

10/11/2017

OCD Permitting

OCD Case No. 15825

Exhibit 1: Operator Information

Page 1 of 3

KHERRMANN (ASSISTANT GENERAL COUNSEL FOR OCD) SIGN OUT HELP

Wells Operators Operator Data OCD Review OCD Only Administration

## OCD Permitting

Home Operators Operator Details

### [247070] GARNER'S WELL SERVICE, LLC

#### General Information

Address: P.O. Box 226  
704 NW 11th  
Andrews, TX 79714  
Country: U.S.A.  
Main Phone: 575-631-5921

Well Operator: Yes  
Transporter: No

#### Quick Links

- [General Information](#)
- [Contacts](#)
- [Compliance](#)
- [Bonds](#)
- [Wells](#)

#### New Searches

- [New Well Search](#)
- [New Operator Search](#)

#### Contacts

##### Central Contact Person

Name:	Devin Garner	Title:	Managing Member
Phone:	575-631-5921		
Cell:	575-631-4770	Fax:	
E-Mail Address:	garnerd@yahoo.com		

##### Hobbs Contact

Name:	Devin Garner	Title:	
Phone:	575-631-5921		
Cell:	575-631-4770	Fax:	
E-Mail Address:	garnerd@yahoo.com		

#### Compliance

##### Rule 5.9 Compliance

Well Count: 1  
Inactive Wells: 1  
In Compliance: No

#### Blanket Bond(s)


Issuer:	[256] FIRST NATIONAL	Issuer's Bond Number:	OCD529
BANK - LOVINGTON		Balance:	\$50,000.00
Assurance Type:	Cash		
		Current Total:	\$50,000.00

#### Blanket Bond for Temporarily Abandoned Wells

No Active Blanket Bond for Temporarily Abandoned Wells

#### Single Well Bonds

ID	Bonded Operator	Well	Operator	Issued	Cash/Bank	Bond Amount	Bond Type	Expiration Date
	Garnerd	15825	Garnerd					

**OCD Case No. 15825****Exhibit 1: Operator Information****Page 2 of 3****HOME****Search Information** [Home](#)**Entity Details**Business ID#: **2536092**Status: **Active**Entity Name: **GARNER'S WELL SERVICE,  
LLC**Standing: **Good Standing**DBA Name: **Not Applicable****Entity Type and State of Domicile**Entity Type: **Domestic Limited Liability  
Company**Domestic State: **New Mexico**Statute Law Code: **53-19-1 to 53-19-74****Formation Dates****Reporting Information****Period of Existence and Purpose and Character of Affairs****Outstanding Items**

Not Applicable

**Contact Information**Mailing Address: **1004 NORTH 14TH ST., LOVINGTON, NM, 88260**

Principal Place of Business Anywhere:

Secondary Principal Place of  
Business Anywhere:Principal Office Outside of New  
Mexico: **Not Applicable**Registered Office in State of  
Incorporation:Principal Place of Business in  
Domestic State/ Country: **Not Applicable**Principal Office Location in NM: **Not Applicable****Registered Agent Information**

Name: **DEVIN GARNER**Geographical Location  
Address:Physical Address: **1004 NORTH 14TH ST.,  
LOVINGTON, NM, 88260**Mailing Address: **NONE**Date of Appointment: **01/11/2005**

Effective Date of Resignation:

**Director Information****Not Applicable****Officer Information****Not Applicable****Manager Information**

No Records to View.

**Member Information**

No Records to View.

