

**STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION**

IN RE: NOTICE OF VIOLATION ISSUED TO POCO RESOURCES, LLC

CASE FILE 25794

PRE-HEARING STATEMENT

The New Mexico Oil Conservation Division ("OCD") submits this Pre-Hearing Statement pursuant to 19.15.4.13(B) NMAC.

I. IDENTIFICATION OF PARTY AND COUNSEL

OCD initiated this matter and is represented by the undersigned counsel.

II. STATEMENT OF THE CASE

In the month of November of 2025, OCD Administrative Compliance Supervisor Rob Jackson, in the course and scope of his duties with OCD, conducted a compliance assessment for Poco Resources, LLC ("Respondent"), OGRID # 373121. The goal of such an assessment is to inspect the OCD permitting system regarding operator compliance with relevant rules, including but not limited to, 19.15.5, 19.15.7, and 19.15.8 NMAC. Upon Mr. Jackson's review of OCD's permitting system reports and data, Mr. Jackson concluded Respondent was not compliance with 19.15.5.9(A)(4) NMAC, which governs the number of wells an operator may have that are inactive, per 19.15.25.8 NMAC.

More specifically, OCD's records indicate that Respondent is the registered operator of sixty-seven (67) wells, sixty-five (65) of which were and remain inactive. Additionally, a representative of POCO, Joshua

Olguin, represented to OCD that POCO was financially unable to plug wells or operate in general. Further, Respondent allowed a major release to occur its Welch State Tank Battery #1. As of today's date, Respondent has still failed to remediate the release or provide OCD with proper reporting regarding the release. Respondent has proven itself unable and/or unwilling to responsibly operate *any* wells in the State of New Mexico.

On or about November 20, 2025, OCD Administrative Compliance Supervisor Rob Jackson, in the course and scope of his duties with OCD, conducted a compliance assessment for Respondent. The goal of such an assessment is to inspect the OCD permitting system regarding operator compliance with rules, such as but not limited to, 19.15.5, 19.15.7, and 19.15.8 NMAC. Upon Mr. Jackson's review of OCD's permitting system reports and data concerning Respondent, Mr. Jackson concluded that Respondent was not compliant with 19.15.5.9 NMAC. Pursuant to 19.15.8.9. NMAC, sixty-five (65) of Respondent's wells are inactive. Additionally, Respondent has represented to OCD that it is unable to operate *any* of its wells, which would include the two wells it operates that did not appear on the Inactive Well List.

Per 19.15.5.9(B)(1)(a) NMAC, if an operator does not report production for a well for fifteen (15) months, that well is deemed non-compliant with 19.15.5.9 NMAC. Per 19.15.5.10 NMAC, OCD may pursue a litany of remedies for wells in violation of 19.15.5.9 NMAC (or any other OCD regulation) including, but not limited to, termination of

authorization to transport, plugging and abandoning of inactive wells, civil penalties, and possible indemnification for the costs OCD incurs to plug and abandon the wells.

Respondent's only communication with OCD since the filing of this matter and the Emergency Order has been its statement to OCD that it is financially unable to plug or operate wells. OCD duly filed the NOV and Docketing Notice in this matter and served it on Respondent. As of today's date, Respondent has failed to avail itself of the informal resolution period set out in the NOV.

Respondent violated and remains in violation of 19.15.5.9, 19.15.7.24, and 19.15.25.8 NMAC. OCD seeks an Order from the Division allowing OCD to plug and abandon all of Respondent's wells, termination of Respondent's authorization to transport from all wells, assessing a civil penalty in the amount of \$156,100.00 and such other relief that Petitioner may be entitled to and the Hearing Officer finds just and proper.

III. PROPOSED EVIDENCE

WITNESSES:

1. Rob Jackson, OCD Administrative Compliance Supervisor

Testifying by affidavit, and, if necessary, live testimony

Mr. Jackson OCD's Administrative Compliance Supervisor. He has served with OCD in his current role since 2021. Mr. Jackson's experience is more thoroughly described in Exhibit 2. Mr. Jackson will testify regarding his assessment of Respondent's inactive well non-compliance status as set out more

thoroughly in the NOV filed in this matter, and attached hereto. Further, he will discuss the contents of the Notice of Violation in Exhibit 3, along with its sub-exhibits.

2. Sara Griego, OCD Law Clerk

Testifying by affidavit, and, if necessary, live testimony

Ms. Griego is the Law Clerk for OCD. She has knowledge of the service of the NOV and Docketing Notice upon Respondent in this matter. She will testify that the NOV and Docketing Statement were duly and properly served upon Respondent based upon the contact information provided to OCD by Respondent and other known emails of Respondent. These documents were served by certified mail and electronic mail to the addresses designated by Respondent in OCD permitting.


EXHIBITS:

- Exhibit 1 Affidavit of Rob Jackson**
- Exhibit 2 Resume of Rob Jackson**
- Exhibit 3 NOV against POCO Resources, LLC, dated November 18, 2025 (with attached Exhibit A- Inactive Well List, Exhibit B-Civil Penalty Calculation, Exhibit C- Stipulated Final Order, and Exhibit D- email from Respondent to the undersigned counsel)**
- Exhibit 4 Affidavit of Sara Griego**

IV. PROCEDURAL MATTERS

OCD has not identified any procedural matters to be resolved prior to the hearing.

Respectfully submitted,



Michael Hall

Assistant General Counsel
New Mexico Energy, Minerals, and Natural Resources Department
Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, New Mexico 87505
Phone: (505) 479-1137
E-mail: Michael.Hall@emnrd.nm.gov

CERTIFICATE OF SERVICE

I certify that on December 31, 2025, this pleading was served upon Respondent by electronic mail to:

Adam Olguin and Joshua Olguin, Representatives of POCO Resources, LLC at:
adam@pocores.com and joshua@pocores.com

A handwritten signature in black ink, appearing to be 'MH', is written above a horizontal line.

