



Form 3 - Financial Assurance Plan

Summary Information Overview

Form Name:	Form 3 - Financial Assurance Plan
Document Number:	403678674
Date Submitted:	2/6/2024
Date Approved:	6/3/2024

Operator Information

Operator Number: **10816**
Operator Name: **SILVER MOUNTAIN ENERGY LLC**
Operator Address: **31487 STATE HIGHWAY 37 ATTN: LONNIE WRIGHT**
Operator City: **HINTON**
Operator State: **OK**
Operator Zip: **73047**
First Name: **LONNIE**
Last Name: **WRIGHT**
Contact Phone: **(405) 542-7836**
Contact Email: **lonnie@sme.llc**
Initial Plan: ☒
Revised Plan: ☐
Docket Number:
Commission Order:
Subsidiary Operators: **None**
Revised Plan Description:
Operator Transfer Type:
Operator's Total Oil Production: **0**
Operator's Total Gas Production: **11,717,734**
Operator's Aggregate GOR: **0**
Operator's GOR Determination: **MCFE**
Operator's Average Daily Per-Well Production: **3911.42 MCFE**
Public Company: **YES**
Current Approved Plan Option:

Well Data

Well Status Data Reported Plugged Wells are excluded.

Status	Total	With Federal Financial Assurance	Tribal Wells	Subject to Rule 702
Active	0	0	0	0
Active Permit	0	0	0	0
Domestic	0	0	0	0
Drilling	0	0	0	0
Injecting	0	0	0	0
Producing	9	0	0	9
Shut In	0	0	0	0
Suspended Operations	0	0	0	0
Temporarily Abandoned	1	0	0	1
Waiting on Completion	0	0	0	0
TOTALS	10	0	0	10

Well Designation Data

Designation	Total	With Federal Financial Assurance	Tribal Wells	Subject to Rule 702
Defined Inactive	1	0	0	1
Noticed Inactive	0	0	0	0
Inactive Exception	0	0	0	0
Out of Service	0	0	0	0
Out of Service Repurposed	0	0	0	0
Low Producing	2	0	0	2

Number of Inactive Wells: 1
Number of Wells Plugged (2024): 0
Number of Wells Plugged (2023): 0
Number of Wells Plugged (2022): 0
Number of Wells Plugged (2021): 0
Asset Retirement Planning Description: **Silver Mountain Intention are to put inactive wells in-production.**
Plugged Wells Have Not Passed Final Reclamation:

	Have Not Passed Final Reclamation	Were Covered by Financial Assurance in Previous FA Plan
Reported Plugged (RP) Wells:	0	0
Dry & Abandoned (DA) Wells:	0	0
Plugged & Abandoned (PA) Wells:	0	0
TOTAL:	0	0

FA Types & Bond Riders

Cash Bond: ☒
Is Operator's financial assurance partially or entirely provided through one or more bond riders?: **NO**

Plan Options

Financial Assurance Plan Option: 1

Financial Assurance for Wells Option 1

Operator chooses to use their Demonstrated Costs for Single Well Financial Assurance (SWFA): ☐

Total Number of Wells: **10**

10% of Total Wells: **1**

Number of Non-Low Producing Wells Covered by Per-Well Blanket: **8**

Number of Low Producing Wells Covered by Per-Well Blanket: **1**

Total Number of Blanket Wells **9**

Amount of Blanket Financial Assurance per Well **\$12,000.00**

Total Amount of Per-Well Blanket Financial Assurance **\$108,000.00**

Number of Low Producing Wells with SWFA: **1**

Amount of SWFA for Low Producing Wells using ECMC Costs: **\$60,000.00**

Amount of SWFA for Low Producing Wells using Operator's Demonstrated Costs: **\$0.00**

Number of Out of Service Wells with SWFA: **0**

Amount of SWFA for Out of Service Wells using ECMC Costs: **\$0.00**

Amount of SWFA for Out of Service Wells using Operator's Demonstrated Costs: **\$0.00**