**Organizer Information**

Title	Name	Address
Organizer	GARNER DEVIN	NONE

**Incorporator Information****Not Applicable****Trustee Information****Not Applicable****Filing History****License History****OCD Case No. 15825**[Back](#)[Entity Name History](#)[Return to Search](#)**Exhibit 1: Operator Information****Page 3 of 3**

State of New Mexico  
Energy, Minerals and Natural Resources Department

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Susana Martinez  
Governor

David Martin  
Cabinet Secretary

Tony Delfin  
Deputy Cabinet Secretary

David R. Catanach, Division Director  
Oil Conservation Division



June 16, 2016

Garner's Well Service, L.L.C.  
OGIRD #247070  
P.O. Box 226  
704 NW 11<sup>th</sup>  
Andrews, TX 79714

Re: 19.15.5.9 NMAC Compliance

Dear Operator:

The Oil Conservation Division (OCD) is conducting ongoing review of all operators' compliance status with Subsection A of 19.15.5.9 NMAC. According to OCD records, your company is not in compliance with Subsection A of 19.15.5.9 NMAC for the following reasons:

\_\_\_\_ Financial assurance. Your company is in violation of the financial assurance requirements for well plugging set out in 19.15.8.9 NMAC. Specifically, your company has not posted the required financial assurance required for state or fee wells which have been inactive for more than two years. The wells requiring single-well financial assurances are identified in the attached sheet.

\_\_\_\_ Corrective action. Order \_\_\_\_\_, issued on \_\_\_\_\_, found your company to be in violation of an order requiring corrective action.

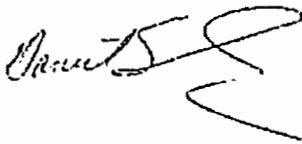
X Inactive wells. According to the attached inactive well list, your company has too many wells in violation of 19.15.25.8 NMAC (the inactive well rule) that are not subject to an inactive well agreed compliance order. As an operator of 1 well, your company may have no more than 1 well in violation of the inactive well rule. Your company has 1 well in violation of the inactive well rule.

Non-compliance with 19.15.5.9 NMAC will prevent your company from acquiring any new wells, acquiring approval of exploration and development plans, receiving new allowables, and obtaining drilling, injection, and other OCD issued permits, and potentially expose your company to additional compliance actions including an OCD order requiring compliance, and revocation of injection permits. As the operator of a non 19.15.5.9 NMAC compliant company, you will not be permitted to register any additional companies to operate in New Mexico or have any interest exceeding 25 percent in any other companies in New Mexico.

June 22, 2017  
Page 2

The OCD is requesting that you review the OCD's online database for your specific Oil and Gas Registration Identification (OGRID) number and notify the OCD how your company plans to return to compliance with 19.15.5.9 NMAC. This is an opportunity for your company to work with the OCD toward achieving its goal of maintaining compliance with the rules of the State of New Mexico. Please respond to the OCD within 30 days of receipt of this letter. If no response is received the OCD may begin formal compliance action.

Respectfully yours,



Daniel Sanchez,  
Compliance and Enforcement Manager  
(505)476-3493  
Daniel.sanchez@state.nm.us

Ec: David R. Catanach, Division Director  
Maxey Brown, District 1 Supervisor  
Charlie Perrin, District 3 Supervisor  
Randolph Bayliss, District 2 Supervisor  
Will Jones, District 4 Supervisor  
Keith Herrmann, Attorney, Santa Fe

10/11/2017

OCD Permitting

**OCD Case No. 15825**

**Exhibit 3: Well Information**

**Page 1 of 2**

## Inactive Well List

**Total Well Count: 1 Inactive Well Count: 1**

**Printed On: Wednesday, October 11 2017**

District	API	Well	ULSTR	OCD Unit	OGRID	Operator	Lease Type	Well Type	Last Production	Formation/Notes	Status	TA Exp Date
1	30-025-38266	FORT FAMILY 9 STATE #001	L-09-14S-34E	L	247070	GARNER'S WELL SERVICE, LLC	S	O	03/2008	Wolfcamp		

WHERE Ogrid:247070, County:All, District:All, Township:All, Range:All, Section:All, Production(months):15, Excludes Wells Under ACOI, Excludes Wells in Approved TA Period