Michael Hall, Attorney for Petitioner

EXHIBIT 1

**STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION**

IN RE: NOTICE OF VIOLATION ISSUED TO POCO RESOURCES, LLC

CASE NO. 25794

AFFIDAVIT OF ROB JACKSON

I, ROB JACKSON, being first duly sworn on oath, states as follows:

1. I am employed as the Compliance Supervisor within the Administrative Compliance Bureau of the Oil Conservation Division ("OCD"). I have been employed by OCD since 2021. A true and correct copy of my resume is attached to OCD's Prehearing Statement as Exhibit 2, which lists relevant education and training. My duties include, but are not limited to, generating and reviewing database reports, compiling proposed civil penalty calculations, and reviewing the compliance status of oil and gas operators in New Mexico concerning:
 - a. 19.15.25.8 NMAC, which requires wells that have suspended drilling operations, are no longer of beneficial use, or have been continuously inactive for a period of one year, to be properly plugged and abandoned or placed in approved temporary abandonment;
 - b. 19.15.5.9 NMAC, which sets forth the compliance standards oil and gas operators in New Mexico, including the number of wells an operator may have in inactive status at any one time;
 - c. 19.15.8.9 NMAC, which subjects oil and gas operators in New Mexico to certain financial assurance standards; and
 - d. 19.15.7.24 NMAC, requires operators to file C-115 production reports for non-plugged wells.
2. I have personal knowledge of the matters stated herein. I further swear and affirm that the information stated in this affidavit and the Notice of Violation ("NOV") in this case are true and correct to the best of my knowledge.
3. On or about November 20, 2025, I generated the Inactive Well List and Civil Penalty Calculations attached to the NOV in this case.
4. The Inactive Well List was generated by searching the OCD Permitting database associated with Respondent. It is attached as Exhibit A of the NOV and is a true and correct copy of the Inactive Well List pertaining to Respondent as it existed in the OCD Permitting database on November 20, 2025.
5. The Inactive Well List indicated that POCO Resources, LLC, OGRID # 373121 ("Operator"), operated and was the responsible party for sixty-seven (67) wells. In reviewing the Inactive Well List, I determined that Operator was out of compliance

with 19.15.25.8 and 19.15.5.9 NMAC for sixty-five (65) of those wells. The review process includes cross checking wells in our system to determine if any prior orders or agreements have been made regarding the wells in the Inactive Well List.

6. Sixty-five (65) wells are out of compliance with OCD Regulations by being unplugged and inactive and/or failing to have the proper reports submitted by Operator. Further, it is clear that Respondent cannot operate any of the sixty-seven (67) wells it operates in New Mexico. As indicated by the email from Joshua Olguin of POCO to Michael Hall attached to the NOV as Exhibit D, "POCO does not have the financial means to plug or operate..." Additionally, POCO allowed a major release to occur at the Welch State Tank Battery #1, which it failed to properly report or remediate.

7. Civil penalties were assessed and procured based on the violations listed herein and in the Civil Penalty document attached to the NOV in this matter. Civil penalties are determined by which rules the Operator violated and the number of days they are not in compliance. The total for the listed violations amount to one hundred and fifty-six thousand one hundred and fifty dollars (\$156,150.00).

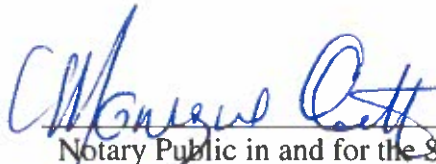
FURTHER AFFIANT SAYETH NOT.



ROB JACKSON

STATE OF NEW MEXICO
COUNTY OF SANTA FE

SUBSCRIBED AND SWORN TO BEFORE ME, the undersigned authority on this 31st day of Dec, 2025, by Rob Jackson



Notary Public in and for the State of New Mexico

My Commission Expires:

12/16/2028

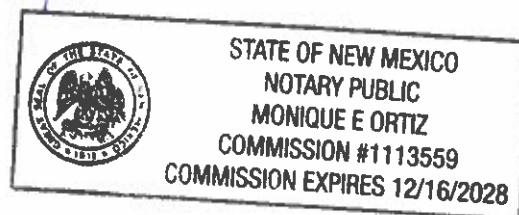


EXHIBIT 2

Rob T. Jackson

2848 Pueblo Bonito Santa Fe, NM 87501

rjackson1969@gmail.com

(505) 469-4569

INTRODUCTION

Innovative, adaptive and a fast learner, team player with strengths in communication, people skills, data research, and computer skills.

HIGHLIGHTS

- ◆ **Eleven years'** supervisor and project management experience
- ◆ **Proficient** communication skills with internal and external clients
- ◆ **Knowledgeable** and proficient with internet research, database querying and data analysis
- ◆ **Experienced** with content management, designing web ads in Photoshop, modifying, and tweaking of web page content
- ◆ **Certified** forklift operator

EDUCATION

- NM EDGE
 - Certified Public Supervisor
 - Certified Public Officer
- Santa Fe Comm College
- Phoenix College
- Augusta University
- Valdosta State University

Computer Skills & Applications

- | | |
|-----------------------|---------------|
| • Windows | • ESRI ArcMap |
| • Linux & open source | • ESRI ArcPro |
| • Acrobat | • QGIS |
| • MS Office Suite | • Photoshop |
| • Copilot (AI) | • GIMP |
| | • Dreamweaver |

SUPERVISORY EXPERIENCE

Oil Conservation Division State of New Mexico

- 3 years Compliance Supervisor (3 people)

United State Marine Corps

- 2 years Fire Team Leader (3-4 people)
- 2.5 years Squad Leader (10-12 people)
- .5 years platoon leader (40-45 people)

UNITED STATES MARINE CORPS

Veteran of Desert Storm

1/88 to 1/96

DIESEL MECHANIC & SUPPLY WAREHOUSING. Decorated Desert Storm veteran, honorably discharged as Sergeant (E-5) serving a full 6/2-year contract. Decorations include Meritorious Unit Citation (Unit Bronze Star).

