (include name of spouse, if any, or type of business entity)

("Assignor" whether one or more), assigns and conveys to: Limark Corporation, OGRIDNo 152527

("Assignee" whether one or more), whose mailing address is P.O. Box 10708, Midland Texas 79702-7708

the entire interest and title in and to Oil and Gas Lease No. K-3754-0 ("the Lease") initially made by the New Mexico State Land Office to:

R. Ken Williams dated 12/17, 1963 insofar as the Lease covers the following land in Chaves County, New Mexico:

T8S, R30E, Section 2, Lot 1, Lot 2, Lot 3, Lot 4, S/2, S/2 N/2

T7S, R31E, Section 32, E/2 NE/4, NE/4 NW/4, S/2 SW/4, SW/4 NE/4, NWSE

together with the rights incident thereto, and improvements thereon, if any.

Assignee assumes and agrees to perform all duties and obligations to the Commissioner of Public Lands including payment of rentals and royalties, and to do such other acts as are required by the Lease, to the same extent and in the same manner as if the provisions of the Lease were fully set out herein.

Assignor warrants the leasehold estate herein assigned, except as to any valid overriding royalty, production payment, operating agreement or sub-lease, if any, now of legal record, and covenants to the Assignee and the Commissioner of Public Lands that the leasehold estate assigned is valid, and that all rentals and royalties due under the Lease have been paid in full, and that all other Lease obligations presently due have been fully performed.

EXECUTED this 8th day of August, 2001.

By: [Signature]

Assignor R. Ken Williams

Spouse, if any, or title, if signing in representative capacity

**ACKNOWLEDGMENT**

STATE OF TEXAS

}ss

COUNTY OF MIDLAND

The foregoing Assignment was acknowledged before me this 8th day of August, 2001

by R. Ken Williams

Title, if signing in representative capacity

My commission expires: 6-7-2004



[Signature]  
Notary Public

**ASSIGNEE'S ACCEPTANCE**

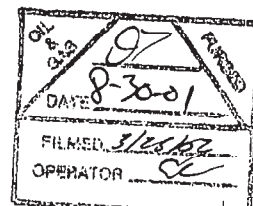
The undersigned Assignee named above hereby agrees to be bound by all of the terms, covenants, and conditions of the Lease and this Assignment and shall succeed to the rights and benefits under the Lease.

EXECUTED this 8th day of August, 2001

By: [Signature]

Assignee Robert W. Hodge, Vice-President, Limark Corporation

Name of spouse, if any, or title, if signing in representative capacity



Barbed  
880,54 AC  
25¢  
PROD  
(2)

STATE OF TEXASCOUNTY OF MIDLAND

}ss

The foregoing Assignee's Acceptance was acknowledged before me this 8th, day of August, 2001by Robert W. HodgeVice-President of Limark Corporation

Title, if signing in representative capacity

My commission expires: 6-7-2004

Connie Griffin  
Notary Public

## APPROVAL OF THE COMMISSIONER

Office of the Commissioner of Public Lands  
Santa Fe, New Mexico

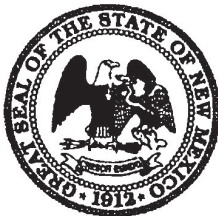
I hereby certify that this Assignment was filed in my office on AUG 20 2001, and was approved by meand shall be effective as to the State of New Mexico on AUG 29 2001