10/11/2017

OCD Permitting

# OCD Case No. 15825 Inactive Well Additional Financial Assurance Report

## Exhibit 3: Well Information

247070 GARNER'S WELL SERVICE, LLC

Total Well Count: 1

Printed On: Wednesday, October 11 2017

Page 2 of 2

Property	Well Name	Lease Type	ULSTR	OCD Unit Letter	API	Well Type	Last Prod/Inj	Inactive Additional Bond Due	Measured Depth	Required Bond Amount	Bond Required Now	Covered By Blanket TA Bond	Bond In Place	In Violation
306154	FORT FAMILY 9 STATE #001	S	L-09-14S-34E	L	30-025-38266	O	03/2008	04/01/2010	10640	15640	Y		0	Y

WHERE Ogrid:247070

State of New Mexico  
Energy, Minerals and Natural Resources Department

Susana Martinez  
Governor

David Martin  
Cabinet Secretary

Tony Delfin  
Deputy Cabinet Secretary  
June 1, 2016

David R. Catanach, Division Director  
Oil Conservation Division



Garner's Well Service, LLC  
1004 North 14<sup>th</sup> St.  
Lovington, NM 88260

**Notice of Violation**

Dear Garner's Well Service, LLC,

The Oil Conservation Division ("OCD") now reviews all operators out of compliance with the OCD's financial assurance requirements. Pursuant to 19.15.8.9 NMAC, an operator is required to furnish financial assurance acceptable to the OCD in the form of an irrevocable letter of credit, plugging insurance policy, or cash or surety bond running to the state of New Mexico conditioned that the well be plugged and abandoned and the location restored and remediated in compliance with division rules. According to OCD records, Garner's Well Service, LLC is the operator of record of the attached list of wells that require additional financial assurance.

Failure to provide the OCD with acceptable financial assurance is a violation of OCD rules and the Oil and Gas Act, NMSA 1978 § 70-2 *et. seq.*, and could be punishable by a fine of not more than one thousand dollars (\$1,000) per day for each violation. NMSA 1978, § 70-2-31.

Please review 19.15.8 NMAC to determine the types and amounts of financial assurance that the OCD accepts. Immediate action is now required. If no response is received within 30 days, the OCD will take further compliance action against Garner's Well Service, LLC, including, but not limited to, seeking a formal order to require Garner's Well Service, LLC to provide acceptable financial assurance for the its wells at an OCD hearing and pursuing other legal available remedies to obtain compliance.

If you have any questions regarding the contents of this letter, please contact the OCD Compliance and Enforcement manager, Denise Gallegos at (505) 476-3453 to schedule a compliance conference to discuss the outstanding compliance issues.

Sincerely,

A handwritten signature in black ink, appearing to read "Daniel Sanchez", is written over a horizontal line.

Daniel Sanchez  
OCD Compliance and Enforcement Manager, UIC Program Director  
DanielSanchez@state.nm.us

EC: Keith Herrmann, ENMRD Assistant General Counsel

Encl: Additional Financial Assurance Report



State of New Mexico  
Energy, Minerals and Natural Resources Department

---

Susana Martinez  
Governor

David Martin  
Cabinet Secretary

Tony Delfin  
Deputy Cabinet Secretary  
June 29, 2016

David R. Catanach, Division Director  
Oil Conservation Division



Garner's Well Service, LLC  
P.O. Box 226  
704 NW 11<sup>th</sup>  
Andrews, TX 79714

**Notice of Violation**

Dear Garner's Well Service, LLC,

The Oil Conservation Division ("OCD") now reviews all operators out of compliance with the OCD's financial assurance requirements. Pursuant to 19.15.8.9 NMAC, an operator is required to furnish financial assurance acceptable to the OCD in the form of an irrevocable letter of credit, plugging insurance policy, or cash or surety bond running to the state of New Mexico conditioned that the well be plugged and abandoned and the location restored and remediated in compliance with division rules. According to OCD records, Garner's Well Service, LLC is the operator of record of the attached list of wells that require additional financial assurance.

Failure to provide the OCD with acceptable financial assurance is a violation of OCD rules and the Oil and Gas Act, NMSA 1978 § 70-2 *et. seq.*, and could be punishable by a fine of not more than one thousand dollars (\$1,000) per day for each violation. NMSA 1978, § 70-2-31.