PROFESSIONAL EXPERIENCE

Energy Minerals & Natural Resources 6/21 - Present
Santa Fe, NM

ADMINISTRATIVE COMPLIANCE SUPERVISOR

Supervises a team that assures oil and gas well operators follow compliance with state regulations and statutes. Research and processes various permits within the Oil Conservation Division. Assists in legal research of noncompliant operators and testifies as a witness in hearings regarding operator compliance. Collects and manages bonds from well operators as financial assurance for the State of New Mexico.

Santa Fe County

9/15 - 5/21

Santa Fe, NM

GPS TECHNICIAN

E-911 addressing, field data collection using Collector App. Assigns addresses per the County Code and modifies Santa Fe County GIS data editing and analysis using ESRI's ArcMap and ArcPro software. Prints maps exported from ArcMap and ArcPro as part of the construction and business permit process.

Dahl Plumbing

1/13 - 9/15

Santa Fe, NM

CUSTOMER SERVICE, WAREHOUSING

Establishing business relationships, answering questions, and modifying orders. Picking orders, shipping, and receiving. Customer service. Forklift certified. Maintaining inventory through daily service and annual inventory control.

Contractor

8/10 - 12/12

Santa Fe, NM

CONSTRUCTION & COMPUTER WORK. Construction work.

Part of a four-man team that built a guest house. Installed software and taught use of software for organization.

Wildflower International

8/09 - 7/10

Santa Fe, NM

Customer Service, sales and procurement of technical equipment and needs for several government agencies

United States Post Office

12/08 - 6/09

Phoenix, AZ

RURAL CARRIER. Postal mail carrier responsible for sorting, delivery, and collection of mail on several routes.

Virgo Publishing

4/98 - 3/01 & 1/04 - 4/08

Phoenix, AZ

WEB EDITING & AD TRAFFIC COORDINATOR. Managed internet ad traffic for approximately forty websites and twenty weekly newsletters. Collected and design ads in Photoshop. Ran data analysis reports on ad performance. Converted content of multiple magazines monthly from print, reformatting and posting them to their respective websites.

Bowne of Phoenix

Apr 2001 to Jan 2004

Phoenix, AZ

PROPRIETARY HAND CODING TYPESETTER. Worked in proprietary software using code to layout corporate quarterly and annual financial filings to the Security & Exchange Commission.

EXHIBIT 3

Michelle Lujan-Grisham
Governor

Melanie A. Kenderdine
Cabinet Secretary

Ben Shelton
Deputy Secretary

Erin Taylor
Deputy Secretary

Albert C.S. Chang
Division Director
Oil Conservation Division



BY CERTIFIED MAIL AND ELECTRONIC MAIL

November 18, 2025

POCO Resources, LLC
3307 E. Castleberry Road
Artesia, New Mexico 88210

Joshua A. Olguin
Financial Manager
joshua@pocores.com

Adam Olguin
Hobbs and Artesia Contact
adam@pocores.com

NOTICE OF VIOLATION

The Director of the Oil Conservation Division ("OCD") issues this Notice of Violation ("NOV") pursuant to 19.15.5.10 NMAC. A process is available to informally discuss and resolve the NOV. This process will run for 30 days from the date of your receipt of this letter. OCD will extend this process if it would facilitate informal resolution of the NOV. To initiate this process, contact the OCD employee identified at the end of this letter. However, this case will be docketed for the January 8, 2026 OCD docket, since POCO has required an Emergency Plugging Order to be executed for its facilities and it has failed to comply with the Stipulated Final Order in OCD Case No. 24940, signed and agreed to by POCO on January 16, 2025 and incorporated by reference herein as though set forth in full.

1. *Alleged Violator:* POCO Resources, LLC, OGRID # 373121 ("Operator").
2. *Citation, Nature, and Factual and Legal Basis for Alleged Violation(s):*

19.15.25.8 NMAC:

A. The operator of wells drilled for oil or gas or services wells including seismic, core, exploration or injection wells, whether cased or uncased, shall plug the wells as Subsection B of 19.15.25.8 NMAC requires.

B. The operator shall either properly plug and abandon a well or place the well in approved temporary abandonment in accordance with 19.15.25 NMAC within 90 days after:

- 1. a 60 day period following suspension of drilling operations;*
- 2. a determination that a well is no longer usable for beneficial purposes; or*
- 3. a period of one year in which a well has been continuously inactive.*

19.15.5.9(A) NMAC:

An operator is in compliance with Subsection A of 19.15.5.9 NMAC if the operator...

