

State Of New Mexico
Energy, Minerals and Natural Resources Department

23-Apr-25

3R Operating, LLC

20405 State Highway 249
STE 820
Houston, TX 77070

Pre Enforcement Notification

Dear Operator:

The following inspection indicates that the well, equipment, location or operational status of the well failed to meet standards of the New Mexico Oil Conservation Division as described in the detail section below. To comply with standards imposed by Rules and Regulations of the Division, corrective action must be taken immediately and the situation brought into compliance. The detail section indicates preliminary findings and/or probable nature of the violation. This determination is based on an inspection of your well or facility by an inspector employed by the Oil Conservation Division on the date indicated.

Please notify the Compliance Officer copied on this letter, in writing, of the date corrective actions are scheduled to be made so that arrangements can be made to reinspect the well and/or facility.

INSPECTION DETAIL SECTION

[30-015-35679] BEAR DRAW STATE COM #001

OGRID: 331569

B-03-17S-29E 660 FNL 1980 FEL

Inspection Date	Type Inspection	Inspector	Inspection No.
4/23/2025	Routine Inspection	[RZH] Ronald Heuer	iRZH2511351895
Violation	Title		Corrective Action Due
cRZH2511355795	19.15.26 Injection Detection of Deficient Mechanical Integrity (Received and reported operator reported failed MIT. Operator had tried to run pressure test, but pressure dropped from 560 psi to 420 psi within 32 minutes. Well is shut in.)		7/22/2025
cRZH2511355883	19.15 Oil and Gas Mechanical Integrity Failure Recorded (Auto Generated Violation - MIT Failure exists.)		7/22/2025

In the event that a satisfactory response is not received to this letter of direction by the "Corrective Action Due By:" date shown above, further enforcement will occur. Such enforcement may include this office applying to the Division for an order summoning you to a hearing before a Division Examiner in Santa Fe to show cause why you should not be ordered to permanently plug and abandon this well.

Note: Information in Detail Section comes directly from field inspector data entries - not all blanks will contain data.