Ray P. Bore  
COMMISSIONER OF PUBLIC LANDS

## INSTRUCTIONS AND INFORMATION

1. ANNUAL RENTAL: The annual rental for the land in this Assignment is 25¢ per acre. The rental is due in advance and shall be paid to the Commissioner of Public Lands on the anniversary date of the original Lease agreement. The date of this Assignment does not change the annual rental due date. For any Assignment of any Lease initially issued prior to June 15, 1985, the annual rental shall not be less than six dollars (\$6.00). For any Assignment of any Lease initially issued after June 14, 1985, or of any Lease which has been stipulated to the new ten year Lease, the minimum rental is forty dollars (\$40.00).
2. FIXED TEN-YEAR LEASE: This Lease provides for a fixed ten-year term, and for so long as oil or gas is produced in paying quantities. The ten-year period is divided into a primary term of five years, followed by a secondary term of five years. If no production is had during the primary term, the rental for the secondary term is double the rental of the primary term, or equal to the highest prevailing rental rate in the district, whichever is higher. Rentals continue even though production is had.
3. **FIXED FIVE-YEAR LEASE: This Lease provides for a fixed five-year term, and for so long as oil and gas is produced in paying quantities.** The fixed five-year Lease has no secondary term. Rentals continue even though production is had.
4. FILING: All Assignments must be filed in the State Land Office in triplicate, with original signatures on all three copies, within one hundred days from the date of signing, and must be accompanied by the recording fee.
5. RECORDING FEE: The recording fee for each Assignment is thirty dollars (\$30.00). If, however, the Assignment is filed more than one hundred days from the date of signing, an additional fee of seventy-five dollars (\$75.00) is charged.
6. PERSONAL CHECKS: When an Assignment is accompanied by a personal check, the Commissioner of Public Lands reserves the right to withhold approval of the Assignment until the check is paid.
7. ASSIGNMENT DISAPPROVAL: An Assignment will not be approved when it is made:
  - A. to more than two persons;
  - B. for less than a regular subdivision. "Regular subdivision" means forty acres or a tract described by lot number, which tract may be more or less than forty acres;
  - C. for an undivided interest;
  - D. in the name of a trusteeship, unless the trust document is attached or on file, and not more than two persons are named as trustee;
  - E. after a lis pendens is filed;
  - F. including any change or addition to the language contained in the Assignment form;
  - G. where surety requirements have not been met; or
  - H. where the lease is not in good standing; provided, however, that approval by the Commissioner does not waive any rights or claims the Commissioner may have to rentals, royalties, or other obligations due to the Commissioner by the Assignor under the lease.
8. COMPLETE ADDRESS: An Assignment must show the complete post office address of the Assignor.
9. ACKNOWLEDGMENT: An Assignment must be executed before an officer authorized to take acknowledgments of deeds. Persons executing on behalf of a corporation or other business entity must indicate title or authority to execute.
10. MARITAL STATUS: An Assignment must show whether the Assignors are married or single; if married, both husband and wife must sign the Assignment. The Certificates of Acknowledgment must show the marital status of the Assignors.
11. COMMUNICATIONS: All official business, letters and communications must be addressed directly to the Commissioner of Public Lands, Oil, Gas, & Minerals Division.
12. PAYMENT: Make all payments for annual rental, recording, and approval of fees to:

COMMISSIONER OF PUBLIC LANDS  
P.O. Box 1148  
Santa Fe, NM 87504-1148



RECEIVED

2004 JAN 26 AM 7 52  
 OFFICE OF THE  
 PUBLIC REGULATION COMMISSION  
 SANTA FE, N.M.

## CERTIFICATE OF AUTHORITY

OF

NORTHSTAR OPERATING COMPANY

2410116

A TEXAS CORPORATION

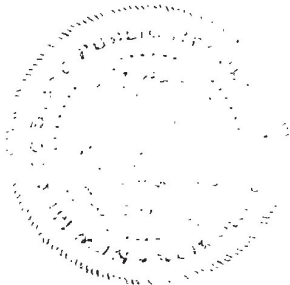
The Public Regulation Commission certifies that the Application for Certificate of Authority, duly signed and verified, pursuant to the provision of the

BUSINESS CORPORATION ACT  
 (53-17-1 to 53-17-20 NMSA 1978)

Have been received by it and are found to conform to law.

Accordingly, by virtue of the authority vested in it by law, the Public Regulation Commission issues this Certificate of Authority and attaches hereto a duplicate of the Application for Certificate of Authority.

Dated: DECEMBER 22, 2003



In testimony whereof, the Public Regulation of the State of New Mexico has caused this certificate to be signed by its Chairman and the seal of said Commission to affixed at the City of Santa Fe.

*Lynda Loring*

Chairwoman

*Ann Echols*

Bureau Chief

THIS INSTRUMENT FILED IN THE OFFICE OF  
 THE COMMISSIONER OF PUBLIC LANDS ON  
 THE 29 DAY OF Jan. 2004, IN BOOK  
 NO. 3 REGISTER OF MISCELLANEOUS  
 INSTRUMENT NO. 6675

42 0 29-JAN-04 08:16 10.00  
 9 MSLB 001-00004



## ARTICLES OF MERGER

Pursuant to the provisions of article 5.04 of the Texas Business Corporation Act, the undersigned corporations certify the following articles of merger adopted for the purpose of affecting a merger in accordance with the provisions of Part Five of the Texas Business Corporation Act.