(4) has no more than the following number of wells out of compliance with 19.15.25.8 NMAC that are not subject to an agreed compliance or final order setting a schedule for bringing the wells into compliance with 19.15.25.8 NMAC and imposing sanctions if the schedule is not met:

- (a) two wells or fifty percent of the wells the operator operates, whichever is less, if the operator operates 100 wells or less;*
- (b) five wells if the operator operates between 101 and 500 wells;*
- (c) seven wells if the operator operates between 501 and 1000 wells; and*
- (d) 10 wells if the operator operates more than 1000 wells.*

Operator is the registered operator of sixty-seven (67) wells. The (65) wells identified in **Exhibit A** are out of compliance with 19.15.25.8 NMAC. Seventeen of the wells are subject to Stipulated Final Order in Case No. 24940. Specifically, Adkins Williams State #002 (API # 30-015-01916), Cortland Myers Unit #001 (API #30-025-11194), Cortland Myers Unit #003 (API # 30-025-11197), Cortland Myers Unit #004 (API #30-025-11198), Federal 18 #001 (API # 30-041-20206), Federal 18 #002 (API # 30-041-20224), Knight #009 (API # 30-025-20352), McGrail #001H (API # 30-041-20318), Poker Lake State #001 (API # 30-015-04744), Poker Lake Unit #061 (API # 30-015-24700), Poker Lake Unit #066 (API # 30-015-24988), Poker Lake Unit #063 (API # 30-015-24724), Poker Lake Unit #068 (API # 30-015-25318), Signal State #002 (API # 30-015-01901), Signal State #004 (API # 30-015-24606), State #001 (API # 30-041-20600), State BPA #001 (API # 30-041-00188), and State BPA #002 (API # 30-041-00189) were subject to a Final Stipulated Order in Case No. 24940 and are subject to a Notice of Intent to Plug as a result of Operator's noncompliance with the Order it agreed to in Case No. 24940.

19.15.29.8 RELEASES:

A. Prohibition. Except as provided in 19.15.27 NMAC or 19.15.28 NMAC, major releases and minor releases are prohibited.

19.15.29.9 RELEASE NOTIFICATION:

A. The responsible party must notify the division on form C-141 of a major or minor release occurring during the drilling, producing, storing, disposing, injecting, transporting, servicing or processing of oil, gases, produced water, condensate or oil field waste including regulated NORM, or other oil field related chemicals, contaminants or mixture of the chemicals or contaminants, in accordance with the requirements of 19.15.29 NMAC.

Welch State Tank Battery #1 (Lat. 32.744134, Long. -104.197518)

1. On October 3, 2025, the OCD was made aware of a potential release located at the Operators, Welch State Tank Battery #1 located in Unit letter J, Section 17, Township 18 South, Range 28 East, Latitude 32.744134, Longitude, -104.197518.
2. On October 3, 2025, the Operator confirmed with the OCD that a release had occurred at the Welch State Tank Battery #1 and the fluid has been removed from the battery, the cause of the release was described as an equipment failure on the gun barrel. A major or minor release is prohibited and is a violation of 19.15.29.8 NMAC
3. On October 20, 2025, the Operator failed to submit a Notice of Release (NOR) and form C-141 providing volume details and no additional information on source or cause. This is a violation of 19.15.29.9 NMAC

3. *Compliance:* No later than thirty (30) days after receipt of this NOV, Operator shall:

- a. plug and abandon the sixty five (65) wells listed in **Exhibit A**, except those wells that have already been or will be plugged pursuant to Operator's failure to comply with the Stipulated Final Order in Case No. 24940.
- b. follow all requirements for the Remediation, Reclamation and Revegetation of unauthorized Oil & Gas releases outlined in 19.15.29 NMAC and submit the required documents through OCD Permitting within 15 days of receipt of the Notice.

4. *Sanction(s):* OCD may impose one or more of the following sanctions:
- a. civil penalty;
 - b. modification, suspension, cancellation, or termination of a permit or authorization;
 - c. plugging and abandonment of well(s);
 - d. remediation and restoration of well location(s) and associated facilities, including the removal of surface and subsurface equipment and other materials;
 - e. remediation and restoration of location(s) affected by a spill or release;
 - f. forfeiture of financial assurance;
 - g. shutting in well(s); and
 - h. any other remedy authorized by law.

For the alleged violations described above, OCD proposes the following sanctions:

- a. Plug and Abandon Wells: OCD will request an order requiring Operator to plug and abandon wells listed in **Exhibit A**, and/or authorizing OCD to plug and abandon those wells, except the above-listed wells that are subject to Stipulated Final Order in Case No. 24940, which are already noticed to be plugged.
- b. Termination of Authorization to Transport: OCD will request an order terminating Operator's authority to transport from all wells.
- c. Civil Penalties: OCD proposes to assess civil penalties as specified below. The civil penalty calculations are attached. OCD has taken into consideration the alleged violator's good faith effort (or lack thereof) to comply with the applicable requirements. Copies of the civil penalty calculations are attached as **Exhibit B**. A true and correct copy of the aforementioned Stipulated Final Order in Case No. 24940 is attached hereto as **Exhibit C**. A true and correct copy of the email from POCO's officer, Josua Olguin, stating that they do not have the financial wherewithal to plug wells or operate wells is attached hereto as **Exhibit D**.

Civil Penalty: 19.15.5.9(A)(4)(c) NMAC: \$156,150.00

5. *Hearing*: OCD will hold a hearing on January 8, 2026. Please see 19.15.5.10 NMAC for more information regarding the hearing.

