

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



March 31, 2017

Petro Mex, LLC
P.O. Box 6724
Farmington NM 87499

VIA CERTIFIED MAIL, RETURN RECEIPT: 7012 0470 0000 0881 0433

Re: OCD Case No. 15684 for a Compliance Order against Petro Mex, LLC

Dear Operator:

Pursuant to the notice provisions contained in 19.15.4 NMAC, you are hereby notified that at 8:15 AM on April 27, 2017, the New Mexico Oil Conservation Division ("OCD") will hold a hearing in front of a Division Examiner seeking an order determining that Petro Mex LLC ("Operator") (1) is out of compliance with OCD rules 19.15.8 NMAC and NMSA 1978, § 70-2-14; (2) requiring Operator to return to compliance with 19.15.8 NMAC; 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 acceptable financial assurance. 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 commission chairman or the division examiner, for good cause, otherwise directs.

OCD Case # 15684

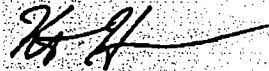
Exhibit 3-A: Direct Notice to Operator

Page 1 - 4

March 31, 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.

Sincerely



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

Encl: OCD Case No. 15684 Compliance and Enforcement Bureau Application for Hearing

Cc: Jesus Villalobos
5490 County Road #11
Farmington, NM 87401
VIA CERTIFIED MAIL, RETURN RECEIPT: 7012 0470 0000 0882 3679

OCD Case # 15684
Exhibit 3-A: Direct Notice to Operator
Page 2 - 4

OIL CONSERVATION DIVISION
ENERGY MINERALS AND
NATURAL RESOURCES DEPARTMENT
1220 SOUTH SAINT FRANCIS DRIVE
SANTA FE, NEW MEXICO 87505

CERTIFIED MAIL

ALBUQUERQUE

11 FEB 17
JAN 17
87-1

NEOPOST

FIRST-CLASS MAIL

03/31/2017

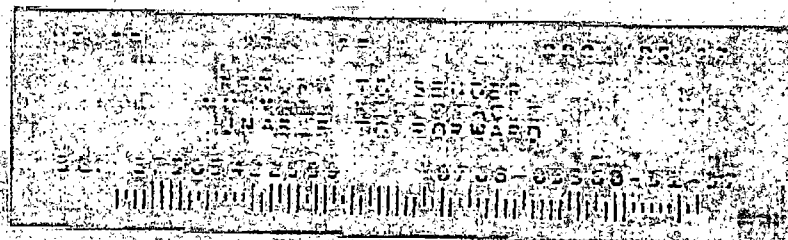
US POSTAGE \$003.81⁰⁰



ZIP 87505
041M11273712

7012 0470 0000 0882 3679

Jesus Villalobos
5490 County Road #11
Farmington, NM 87401



67401 056825

PLACE STICKER AT TOP OF ENVELOPE TO THE RIGHT
OF THE RETURN ADDRESS, FOLD AT BOTTOM

SENDER:

- Complete Items 1 and/or 2 for additional services.
- Complete Items 3, 4a, and 4b.
- Print your name and address on the reverse of this form so that we can return this card to you.
- Attach this form to the front of the mailpiece, or on the back if space does not permit.
- Write "Return Receipt Requested" on the mailpiece below the article number.
- The Return Receipt will show to whom the article was delivered and the date delivered.

I also wish to receive the following services (for an extra fee):

- 1. ☐ Addressee's Address
- 2. ☐ Restricted Delivery

Consult postmaster for fee.

3. Article Addressed to:

Jesus Villalobos
5490 County Road #11
Farmington, NM 87401

7012 0470 0000 0882 3679

4b. Service Type

- ☐ Registered ☐ Certified
- ☐ Express Mail ☐ Insured
- ☐ Return Receipt for Merchandise ☐ COD

7. Date of Delivery

5. Received By: (Print Name)

8. Addressee's Address (Only if requested and fee is paid)

6. Signature: (Addressee or Agent)

X

PS Form 3811, December 1994

Domestic Return Receipt

Is your RETURN ADDRESS completed on the reverse side?

Thank you for using Return Receipt Service.

OCD Case # 15684
Exhibit 3-A: Direct Notice to Operator
Page 3 - 4

Is your RETURN ADDRESS completed on the reverse side?

SENDER:

- Complete items 1 and/or 2 for additional services.
- Complete items 3, 4a, and 4b.
- Print your name and address on the reverse of this form so that we can return this card to you.
- Attach this form to the front of the mailpiece, or on the back if space does not permit.
- Write "Return Receipt Requested" on the mailpiece below the article number.
- The Return Receipt will show to whom the article was delivered and the date delivered.

I also wish to receive the following services (for an extra fee):

- ☐ Addressee's Address
- ☐ Restricted Delivery

Consult postmaster for fee.

3. Article Addressed to:

**Petro Mex, LLC
P.O. Box 6724
Farmington NM 87499**

4a. Article Number:

58812 0470 0000 0881 0433

4b. Service Type:

☐ Registered ☐ Certified

☐ Express Mail ☐ Insured

☐ Return Receipt for Merchandise ☐ COD

5. Received By (Print Name):

J. V. Melendez

6. Signature: (Addressee or Agent)

J. V. Melendez

7. Date of Delivery:

4-7-17

8. Addressee's Address (Only if requested and fee is paid)

PS Form 3811, December 1994

Domestic Return Receipt

Thank you for using Return Receipt Service

UNITED STATES POSTAL SERVICE

07 APR '17

PM 2 L

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

• Print your name, address, and ZIP Code 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

OCD Case # 15684

Exhibit 3-A: Direct Notice to Operator

Page 4 - 4