



FINANCIAL ASSURANCE PLAN NOTICE OF DECISION

MDS Energy Development LLC - 10814
Form 3 - 403465867
Effective August 11, 2023

The Director of the Energy and Carbon Management Commission (ECMC or Commission) has **approved** the above referenced Form 3, Financial Assurance Plan, a summary of which is attached.

The approved Option 4 Plan requires 10% of the following Financial Assurance amounts to be submitted "as soon as practicable but no later than within 90 days" of the above date by **submitting a Form 3A** identifying the instruments that will be used and then **submitting those documents to:**

Financial Assurance
% ECMC
1120 Lincoln, Suite 801
Denver, CO 80203

Pursuant to Rule 702.d.(4).B, the 10% contribution is in addition to assurance already provided to the Commission and must continue annually by July 1 thereafter until such time as the entire amount is provided.

Required Assurance

		10%
• Rule 702: \$	580,000	\$ 58,000
• Rule 703: \$	0	\$ 0
• Rule 704: \$	<u>0</u>	<u>\$ 0</u>
TOTAL	\$ 580,000	\$ 58,000



Form 3 - Financial Assurance Plan

Summary Information Overview

Form Name: **Form 3 - Financial Assurance Plan**
Document Number: **403465867**
Date Submitted: **7/27/2023**

Operator Information

- Operator Number: **10814**
- Operator Name: **MDS ENERGY DEVELOPMENT LLC**
- Operator Address: **409 BUTLER RD SUITE A ATTN: RICHARD SAADEH**
- Operator City: **KITTANNING**
- Operator State: **PA**
- Operator Zip: **16201**
- First Name: **Richard**
- Last Name: **Saadeh**
- Contact Phone: **(817) 718-0175**
- Contact Email: **richard.saadeh@mdsed.com**
- Initial Plan: ☒
- Revised - Annual Review: ☐
- Revised - Change in Circumstance: ☐
- Revised - Proposed Transfer of Ownership: ☐
- Revised - Transfer of Ownership: ☐
- Docket Number:
- Commission Order:
- Subsidiary Operators: **None**
- Revised Plan Description:
- Operator Transfer Type:
- Operator's Total Oil Production: **0**
- Operator's Total Gas Production: **0**
- Operator's Aggregate GOR: **0**
- Operator's GOR Determination:
- Operator's Average Daily Per-Well Production: **N/A**
- Public Company: **NO**
- 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	8	0	0	8
Domestic	0	0	0	0
Drilling	4	0	0	4
Injecting	0	0	0	0
Producing	0	0	0	0
Shut In	0	0	0	0
Suspended Operations	0	0	0	0
Temporarily Abandoned	0	0	0	0
Waiting on Completion	0	0	0	0
TOTALS	12	0	0	12

Well Designation Data

Designation	Total	With Federal Financial Assurance	Tribal Wells	Subject to Rule 702
Defined Inactive	0	0	0	0
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	0	0	0	0

- *Number of Inactive Wells:* **0**
- *Number of Wells Plugged (2023):* **0**
- *Number of Wells Plugged (2022):* **0**
- *Number of Wells Plugged (2021):* **0**
- *Number of Wells Plugged (2020):* **0**
- *Asset Retirement Planning Description:* **Please see attachment.**
- *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

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

Plan Options

- *Financial Assurance Plan Option:* **4**

Financial Assurance for Wells Option 4

- Operator chooses to use their Demonstrated Costs for Single Well Financial Assurance (SWFA): ☐
- Total Number of Wells: **12**
- Number of Wells with SWFA: **12**
- Amount of SWFA using ECMC Costs: **\$580,000.00**
- Amount of SWFA using Operator's Demonstrated Costs: **\$0.00**
- Number of Transferred Low Producing Wells with Other Financial Assurance: **0**
- Amount of Other Financial Assurance for Transferred Low Producing Wells: **\$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 Amount of Financial Assurance Required Pursuant to Rule 702.d.(3).B.: **\$580,000.00**
- Annual Contribution Amount: 10% of Total Amount: **\$58,000.00**
- Operator's Modified Annual Contribution Amount: **\$0.00**
- Operator's Modified Annual Contribution Amount: **0%**

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: **\$58,000.00**
- 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: **\$58,000.00**

Attachments


- Attached Files:

Doc Num	Attachment name	File name	Uploaded
403474597	CERTIFICATION OF FINANCIAL CAPABILITY	MDS_Certificate_of_Financial_Capability.pdf-richard.saadeh_mdscd.com.pdf	07/24/2023 01:51:22 PM
403478483	ASSET RETIREMENT PLANNING	MDS_Asset_Retirement_Plan.pdf-richard.saadeh_mdscd.com.pdf	07/27/2023 10:24:18 AM

Signature and Certification

- Form Created: 7/17/2023
- 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: **Sandra J. Carter**
- Title: **Attorney**
- Email: **sandra@s2p2law.com**
- Phone: **(720) 593-0963**
- Signature:



Associated Documents

- 403478497 - FORM 3 WELL LIST
- 403478498 - FORM 3 INACTIVE WELLS
- 403478499 - FORM 3 OTHER FINANCIAL ASSURANCE
- 403478500 - FORM 3 PLUGGED WELLS HAVE NOT PASSED FINAL RECLAMATION
- 403478502 - 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.