1. The name of each of the undersigned corporations and other entities that are a party to the plan of merger or that are to be created by the plan of merger, the type of such corporation or other entity and the laws under which such corporation or other entity are organized are:

<u>Names of Corporation</u>	<u>Type of Entity</u>	<u>State</u>
Limark Corporation	Corporation	Texas
NorthStar Operating Company	Corporation	Texas

2. A plan of merger was approved and adopted in accordance with the provisions of article 5.03 of the Texas Business Corporation Act providing for the combination of Limark Corporation and NorthStar Operating Company, with NorthStar Operating Company being the surviving corporation in the merger.

3. An executed copy of the plan of merger is on file at the principal place of business of NorthStar Operating Company at 400 W. Illinois, Suite 1110, Midland, Texas 79701, and a copy of the plan of merger will be furnished by such entity, on written request and without cost, to any shareholder of Limark Corporation or NorthStar Operating Company.

4. No amendments to the articles of incorporation of NorthStar Operating Company, the only domestic corporation that will survive the merger of Limark Corporation and NorthStar Operating Company, are to be effected by the merger.

5. The articles of incorporation of each new domestic corporation, if any, to be created pursuant to the terms of the plan of merger are being filed with the Texas Secretary of State with the articles of merger.

6. As to Limark Corporation and NorthStar Operating Company, the approval of whose shareholders is required, the number of outstanding shares of each class or series of stock of such corporation entitled to vote, with other shares or as a class, on the plan of merger are as follows:

<u>Names of Corporation</u>	<u>Number of Shares Outstanding</u>	<u>Class or Series</u>	<u>Number of Shares Entitled to Vote as a Class or Series</u>
Limark Corporation	100,000	Common	100,000
NorthStar Operating Company	100,000	Common	100,000

7. As to Limark Corporation and NorthStar Operating Company, the approval of whose shareholders is required, the number of shares, not entitled to vote only as a class, voted for and against the plan of merger, respectively, and, if the shares of any class or series are entitled to

vote as a class, the number of shares of each such class or series voted for and against the plan of merger, are as follows:

<u>Name of Corporation</u>	<u>Total Voted For</u>	<u>Total Voted Against</u>	<u>Class or Series</u>	<u>Number of Shares Entitled to Vote as</u>	
				<u>Class or Series Voted For</u>	<u>Class or Series Voted Against</u>
Limark Corporation	100,000	0	Common	100,000	0
NorthStar Operating Company	100,000	0	Common	100,000	0

8. The plan of merger and the performance of its terms were duly authorized by all action required by Texas law and by the constituent documents of Limark Corporation and NorthStar Operating Company.

9. The merger will become effective on December 31, 2003, at 8:00 a.m. in accordance with the provisions of article 10.03 of the Texas Business Corporation Act.

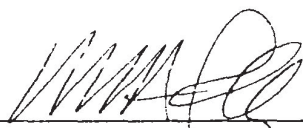
**[Signatures on Following Page]**

Dated December 16, 2003.

NORTHSTAR OPERATING COMPANY

By:   
Robert W. Hodge, President

LIMARK CORPORATION

By:   
Mark A. Philpy, President

RECEIVED  
2004 JAN 26 AM 7 52  
STATE LAND OFFICE  
SANTA FE, N.M.



STEPHANIE GARCIA RICHARD  
COMMISSIONER

State of New Mexico  
Commissioner of Public Lands  
310 OLD SANTA FE TRAIL P.O. BOX 1148  
SANTA FE, NEW MEXICO 87504-1148

EXHIBIT 4

(505) 827-5760  
Fax: (505) 827-5766  
[www.nmstatelands.org](http://www.nmstatelands.org)

02/23/21

NORTHSTAR OPERATING COMPANY  
P. O. BOX 10708  
MIDLAND, TX 79702

Notice is given that State Oil and Gas Lease Number K03754, Assignment Number 0001, original dated 12/17/1963, has automatically expired by its own terms.