For more information regarding this NOV, contact Michael Hall at (505) 479-1137 or Michael.Hall@emnrd.nm.gov

Regards,



Albert C.S. Chang
Director, Oil Conservation Division

cc: Office of General Counsel, EMNRD

Exhibit A

Inactive Well List

Total Well Count: 67 Inactive Well Count: 65
Printed On: Thursday, November 20 2025

District	API	Well	ULSTR	OCO Unit	Ogrid	Operator	Lease Type	Surface Owner	Well Type	Last Production	Formation/Notes	Status	TA Exp Date
2	30-015-10450	ADKINS WILLIAMS STATE #001	O-17-18S-28E	O	373121	POCO Resources LLC	S	S	I	07/2024			
2	30-015-01916	ADKINS WILLIAMS STATE #002	O-17-18S-28E	O	373121	POCO Resources LLC	S	S	O	02/2018			
2	30-015-01920	ADKINS WILLIAMS STATE #002Y	O-17-18S-28E	O	373121	POCO Resources LLC	S	S	O	07/2024			
2	30-015-01906	ADKINS WILLIAMS STATE #006	O-17-18S-28E	O	373121	POCO Resources LLC	S	S	O	07/2024			
2	30-015-31369	CONOCO FEDERAL #001	E-20-25S-30E	E	373121	POCO Resources LLC	F	F	O	12/2023	CORRAL CANYON DELAWARE		
1	30-025-11194	CORTLAND MYERS UNIT #001	K-22-24S-37E	K	373121	POCO Resources LLC	F	P	O	04/2020	7 RVR5 QU GB		
1	30-025-11195	CORTLAND MYERS UNIT #002	P-22-24S-37E	P	373121	POCO Resources LLC	F	P	I	07/2024			
1	30-025-11197	CORTLAND MYERS UNIT #003	O-22-24S-37E	O	373121	POCO Resources LLC	F	P	O	02/2020	7 RVR5 QU GB		
1	30-025-11198	CORTLAND MYERS UNIT #004	N-22-24S-37E	N	373121	POCO Resources LLC	F	P	O	02/2020	INT TO PA 01/02/08		
1	30-025-11199	CORTLAND MYERS UNIT #005	F-22-24S-37E	F	373121	POCO Resources LLC	F	P	I	07/2024			
1	30-041-20274	FEDERAL 17 #002	K-17-08S-38E	K	373121	POCO Resources LLC	F	S	G	07/2024	RECLASSIFY O TO G/01/09/98		
1	30-041-20272	FEDERAL 17 A #001	J-17-08S-38E	J	373121	POCO Resources LLC	F	S	G	07/2024	RECLASSIFY O TO G/01/14/1998		
1	30-041-20208	FEDERAL 18 #001	O-18-08S-38E	O	373121	POCO Resources LLC	F	S	G	02/2020	SAN ANDRES / RECLASS OIL TO GAS C116		
1	30-041-20224	FEDERAL 18 #002	P-18-08S-38E	P	373121	POCO Resources LLC	F	S	O	05/2019	SAN ANDRES		
1	30-041-20285	FEDERAL 20 #001	B-20-08S-38E	B	373121	POCO Resources LLC	F	S	O	07/2024			
1	30-025-11359	GEORGE L ERWIN #001	M-35-24S-37E	M	373121	POCO Resources LLC	F	P	O	07/2024			
1	30-025-11360	GEORGE L ERWIN #002	L-35-24S-37E	L	373121	POCO Resources LLC	F	P	O	07/2024	05/13/08 CONVERT TO PROD OIL WELL		
1	30-025-11361	GEORGE L ERWIN #003	K-35-24S-37E	K	373121	POCO Resources LLC	F	P	O	07/2024			
1	30-025-38360	GEORGE L ERWIN #004	N-35-24S-37E	N	373121	POCO Resources LLC	F	P	O	07/2024	7R-QU-GB		
2	30-015-37077	GIANT SUPERIOR STATE #001	H-08-25S-30E	H	373121	POCO Resources LLC	S	S	O	07/2024	CORRAL CANYON,DELAWARE		
2	30-015-01894	GILMORE STATE #001	N-17-18S-28E	N	373121	POCO Resources LLC	S	S	O	07/2024			
2	30-015-24489	GILMORE STATE #002	N-17-18S-28E	N	373121	POCO Resources LLC	S	S	O	07/2024			
2	30-015-01904	GRARIDGE STATE #003	L-17-18S-28E	L	373121	POCO Resources LLC	S	S	O	08/2024			
2	30-015-01905	GRARIDGE STATE #004	L-17-18S-28E	L	373121	POCO Resources LLC	S	S	O	08/2024			
1	30-025-11188	JAMISON #001	H-21-24S-37E	H	373121	POCO Resources LLC	P	P	O	07/2024			
1	30-025-11183	JAMISON #002	E-22-24S-37E	E	373121	POCO Resources LLC	P	P	O	07/2024	RWTP 12/08/2011		
1	30-025-11189	JAMISON #003	A-21-24S-37E	A	373121	POCO Resources LLC	P	P	O	07/2024			
1	30-025-11186	KNIGHT #001	I-21-24S-37E	I	373121	POCO Resources LLC	P	P	O	08/2024	LANGLIE MATTIX 7RQGB		
1	30-025-11191	KNIGHT #002	L-22-24S-37E	L	373121	POCO Resources LLC	P	P	O	08/2024	LANGLIE MATTIX 7RQGB		
1	30-025-11187	KNIGHT #003	P-21-24S-37E	P	373121	POCO Resources LLC	P	P	O	08/2024	LANGLIE MATTIX		
1	30-025-11190	KNIGHT #004	M-22-24S-37E	M	373121	POCO Resources LLC	P	P	O	08/2024	LANGLIE MATTIX 7RQGB		
1	30-025-20352	KNIGHT #009	L-22-24S-37E	L	373121	POCO Resources LLC	P	P	I	03/2013	INT TO P&A APP 11-20-01		
1	30-025-20350	KNIGHT #011	M-22-24S-37E	M	373121	POCO Resources LLC	P	P	I	07/2024	INT TO TAAPPVD 10-15-01		
1	30-025-27490	KNIGHT #014	P-21-24S-37E	P	373121	POCO Resources LLC	P	P	O	08/2024	LANGLIE MATTIX 7RQGB		
1	30-041-20318	MCGRAIL #001H	H-18-08S-38E	H	373121	POCO Resources LLC	P	P	O	02/2020			