Please review 19.15.8 NMAC to determine the types and amounts of financial assurance that the OCD accepts. Immediate action is now required. If no response is received within 30 days, the OCD will take further compliance action against Garner's Well Service, LLC, including, but not limited to, seeking a formal order to require Garner's Well Service, LLC to provide acceptable financial assurance for the its wells at an OCD hearing and pursuing other legal available remedies to obtain compliance.

If you have any questions regarding the contents of this letter, please contact the OCD Compliance and Enforcement manager, Denise Gallegos at (505) 476-3453 to schedule a compliance conference to discuss the outstanding compliance issues.

Sincerely,

Daniel Sanchez

OCD Compliance and Enforcement Manager, UIC Program Director

Daniel.Sanchez@state.nm.us

EC: Keith Herrmann, ENMRD Assistant General Counsel

Encl: Additional Financial Assurance Report

5/31/2016

OCD Permitting

## Inactive Well Additional Financial Assurance Report

247070 GARNER'S WELL SERVICE, LLC

Total Well Count: 1

Printed On: Tuesday, May 31 2016

Property	Well Name	Lease Type	ULSTR	OCD Well Letter	API	Well Type	Last Product	Inactive Additional Bond Due	Measured Depth	Required Bond Amount	Bond Required Now	Covered By Statutory TA Bond	Bond In Place	In Violation
306154	FORT FAMILY 9 STATE #001	S	L-09-14S-34E	L	30-025-38268	O	03/2008	04/01/2010	10640	15640	Y		0	Y

WHERE Ogrd:247070

OCD Case No. 15825

Exhibit 3-A: Notices of Violation

Page 2 of 4

# Inactive Well Additional Financial Assurance Report

247070 GARNER'S WELL SERVICE, LLC

Total Well Count: 1

Printed On: Wednesday, June 29 2016

Property	Well Name	Lease Type	ULSTR	OCD Unit Letter	API	Well Type	Last Prod'n	Inactive Additional Bond Due	Measured Depth	Required Bond Amount	Bond Required Now	Covered By Blanket TA Bond	Bond in Place	In Violation
306154	FORT FAMILY 9 STATE #001	S	L-09-14S-34E	L	30-025-38266	O	03/2008	04/01/2010	10640	15640	Y		0	Y

WHERE Ogrid:247070

OCD Case No. 15825

Exhibit 3-A: Notices of Violation

Page 4 of 4



OCD Case No. 15825  
Exhibit 4: Site Photos  
Page 1 of 1

**OCD Case No. 15825**

**Application for Compliance Order Against Garner's Well Service, LLC, OGRID 247070**

***Exhibit 5: Relevant OCD Rules***

**19.15.5.9 COMPLIANCE:**

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

- (1)** currently meets the financial assurance requirements of 19.15.8 NMAC;
- (2)** is not subject to a division or commission order, issued after notice and hearing, finding the operator to be in violation of an order requiring corrective action;
- (3)** does not have a penalty assessment that is unpaid more than 70 days after issuance of the order assessing the penalty; and
- (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 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 50 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.

...

**19.15.8.9 FINANCIAL ASSURANCE FOR WELL PLUGGING:**

**A.** A person who has drilled or acquired, is drilling or proposes to drill or acquire an oil, gas or injection or other service well on privately-owned or state-owned lands within this state shall furnish a financial assurance acceptable to the division in the form of an irrevocable letter of credit, plugging insurance policy, or cash or surety bond running to the state of New Mexico conditioned that the well be plugged and abandoned and the location restored and remediated in compliance with division rules.

**B.** A financial assurance shall be conditioned for well plugging and abandonment and location restoration and remediation only, and not to secure payment for damages to livestock, range, crops or tangible improvements or any other purpose.