Oil and Gas leases are issued for a period of five(5) or ten(10) years and assignments therefrom take the same terms and conditions as set forth in the original contract. Consequently, these expire after running their full term, unless extended by production or by the formal, timely invocation of saving clauses available within certain contracts. State Land Office records have been updated to reflect the action taken. This action will become non-appealable unless the party to whom it is directed initiates a contest proceeding within thirty (30) days of the date of the agency determination (NMAC 19.2.15).

Notice is also given that if any assignments or other instruments of transfer of royalties in the lease production have been recorded in the office of the county clerk wherein these lands are situated, the holders of such instruments must see that they are released from record as required by law. (Sections 70-1-1 through 70-1-5, NMSA, 1978 {1995 Repl. Pamph.}).

Notice is further given that the Commissioner of Public Lands will look to you, as lessee of record at the State Land Office, for reimbursement to the State for any production from the premises formerly leased to you that occurs after lease expiration as a consequence of your failure to notify working interest owners of lease termination. You should therefore immediately notify in writing all holders of working interests in the lease that the lease has expired effective 02/23/2021.

If you should need additional information, please contact Rubel Salazar at (505) 827-5730.

Respectfully,

Greg Bloom  
Assistant Commissioner of Mineral Resources



**EXHIBIT 5**

Stephanie Garcia Richard  
COMMISSIONER

*State of New Mexico*  
*Commissioner of Public Lands*

310 OLD SANTA FE TRAIL  
P.O. BOX 1148  
SANTA FE, NEW MEXICO 87504-1148

Ari Biernoff  
General Counsel  
Phone (505) 827-5756  
abiernoff@slo.state.nm.us

March 29, 2021

Via USPS Certified Mail, Return Receipt Requested

*Certified Mailing # 7019 1120 0000 2828 3130*  
Northstar Operating Company  
P.O. Box 10708  
Midland, TX 79702

*Certified Mailing # 7019 1120 0000 2828 3147*  
Northstar Operating Company  
400 W. Illinois Ave., Suite 1110  
Midland, TX 79701

**Re: New Mexico State Land Office Oil and Gas Lease No. K0-3754-0001**

To Whom It May Concern:

By notice dated February 23, 2021, the New Mexico State Land Office ("State Land Office") notified Northstar Operating Company ("Northstar") that the above-referenced lease (the "Lease") expired by its own terms. A copy of that notice is attached.

State Land Office rules require that when a lease has expired and the wells located on that lease are no longer active, the lessee must conduct full remediation and reclamation of the lease site, including plugging of inactive wells, removal of any surface pipelines, removal of infrastructure and debris, and reseeding of pads and roads. More detail about these closeout requirements can be found in Rule 19.2.100.67 NMAC (New Mexico Administrative Code).

Despite expiration of the Lease, the following 11 listed wells are located on the Lease premises and remain unplugged:

Well	Operator
• 30-005-20271 CATO SAN ANDRES UNIT #005	CANO PETRO OF NEW MEXICO, INC.
• 30-005-20001 CATO SAN ANDRES UNIT #006	CANO PETRO OF NEW MEXICO, INC.
• 30-005-10536 CATO SAN ANDRES UNIT #007	CANO PETRO OF NEW MEXICO, INC.



Well	Operator
• 30-005-27971 CATO SAN ANDRES UNIT #504	CANO PETRO OF NEW MEXICO, INC.
• 30-005-27980 CATO SAN ANDRES UNIT #505	CANO PETRO OF NEW MEXICO, INC.
• 30-005-27981 CATO SAN ANDRES UNIT #506	CANO PETRO OF NEW MEXICO, INC.
• 30-005-28022 CATO SAN ANDRES UNIT #507	CANO PETRO OF NEW MEXICO, INC.
• 30-005-20674 STATE 32 #002	CROSS BORDER RESOURCES, INC.
• 30-005-20695 STATE 32 #003	CROSS BORDER RESOURCES, INC.
• 30-005-20735 STATE 32 #004	CROSS BORDER RESOURCES, INC.
• 30-005-20789 STATE 32 #005	CROSS BORDER RESOURCES, INC.

Under New Mexico Oil Conservation Division (OCD) rules, the well operators, presently Cano Petro of New Mexico, Inc. and Cross Border Resources, must submit the paperwork to initiate plugging, and under State Land Office rules, Northstar must ensure that this process takes place. A copy of the required C-103 form is attached.

