

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

**IN RE: NOTICE OF VIOLATION ISSUED TO CAPROCK EXPLORATION INC.**

**FINAL ORDER**

**CASE NO.: 25929**

**ORDER NO.: 24277**

This matter came before the NM Oil Conservation Division for a scheduled hearing at 9 a.m. on March 12, 2026, at Santa Fe, New Mexico, before a duly appointed Hearing Officer.

NOW, the Division Director, having considered the record in this matter and the failure of the Respondent to appear, issues the following Order pursuant to the New Mexico Oil and Gas Act, NMSA 1978, Section 70-2-1 et seq., and 19.15.5.10 NMAC.

**FINDINGS OF FACT**

1. The OCD has jurisdiction over the parties and the subject matter in this proceeding.
2. The OCD duly filed a Notice of Violation ("NOV") and a Docketing Notice in this matter and properly served these documents on the Respondent, Caprock Exploration Inc. via electronic mail and certified mail to their designated addresses on or about January 23, 2026. *Prehearing Statement Exhibit 3, Exhibit 4.*
3. The NOV specified that a hearing would be held on March 5, 2026, and that a process for informal resolution was available for 30 days from receipt of the NOV *Prehearing Statement, Exhibit 3.* The case was continued until March 12, 2026, of which setting Respondent was duly notified.
4. The Respondent did contact OCD, made payment of the \$450.00 civil penalty, and represented that it was making efforts retain a plugger for the well at issue. However, as of the date of the hearing, OCD had no knowledge of the well being properly plugged and abandoned. *Prehearing Statement, p. 2.*
5. The Respondent, Caprock Exploration Inc., OGRID # 3675, failed to appear at the scheduled hearing on March 12, 2026.
6. The Respondent is the registered operator of one (1) well in New Mexico, of which one (1) is and remains inactive and out of compliance with OCD regulations 19.15.25.8 and 19.15.5.9 NMAC. *Prehearing Statement, Exhibit 3.*
7. The proposed civil penalty for these violations, as outlined in the NOV and supporting documents amounts to \$450.00. *Prehearing Statement, Exhibit 3.*

8. The evidence admitted into the hearing record consisted of the following exhibits attached to the Pre-Hearing Statement and offered without objection by the Oil Conservation Division (OCD):
  - a) Exhibit 1: Affidavit of Rob Jackson. *Prehearing Statement, Exhibit 1.*
  - b) Exhibit 2: Resume of Rob Jackson. *Prehearing Statement, Exhibit 2.*
  - c) Exhibit 3: NOV (Notice of Violation) against Caprock Exploration Inc., dated January 21, 2026 (with attached exhibits). *Prehearing Statement, Exhibit 3.*
  - d) Exhibit 4: Affidavit of Sara Griego. *Prehearing Statement, Exhibit 4.*
9. Respondent's Duty to Maintain Contact Information. Under the Division's rules, Respondents are required to maintain current and accurate contact information, including a valid mailing address and email address, to ensure the effective service of regulatory notices and enforcement actions.
10. Exhaustion of Available Contact Methods. The OCD proactively attempted to provide notice of the Notice of Violation (NOV) and the scheduled Hearing through every available channel of communication provided by the Respondent. The Division's efforts went beyond mere formal compliance, seeking to ensure actual notice despite the Respondent's failure to provide complete contact data.
11. Attempted Electronic Notice. The Division attempted to facilitate expedited notice via electronic mail. On or about January 23, 2026, the Docketing Notice and attached NOV were emailed to mgr@cooksengineservice.com, the email address provided by the Respondent to OCD Permitting. *Prehearing Statement, Exhibit 4.*
12. Diligent Service by Certified Mail. The documents were also sent by certified mail on or about January 23, 2026, to the address provided to OCD by the Respondent. Box 7288, Odessa, Texas 79760. These documents were redelivered on or about January 30, 2026. *Id.*
13. Sufficiency of Process. The Evidence of Notice, including the Affidavit of Sara Griego (Exhibit 4) and the Pre-Hearing Statement, demonstrates that the OCD utilized methods "reasonably calculated, under all the circumstances, to apprise interested parties of the pendency of the action." Any deficiency in the Respondent's receipt of actual notice is a direct result of the Respondent's failure to monitor its own P.O. Box or provide a secondary means of contact (email) and does not reflect a lack of due process by the Division.
14. The evidence of Notice of the NOV and Hearing admitted without objection at the hearing demonstrates that the Respondent was provided notice of the NOV and the

hearing through several methods, as detailed in the Affidavit of Sara Griego (Exhibit 4) and the Pre-Hearing Statement itself:

### **CONCLUSIONS OF LAW**

1. The Respondent's failure to appear at the duly noticed hearing constitutes a default.
2. Pursuant to 19.15.5.10 NMAC, the OCD may impose sanctions, including civil penalties, termination of authorization to transport, and plugging and abandonment of wells, for violations of Division rules. *Prehearing Statement, Exhibit 3.*
3. The evidence presented by the OCD staff in the pre-hearing statement and supporting affidavits is sufficient to establish the alleged violations. *See Prehearing Statement, Exhibit 1, 2, 3, and 4.*

### **ORDER**

IT IS THEREFORE ORDERED THAT:

1. The Respondent, Caprock Exploration Inc. is found to be in default for its failure to appear at the hearing on March 12, 2026.
2. The Respondent is in violation of 19.15.5.9, 19.15.7.24, 19.15.25.8 NMAC. *Prehearing Statement, Exhibit 3.*
3. A civil penalty in the amount of \$450.00 is hereby assessed against Respondent. *Id.* OCD acknowledges payment in the amount of \$450.00, leaving no balance due relating to the civil penalty assessed in this matter. *See Transcript.*
4. The OCD is authorized to proceed with the remedies sought in its Pre-Hearing Statement and NOV, including directing the Respondent to plug and abandon the non-compliant wells, terminating the Respondent's authorization to transport from all wells, and seeking indemnification for costs incurred by the OCD. *Prehearing Statement p.2; Prehearing Statement, Exhibit 3.*
5. Jurisdiction of this matter is retained for the entry of such further orders as the Division may deem necessary.

*Albert Chang*

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Albert C.S. Chang  
Director, Oil Conservation Division

3/25/2026

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DATE