**C.** The division accepts three forms of financial assurance: a one-well financial assurance that covers a single well, a blanket financial assurance that covers multiple wells, and a blanket plugging financial assurance for wells in temporarily abandoned status. The operator shall cover a well that has been in temporary abandonment for more than two years by either a one-well financial assurance or a blanket plugging financial assurance for wells in temporarily abandoned status, except that the division may waive the requirement of a one-well financial assurance for a well that is shut-in because of the lack of a pipeline connection. The division may release the one-well financial assurance upon the operator's or surety's written request after the well is returned to production if a blanket financial assurance covers the well. The division may release a blanket plugging financial assurance for wells in temporarily abandoned status upon the operator's or surety's written request after the wells are plugged and

**OCD Case No. 15825****Application for Compliance Order Against Garner's Well Service, LLC, OGRID 247070*****Exhibit 5: Relevant OCD Rules***

abandoned in accordance with 19.15.25 NMAC or are returned to production if a blanket financial assurance covers the wells or if the operator files a one-well financial assurance for each well of the operator's wells in temporarily abandoned status; upon the operator's or surety's written request, the amount of the operator's blanket financial assurance for wells held in temporarily abandoned status may be reduced in accordance with the number of wells the operator elects to cover by said financial assurance.

**D. Amounts.**

**(1)** A blanket financial assurance shall be in the amount of \$50,000 covering all oil, gas or service wells drilled, acquired or operated in this state by the principal on the bond.

**(2)** A one-well financial assurance shall be in the amounts stated below in accordance with the well's depth and location.

**(a)** Chaves, Eddy, Lea, McKinley, Rio Arriba, Roosevelt, Sandoval and San Juan counties, New Mexico: \$5000 plus \$1 per foot of projected depth of proposed well or measured depth of existing well.

**(b)** All other counties in the state: \$10,000 plus \$1 per foot of projected depth of proposed well or measured depth of existing well.

**(3)** The appropriate division district office may approve revised plans for an actively drilling well for drilling as much as 500 feet deeper than the depth stated on the well's financial assurance. A well to be drilled more than 500 feet deeper than the depth stated on the well's financial assurance shall be covered by a new financial assurance in the amount prescribed for the new projected depth.

**(4)** The amount of the one-well financial assurance required for an intentionally deviated well shall be determined by the well's measured depth, and not its true vertical depth.

**(5)** If an operator elects to cover wells held, or which may be held, in temporary abandonment by a blanket plugging financial assurance for wells in temporarily abandoned status, the operator shall do so in the amounts stated below in accordance with the number of wells covered by the blanket plugging financial assurance for wells in temporarily abandoned status.

**(a)** A blanket financial assurance for the first five wells shall be in the amount of \$150,000.

**(b)** A blanket financial assurance for the six to 10 wells shall be in the amount of \$300,000.

**(c)** A blanket financial assurance for the 11 to 25 wells shall be in the amount of \$500,000.

**(d)** A blanket financial assurance for more than 25 wells shall be in the amount of \$1,000,000.

**OCD Case No. 15825**

**Application for Compliance Order Against Garner's Well Service, LLC, OGRID 247070**

***Exhibit 5: Relevant OCD Rules***

E. Operators who have on file with the division a blanket financial assurance that does not cover additional wells shall file additional single well bond financial assurance for any wells not covered by the existing blanket bond or, in the alternative, may file a replacement blanket bond.

**19.15.25.8 WELLS TO BE PROPERLY ABANDONED:**

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.

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

**APPLICATION OF THE NEW MEXICO OIL CONSERVATION DIVISION  
COMPLIANCE AND ENFORCEMENT BUREAU FOR A COMPLIANCE  
ORDER AGAINST GARNER'S WELL SERVICE, LLC, FOR A WELL  
OPERATED IN LEA COUNTY, NEW MEXICO.**

**CASE NO. 15825**

**AFFIDAVIT OF SERVICE**

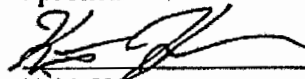
In accordance with 19.15.4.9 and 19.15.4.12 NMAC, I hereby certify that notice of the September 14, 2017 hearing in the above captioned case was mailed to the following by certified mail, return receipt requested, at least 20 days prior to the hearing date, with a copy of the application:

Garner's Well Service  
P.O. Box 226  
704 NW 11<sup>th</sup>  
Andrews, TX 79714

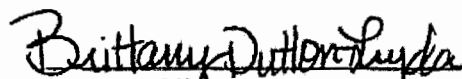
First American Bank  
303 W. Main Street  
Artesia, NM 88210

The hearing was continued to September 28, 2017 and a second attempt at notifying the operator was mailed on September 8, 2017 to the registered agent's address to Garner's Well Service, 1004 North 14<sup>th</sup> St., Lovington NM 88260.