Number of Out of Service Wells with Other Financial Assurance: **0**

Amount of Other Financial Assurance for Out of Service Wells: **\$0.00**

Total Financial Assurance for Wells: **\$168,000.00**

Other Financial Assurance

Number of Centralized E&P Waste Management Facilities with Financial Assurance: **0**

Amount of Financial Assurance for Centralized E&P Waste Management Facilities: **\$0.00**

Number of Remediation Projects with Financial Assurance: **0**

Amount of Financial Assurance for Remediation Projects: **\$0.00**

Amount of Blanket Financial Assurance for Seismic Operations: **\$0.00**

Number of Gas Gathering, Gas Processing, and Underground Gas Storage Facilities: **0**

Amount of Financial Assurance for Gas Gathering, Gas Processing, and Underground Gas Storage Facilities: **\$0.00**

Number of Produced Water Transfer Systems: **0**

Amount of Financial Assurance for Produced Water Transfer Systems: **\$0.00**

Number of Commercial Disposal Facilities: **0**

Amount of Financial Assurance for Commercial Disposal Facilities: **\$0.00**

Amount of Statewide Blanket Surface Owner Protection Bond: **\$0.00**

Number of Individual Surface Owner Protection Bonds: **0**

Total Amount of Individual Surface Owner Protection Bonds: **\$0.00**

Operator's Financial Assurance Summary

Amount of Financial Assurance Required per Rule 702: **\$168,000.00**

Amount of Financial Assurance Required per Rule 703: **\$0.00**

Amount of Financial Assurance Required per Rule 704: **\$0.00**

Total Amount of Financial Assurance the Operator will provide to the Commission no later than 90 days from the Commission's approval of the Financial Assurance Plan: **\$168,000.00**

Attachments

Attached Files:

Doc Num	Attachment name	File name	Uploaded
403678690	CERTIFICATION OF FINANCIAL CAPABILITY	Articles of Organization SME	02/06/2024 02:59:37 PM
403811149	NOTICE OF DECISION/COMMISSION ORDER	10816 Silver Mountain Energy LLC Notice of Decision - 403678674.pdf	06/03/2024 02:25:27 PM

Signature and Certification

Form Created: **2/6/2024**

I hereby certify all statements made on this form are, to the best of my knowledge at the time of submittal, true, correct, and complete.

Operator Comments:

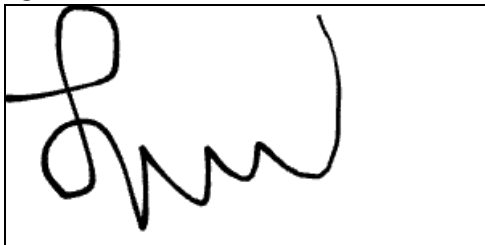
Name: **LONNIE WRIGHT**

Title: **PRESIDENT**

Email: **lonnie@sme.llc**

Phone: **(405) 542-7836**

Signature:



Associated Documents

403678692 - FORM 3 WELL LIST

403678693 - FORM 3 INACTIVE WELLS

403678694 - FORM 3 OTHER FINANCIAL ASSURANCE

403678695 - FORM 3 PLUGGED WELLS HAVE NOT PASSED FINAL RECLAMATION

403678696 - FORM 3 SUBMITTED

Conditions of Approval

The plan is approved as it applies to Financial Assurance associated with the Wells/Facilities identified in the plan. Additional Financial Assurance may be required as the Asset Retirement Plan, inactive well information, and other non-well infrastructure are evaluated further.

The plan is approved contingent upon the Operator submitting a substantive Asset Retirement Plan within 28 days of the Form 3 Approved Date.

The plan is approved contingent upon the Operator submitting a valid Certificate of Financial Capability within 28 days of the Form 3 Approved Date. The Certificate must be on Company letterhead, signed by an officer of the Company, and attest to the financial capability of the Company.