2	30-015-28237	NIX FEDERAL #001	A-28-21S-28E	A	373121	POCO Resources LLC	F	F	O	12/2023	DELAWARE
2	30-015-28235	NIX FEDERAL #003	E-27-21S-28E	E	373121	POCO Resources LLC	F	F	O	10/2023	DELAWARE
2	30-015-28492	NIX FEDERAL #004	I-28-21S-28E	I	373121	POCO Resources LLC	F	F	O	10/2023	DELAWARE
2	30-015-29198	NIX FEDERAL #005	M-27-21S-28E	M	373121	POCO Resources LLC	F	F	S	07/2024	DELAWARE
2	30-015-28934	NIX FEDERAL #007	H-28-21S-28E	H	373121	POCO Resources LLC	F	F	O	10/2023	DELAWARE
2	30-015-28935	NIX FEDERAL #008	J-28-21S-28E	J	373121	POCO Resources LLC	F	F	O	10/2023	DELAWARE
2	30-015-29251	NIX FEDERAL #009	P-28-21S-28E	P	373121	POCO Resources LLC	F	F	O	10/2023	DELAWARE
1	30-025-29996	PETRUS AEO STATE #001	B-11-17S-33E	B	373121	POCO Resources LLC	S	S	O	12/2023	
1	30-025-30101	PETRUS AEO STATE #002	G-11-17S-33E	G	373121	POCO Resources LLC	S	S	O	12/2023	
2	30-015-24886	POKER LAKE #085	A-19-25S-30E	A	373121	POCO Resources LLC	F	F	O	07/2024	
2	30-015-04744	POKER LAKE STATE #001	M-08-25S-30E	M	373121	POCO Resources LLC	S	S	S	09/2016	
2	30-015-24700	POKER LAKE UNIT #081	E-17-25S-30E	E	373121	POCO Resources LLC	F	F	O	10/2015	
2	30-015-24988	POKER LAKE UNIT #088	L-17-25S-30E	L	373121	POCO Resources LLC	F	F	O	11/2015	
2	30-015-24724	POKER LAKE UNIT STATE #083	N-08-25S-30E	N	373121	POCO Resources LLC	S	S	O	02/2014	
2	30-015-25318	POKER LAKE UNIT STATE #088	O-08-25S-30E	O	373121	POCO Resources LLC	S	S	O	02/2014	
2	30-015-01901	SIGNAL STATE #002	E-17-18S-28E	E	373121	POCO Resources LLC	S	P	O	02/2020	
2	30-015-24606	SIGNAL STATE #004	E-17-18S-28E	E	373121	POCO Resources LLC	S	P	O	02/2020	
1	30-041-00188	STATE BPA #001	D-32-08S-37E	D	373121	POCO Resources LLC	S	S	O	08/2019	ALLISON PENN
1	30-041-00189	STATE BPA #002	F-32-08S-37E	F	373121	POCO Resources LLC	S	S	O	02/2020	BOUGH C
2	30-015-04745	SUPERIOR STATE #001	H-08-25S-30E	H	373121	POCO Resources LLC	S	S	O	07/2024	
2	30-015-10181	SUPERIOR STATE #002	I-08-25S-30E	I	373121	POCO Resources LLC	S	S	O	07/2024	
1	30-041-20830	TENNECO FEDERAL #001	G-29-07S-36E	G	373121	POCO Resources LLC	F	P	O	07/2024	
2	30-015-01909	WELCH STATE #002	K-17-18S-28E	K	373121	POCO Resources LLC	S	S	O	07/2024	
2	30-015-10525	WELCH STATE #003Y	K-17-18S-28E	K	373121	POCO Resources LLC	S	S	O	07/2024	
2	30-015-10452	WELCH STATE #004	K-17-18S-28E	K	373121	POCO Resources LLC	S	S	O	08/2024	
2	30-015-01912	WELCH STATE #005	J-17-18S-28E	J	373121	POCO Resources LLC	S	S	O	07/2024	
2	30-015-01913	WELCH STATE #006	J-17-18S-28E	J	373121	POCO Resources LLC	S	S	O	07/2024	
2	30-015-10451	WELCH STATE #007	K-17-18S-28E	K	373121	POCO Resources LLC	S	S	O	07/2024	
2	30-015-24491	WELCH STATE #008	J-17-18S-28E	J	373121	POCO Resources LLC	S	S	O	07/2024	GR-SA
2	30-005-62856	WEST HAYSTACK FEDERAL #004	G-30-08S-27E	G	373121	POCO Resources LLC	F	F	G	07/2024	

WHERE Operator:373121, County:All, District:All, Township:All, Range:All, Section:All, Production(months):15, Excludes Wells Under ACOI, Excludes Wells in Approved TA Period

Exhibit B

[illegible]

[illegible]

[illegible]