A copy of the notice is attached as *Exhibit 6-A* to this affidavit. The notice was published in the Lovington Leader, a newspaper of general circulation in Lea County. However, the Lovington Leader has not yet sent the affidavit of publication.

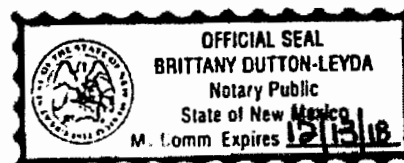
  
Keith Herrmann

SUBSCRIBED AND SWORN before me on this 11 day of October, 2017.

  
Notary Public

My Commission Expires:  
**December 13, 2018**

OCD Case 15825  
*Exhibit 6: Affidavit of Service*  
Page 1 of 1





State of New Mexico  
Energy, Minerals and Natural Resources Department

---

Susana Martinez  
Governor

Ken McQueen  
Cabinet Secretary

Matthias Sayer  
Deputy Cabinet Secretary

David Catanach, Division Director  
Oil Conservation Division



September 8, 2017

Garner's Well Service, LLC  
1004 North 14<sup>th</sup> St.  
Lovington, NM 88260

**VIA CERTIFIED MAIL, RETURN RECEIPT: 7013 0600 0001 8698 0476**

**Re:   OCD Case No. 15825 for a Compliance Order against Garner's Well Service, LLC**

Dear Operator:

Pursuant to the notice provisions contained in 19.15.4 NMAC, you are hereby notified that at 8:15 AM on September 28, 2017, the New Mexico Oil Conservation Division ("OCD") will hold a hearing in front of a Division Examiner seeking an order determining that Garner's Well Service, LLC ("Operator") (1) is out of compliance with OCD rule 19.15.5.9, 19.15.8, 19.15.25.8 NMAC and NMSA 1978, § 70-2-14; (2) requiring Operator to return to compliance with 19.15.5.9, 19.15.8, 19.15.25.8 NMAC and NMSA 1978, § 70-2-14; and (3) in the event of non-compliance, finding the Operator in violation of a Division Order for each day after the deadline established in the sought order to obtain compliance, declaring the wells abandoned and authorizing the OCD to plug the violating wells in accordance with a Division-approved plugging program and restore and remediate the location, recover costs from the Operator's financial assurance as permitted by 19.15.8.13 NMAC, and seek indemnification as permitted by NMSA 1978, § 70-2-14(E). The hearing will be held in Porter Hall at 1220 South St. Francis Dr., Santa Fe, New Mexico.

Please review 19.15.4 NMAC to see applicable rules for division hearings. A person entitled to notice may enter an appearance at any time by filing a written notice of appearance with the division or the commission clerk, as applicable, or, subject to the provisions in Subsection C of 19.15.4.10 NMAC, by oral appearance on the record at the hearing. A party who has not entered an appearance at least one business day prior to the pre-hearing statement filing date provided in Paragraph (1) of Subsection B of 19.15.4.13 NMAC shall not be allowed to present technical evidence at the hearing unless the Oil Conservation Commission chairman or the OCD examiner, for good cause, otherwise directs.

September 8, 2017  
Page 2

If you have any questions regarding the hearing process, please contact me at (505) 476-3463 or [keith.herrmann@state.nm.us](mailto:keith.herrmann@state.nm.us).

Sincerely

A handwritten signature in black ink, appearing to be 'K. Herrmann', written over a horizontal line.