Please note that Northstar's reclamation obligations extend beyond ensuring that inactive wells are plugged. Lease terms and State Land Office rules also require removal of all debris and improvements (e.g. pump jacks, surface lines, etc.), remediation of any spills and complete reclamation of the premises, including well pads and roads associated with wells that already have been plugged.

The State Land Office expects that Northstar will promptly make arrangements to assume its obligations to remediate and reclaim the Lease site, and that Northstar will work with its operators, or step into their shoes if necessary, to promptly initiate plugging of the inactive wells noted above. Under the Lease terms and State Land Office rules, Northstar is required and expected to fulfill all its obligations regardless of the level of cooperation it receives from the well operators. Please contact me within the next 30 days to coordinate your company's responsible closeout of the Lease premises.

Sincerely,

*/s/ Ari Biernoff*

Ari Biernoff  
General Counsel

Enclosures



State of New Mexico  
Commissioner of Public Lands  
310 OLD SANTA FE TRAIL P.O. BOX 1148  
SANTA FE, NEW MEXICO 87504-1148

STEPHANIE GARCIA RICHARD  
COMMISSIONER

(505) 827-5760  
Fax: (505) 827-5766  
www.nmstatelands.org

02/23/21

NORTHSTAR OPERATING COMPANY  
P. O. BOX 10708  
MIDLAND, TX 79702

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Notice is also given that if any assignments or other instruments of transfer of royalties in the lease production have been recorded in the office of the county clerk wherein these lands are situated, the holders of such instruments must see that they are released from record as required by law. (Sections 70-1-1 through 70-1-5, NMSA, 1978 {1995 Repl. Pam.}).

Notice is further given that the Commissioner of Public Lands will look to you, as lessee of record at the State Land Office, for reimbursement to the State for any production from the premises formerly leased to you that occurs after lease expiration as a consequence of your failure to notify working interest owners of lease termination. You should therefore immediately notify in writing all holders of working interests in the lease that the lease has expired effective 02/23/2021.

If you should need additional information, please contact Rubel Salazar at (505) 827-5730.

Respectfully,

Greg Bloom  
Assistant Commissioner of Mineral Resources



Submit 1 Copy To Appropriate District  
Office  
District I – (575) 393-6161  
1625 N. French Dr., Hobbs, NM 88240  
District II – (575) 748-1283  
811 S. First St., Artesia, NM 88210  
District III – (505) 334-6178  
1000 Rio Brazos Rd., Aztec, NM 87410  
District IV – (505) 476-3460  
1220 S. St. Francis Dr., Santa Fe, NM  
87505

State of New Mexico  
Energy, Minerals and Natural Resources

Form C-103  
Revised July 18, 2013

OIL CONSERVATION DIVISION  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

<b>SUNDRY NOTICES AND REPORTS ON WELLS</b> (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)		WELL API NO.
1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/>		5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input type="checkbox"/>
2. Name of Operator		6. State Oil & Gas Lease No.
3. Address of Operator		7. Lease Name or Unit Agreement Name
4. Well Location Unit Letter _____ : _____ feet from the _____ line and _____ feet from the _____ line Section _____ Township _____ Range _____ NMPM _____ County _____		8. Well Number
11. Elevation (Show whether DR, RKB, RT, GR, etc.)		9. OGRID Number
		10. Pool name or Wildcat

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	P AND A <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPL <input type="checkbox"/>	CASING/CEMENT JOB <input type="checkbox"/>	
DOWNHOLE COMMINGLE <input type="checkbox"/>			
CLOSED-LOOP SYSTEM <input type="checkbox"/>			
OTHER: <input type="checkbox"/>		OTHER: <input type="checkbox"/>	

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

Spud Date:

Rig Release Date:

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE \_\_\_\_\_ TITLE \_\_\_\_\_ DATE \_\_\_\_\_

Type or print name \_\_\_\_\_ E-mail address: \_\_\_\_\_ PHONE: \_\_\_\_\_

**For State Use Only**

APPROVED BY: \_\_\_\_\_ TITLE \_\_\_\_\_ DATE \_\_\_\_\_

Conditions of Approval (if any):