20-015-001A	0.9	Est. de produção financeira por unidade	\$ 250	Single	1	1	1	1	1	0.6	Requisito	0.2	1.8	Requisito	\$ 2,500.00	0.9
20-015-001B	0.9	Est. de produção financeira por unidade	\$ 250	Single	1	1	1	1	1	0.6	Requisito	0.2	1.8	Requisito	\$ 2,500.00	0.9
20-015-001C	0.9	Est. de produção financeira por unidade	\$ 250	Single	1	1	1	1	1	0.6	Requisito	0.2	1.8	Requisito	\$ 2,500.00	0.9
20-015-001D	0.9	Est. de produção financeira por unidade	\$ 250	Single	1	1	1	1	1	0.6	Requisito	0.2	1.8	Requisito	\$ 2,500.00	0.9
20-015-001E	0.9	Est. de produção financeira por unidade	\$ 250	Single	1	1	1	1	1	0.6	Requisito	0.2	1.8	Requisito	\$ 2,500.00	0.9
20-015-001F	0.9	Est. de produção financeira por unidade	\$ 250	Single	1	1	1	1	1	0.6	Requisito	0.2	1.8	Requisito	\$ 2,500.00	0.9
20-015-001G	0.9	Est. de produção financeira por unidade	\$ 250	Single	1	1	1	1	1	0.6	Requisito	0.2	1.8	Requisito	\$ 2,500.00	0.9
20-015-001H	0.9	Est. de produção financeira por unidade	\$ 250	Single	1	1	1	1	1	0.6	Requisito	0.2	1.8	Requisito	\$ 2,500.00	0.9
20-015-001I	0.9	Est. de produção financeira por unidade	\$ 250	Single	1	1	1	1	1	0.6	Requisito	0.2	1.8	Requisito	\$ 2,500.00	0.9
20-015-001J	0.9	Est. de produção financeira por unidade	\$ 250	Single	1	1	1	1	1	0.6	Requisito	0.2	1.8	Requisito	\$ 2,500.00	0.9

Exhibit C

**STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT**

OIL CONSERVATION DIVISION

**OIL CONSERVATION DIVISION,
Petitioner**

CASE NO. 24940

V.

**POCO RESOURCES, LLC,
Respondent**

STIPULATED FINAL ORDER

Pursuant to the New Mexico Oil and Gas Act ("Act"), NMSA 1978, Section 70-2-1, *et seq.*, and 19.15.5.10(C) NMAC, the Director of the Oil Conservation Division ("OCD") and POCO Resources, LLC ("Operator"), OGRID # 373121 enter into this Stipulated Final Order ("Order") to resolve a Notice of Violation ("NOV").

1. OCD is charged with the administration and enforcement of the Act and the implementing rules and has jurisdiction to regulate Operator's wells and facilities within the State of New Mexico.
2. On September 6, 2024, OCD issued an NOV to Operator which alleged multiple violations regarding 19.15.25.8, 19.15.5.9(A), 19.15.8.9, and 19.15.7.24 NMAC.
3. Operator is the responsible party for all reports and operational conditions at the referenced wells.
4. Operator requested informal resolution of the NOV.
5. Operator admits the violations alleged in the NOV.
6. To resolve the alleged violations without the cost and expense of a hearing on the legal and factual issues raised by the NOV, Operator and OCD agree that:
 - a. By April 30, 2025, Operator shall bring all wells into compliance by either returning well(s) to production or proper plugging and abandonment, including submission of a complete and accurate request to release the site and reapply for the appropriate bonding.
 - b. Operator shall not be required to pay any civil penalties required in the NOV. The abatement of civil penalties does not preclude the operator from any other costs incurred by OCD for working on Operators wells.
7. Should Operator fail to meet any deadline in paragraph 6 of this Order, OCD may immediately plug and abandon, restore, and/or remediate any of the wells. Operator agrees that it will forfeit any financial assurance associated with any well which is plugged and abandon, restored, or remediated by the OCD.
8. This Order shall not be construed to be a resolution or to absolve the Operator from any costs or liabilities associated with the plugging and abandonment, restoration, or remediation of a well by OCD which exceeds the value of financial assurance furnished by Operator. Operator is liable for any and all costs associated with the plugging and abandonment, restoration, or remediation work on Operator's wells incurred by OCD.

9. Operator has the option to plug and abandon, restore or remediate any well prior to OCD hiring third parties to perform plugging and abandonment, restoration, or remediation work on Operator's wells.
10. Operator shall notify OCD of any changes in operations regarding wells listed in Exhibit A.
11. Operator shall submit any notice or document required by this Order through the OCD Permitting system. Any other communication related to this Order shall be submitted by electronic mail to OCD.Engineer@emnrd.nm.gov.
12. Operator admits OCD's jurisdiction to file the NOV, consents to the relief specified herein, and waives the right of review by the Oil Conservation Commission or other judicial relief.
13. Operator understands and agrees that this Order does not resolve any dispute or claim concerning any party which is not a signatory of this agreement.
14. The persons executing this Order represent that they have the requisite authority to bind their respective parties and such representation shall be legally sufficient evidence of their actual or apparent authority.
15. Operator shall not transfer any well subject to this order to any other operator without prior approval of OCD. However, OCD will approve a transfer to a prospective buyer, who accepts all the obligations under this Order or a similar order. Operator shall provide written confirmation to OCD of the notice and acceptance.
16. This Order becomes effective on the date of final execution by the OCD Director.
17. OCD reserves the right to sanction Operator for any alleged violation not addressed in this Order.