Keith Herrmann  
Attorney for the New Mexico Oil Conservation Division  
Compliance and Enforcement Bureau

Encl: OCD Case No. 15825 Compliance and Enforcement Bureau Application for Hearing

OCD Case No. 15825  
Exhibit 6-A: Direct Notice to Operator  
Page 2 of 8

Susana Martinez  
Governor

Ken McQueen  
Cabinet Secretary

Matthias Sayer  
Deputy Cabinet Secretary

David Catanach, Division Director  
Oil Conservation Division



August 23, 2017

Garner's Well Service, LLC  
P.O. Box 226  
704 NW 11<sup>th</sup>  
Andrews, TX 79714

**VIA CERTIFIED MAIL, RETURN RECEIPT: 7012 0470 0000 0881 9665**

**Re: OCD Case No. 15825 for a Compliance Order against Garner's Well Service, LLC**

Dear Operator:

Pursuant to the notice provisions contained in 19.15.4 NMAC, you are hereby notified that at 8:15 AM on September 14, 2017, the New Mexico Oil Conservation Division ("OCD") will hold a hearing in front of a Division Examiner seeking an order determining that Garner's Well Service, LLC ("Operator") (1) is out of compliance with OCD rule 19.15.5.9, 19.15.8, 19.15.25.8 NMAC and NMSA 1978, § 70-2-14; (2) requiring Operator to return to compliance with 19.15.5.9, 19.15.8, 19.15.25.8 NMAC and NMSA 1978, § 70-2-14; and (3) in the event of non-compliance, finding the Operator in violation of a Division Order for each day after the deadline established in the sought order to obtain compliance, declaring the wells abandoned and authorizing the OCD to plug the violating wells in accordance with a Division-approved plugging program and restore and remediate the location, recover costs from the Operator's financial assurance as permitted by 19.15.8.13 NMAC, and seek indemnification as permitted by NMSA 1978, § 70-2-14(E). The hearing will be held in Porter Hall at 1220 South St. Francis Dr., Santa Fe, New Mexico.

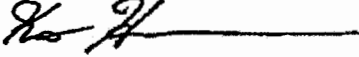
Please review 19.15.4 NMAC to see applicable rules for division hearings. A person entitled to notice may enter an appearance at any time by filing a written notice of appearance with the division or the commission clerk, as applicable, or, subject to the provisions in Subsection C of 19.15.4.10 NMAC, by oral appearance on the record at the hearing. A party who has not entered an appearance at least one business day prior to the pre-hearing statement filing date provided in Paragraph (1) of Subsection B of 19.15.4.13 NMAC shall not be allowed to present technical evidence at the hearing unless the Oil Conservation Commission chairman or the OCD examiner, for good cause, otherwise directs.

August 23, 2017

Page 2

If you have any questions regarding the hearing process, please contact me at (505) 476-3463 or [keith.herrmann@state.nm.us](mailto:keith.herrmann@state.nm.us).

Sincerely



Keith Herrmann  
Attorney for the New Mexico Oil Conservation Division  
Compliance and Enforcement Bureau

Encl: OCD Case No. 15825 Compliance and Enforcement Bureau Application for Hearing

Cc: First American Bank  
303 W. Main Street  
Artesia, NM 88210

**VIA CERTIFIED MAIL, RETURN RECEIPT: 7012 0470 0000 0881 9672**

OCD Case No. 15825

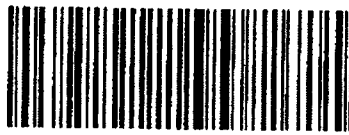
Exhibit 6-A: Direct Notice to Operator

Page 4 of 8

OCD Case No. 15825  
Exhibit 6-A: Direct Notice to Operator  
Page 5 of 8

New Mexico Energy, Minerals and  
Natural Resources Department  
Office of the General Counsel  
1220 South St. Francis Drive  
Santa Fe, NM 87505

**CERTIFIED MAIL**



7013 0600 0001 8698 0476

NEOPOST FIRST-CLASS MAIL  
09/08/2017  
**US POSTAGE \$004.02<sup>0</sup>**



ZIP 87505  
041M11273712

Garner's Well Service, LLC  
1004 North 14<sup>th</sup> St.  
Lovington, NM 88260

*nmk*

NIXIE 750 DE 1 0009/14/17

RETURN TO SENDER  
NO MAIL RECEPTACLE  
UNABLE TO FORWARD

NMR

BC: 87505422599

\*0968-02570-08-42

6628032400 SC1

**CERTIFIED MAIL**



7012 0470 0000 0881 9665

NEOPOST FIRST-CLASS MAIL  
08/23/2017  
**US POSTAGE \$004.02<sup>0</sup>**



ZIP 87505  
041M11273712

New Mexico Energy, Minerals and  
Natural Resources Department  
Office of the General Counsel  
1220 South St. Francis Drive  
Santa Fe, NM 87505

Garner's Well Service, LLC

*forward to:*

4803 Lemonwood

M. 11-1-17

NIXIE 799 SC 1 2210/01/17

RETURN TO SENDER  
UNCLAIMED  
UNABLE TO FORWARD

BC: 87505422599

\*1110-02828-07-42

7012 0470 0000 0881 9665

*[Handwritten scribble]*

USPS TRACKING#



9590 9402 1626 6053 2541 83

United States  
Postal Service

\* Sender: Please print your name, address, and ZIP+4\* in this box\*

New Mexico Energy, Minerals and  
Natural Resources Department  
Office of the General Counsel  
1220 South St. Francis Drive  
Santa Fe, NM 87505

Attn: Keith Hermann

First-Class Mail  
Postage & Fees Paid  
USPS  
Permit No. G-10

USPS TRACKING#



9590 9402 2874 7069 5638 27

United States  
Postal Service

\* Sender: Please print your name, address, and ZIP+4\* in this box\*

New Mexico Energy, Minerals and  
Natural Resources Department  
Office of the General Counsel  
1220 South St. Francis Drive  
Santa Fe, NM 87505

Attn: Keith Hermann

First-Class Mail  
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USPS  
Permit No. G-10

OCD Case No. 15825


Exhibit 6-A: Direct Notice to Operator

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OCD Case No. 15825

Exhibit 6-A: Direct Notice to Operator

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SENDER: COMPLETE THIS SECTION		COMPLETE THIS SECTION ON DELIVERY	
<ul style="list-style-type: none"><li>■ Complete items 1, 2, and 3.</li><li>■ Print your name and address on the reverse so that we can return the card to you.</li><li>■ Attach this card to the back of the mailpiece, or on the front if space permits.</li></ul>		<p>A. Signature X <i>Phillip Lawson</i> <input type="checkbox"/> Agent <input type="checkbox"/> Addressee</p>	
<p>1. Article Addressed to:</p> <p><b>First American Bank</b> <b>303 W. Main Street</b> <b>Artesia, NM 88210</b></p> <p> 9590 9402 1626 6053 2541 76</p>		<p>B. Received by (Printed Name) <i>Phillip Lawson</i></p> <p>C. Date of Delivery <i>8-25-17</i></p>	
<p>2. Article Number (Transfer from service label) 7012 0470 0000 0881 9672</p>		<p>D. Is delivery address different from item 1? <input type="checkbox"/> Yes If YES, enter delivery address below: <input type="checkbox"/> No</p>	
<p>3. Service Type</p> <p><input type="checkbox"/> Adult Signature <input type="checkbox"/> Adult Signature Restricted Delivery <input checked="" type="checkbox"/> Certified Mail® <input type="checkbox"/> Certified Mail Restricted Delivery <input type="checkbox"/> Collect on Delivery <input type="checkbox"/> Collect on Delivery Restricted Delivery</p>		<p><input type="checkbox"/> Priority Mail Express® <input type="checkbox"/> Registered Mail™ <input type="checkbox"/> Registered Mail Restricted Delivery <input checked="" type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> Signature Confirmation™ <input type="checkbox"/> Signature Confirmation Restricted Delivery</p>	

PS Form 3811, July 2015 PSN 7530-02-000-9053 Domestic Return Receipt

OCD Case No. 15825  
Exhibit 6-A: Direct Notice to Operator  
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