OIL CONSERVATION DIVISION



Gerasimos Razatos
Acting Director

Date: 1/21/2025

POCO RESOURCES, LLC



Signature



Printed Name

Date: 1-16-2025

STIPULATED FINAL ORDER

Exhibit A									
Operator Name:	POCO Resources LLC								
Operator OGRID:	372121								
SFO Exemption Date:									
Total Number of Non-Compliant Wells:	18								
Number of Wells per month brought into production or plugged:	2 to 3								
List of Noncompliant Wells									
API	Well Name/Number	Proposed Compliance Action	Compliance Deadline	Reason for non-compliance	Corrective Actions taken prior to Settlement	Financial Assurance	Corrective Action		
30-015-01916	Adkins Williams State #002	Working with XTO to plug	4/30/2025	Reporting Issues	Reviewed and looked at well files	Ready for blanket bonds			
30-025-11194	Cortland Myers Unit #001	RTP by 4/30/25	4/30/2025	Reporting Issues	Reviewed and looked at well files	Ready for blanket bonds			
30-025-11197	Cortland Myers Unit #003	RTP by 4/30/25	4/30/2025	Reporting Issues	Reviewed and looked at well files	Ready for blanket bonds			
30-025-11198	Cortland Myers Unit #004	RTP by 4/30/25	4/30/2025	Reporting Issues	Reviewed and looked at well files	Ready for blanket bonds			
30-041-20206	Federal 18 #001	RTP by 4/30/25	4/30/2025	Reporting Issues	Reviewed and looked at well files	Ready for blanket bonds			
30-041-20724	Federal 18 #002	RTP by 4/30/25	4/30/2025	Reporting Issues	Reviewed and looked at well files	Ready for blanket bonds			
30-025-20352	Knight #009	Injection well that has never passed	4/30/2025	Casing Integrity Issues	Reviewed and looked at well files	Ready for blanket bonds			
30-041-20918	McGraw #001H	planned plugging and abandonment	4/30/2025	Reporting Issues	Reviewed and looked at well files	Ready for blanket bonds			
30-15-04744	Poker Lake State #001	planned plugging and abandonment	4/30/2025	Reporting Issues	Reviewed and looked at well files	Ready for blanket bonds			
30-015-24700	Poker Lake Unit #051	RTP by 4/30/25	4/30/2025	Reporting Issues	Reviewed and looked at well files	Ready for blanket bonds			
30-015-24988	Poker Lake Unit #056	Working with XTO to plug	4/30/2025	Reporting Issues	Reviewed and looked at well files	Ready for blanket bonds			
30-015-24724	Poker Lake Unit #053	Plugged- file appropriate forms	4/30/2025	Reporting Issues	Reviewed and looked at well files	Ready for blanket bonds			
30-015-25318	Poker Lake Unit #058	Plugged- file appropriate forms	4/30/2025	Reporting Issues	Reviewed and looked at well files	Ready for blanket bonds			
30-015-01901	Signal State #002	RTP by 4/30/25	4/30/2025	Reporting Issues	Reviewed and looked at well files	Ready for blanket bonds			
30-015-24606	Signal State #004	RTP by 4/30/25	4/30/2025	Reporting Issues	Reviewed and looked at well files	Ready for blanket bonds			
30-041-20600	State #001	Working with OXY to plug	4/30/2025	Reporting Issues	Reviewed and looked at well files	Ready for blanket bonds			
30-041-00188	State BPA #001	RTP by 4/30/25	4/30/2025	Reporting Issues	Reviewed and looked at well files	Ready for blanket bonds			
30-041-00189	State BPA #002	RTP by 4/30/25	4/30/2025	Reporting Issues	Reviewed and looked at well files	Ready for blanket bonds			

Exhibit D

Hall, Michael, EMNRD

From: Joshua Olguin <joshua@pocores.com>
Sent: Friday, November 7, 2025 10:14 AM
To: Hall, Michael, EMNRD
Cc: Joshua Olguin
Subject: [EXTERNAL] Case #2490
Attachments: Case #24940.jpg; 110325.jpg

You don't often get email from joshua@pocores.com. [Learn why this is important](#)

CAUTION: This email originated outside of our organization. Exercise caution prior to clicking on links or opening attachments.

Good morning Michael,

Even though the letter shows date of September 16, 2025, it was not received until 11/6/26 (#2 attachment).

POCO does not have the financial means to plug or operate and has outstanding balances with other vendors. One of the vendors is an operating company that would like to take these wells over so they are not plugged and will satisfy the debt with them.

Would that be possible instead of having the state plug?

Please let me know how we can discuss, thanks.

Joshua Olguin
POCO Resources LLC

EXHIBIT 4

**STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION**

IN RE: NOTICE OF VIOLATION ISSUED TO POCO RESOURCES, LLC

CASE NO. 25794

AFFIDAVIT OF SARA GRIEGO

I, SARA GRIEGO, being first duly sworn on oath, states as follows:

1. I am employed as Law Clerk with the New Mexico Oil Conservation Division ("OCD"). My duties include, but are not limited to, sending out electronic and certified copies of documents to Respondents in cases filed by OCD against operators.
2. I have personal knowledge of the matters stated herein.
3. On or about November 24, 2025, I emailed the Docketing Notice and attached Notice of Violation with attached exhibits associated with this case to adam@pocores.com. This is the email address provided by Respondent to OCD Permitting.
4. On or about November 24, 2025, the Docketing Notice and attached Notice of Violation with attached exhibits was sent by certified mail to the address provided by Respondent to OCD Permitting: POCO Resources, LLC, 3307 E. Castleberry Road, Artesia, New Mexico 88210. The package containing the Docketing Notice and Notice of Violation was picked up and signed for on or about December 1, 2025.

FURTHER AFFIANT SAYETH NOT.

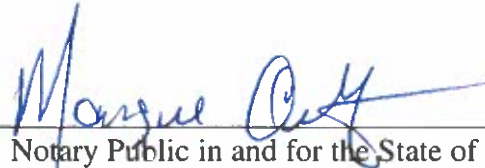


SARA GRIEGO

**STATE OF NEW MEXICO
COUNTY OF SANTA FE**

SUBSCRIBED AND SWORN TO BEFORE ME, the undersigned authority on this 31 day of

Dec, 2025, by Sara Griego.


Notary Public in and for the State of New Mexico

My Commission Expires:

12/16/2028

