1220 South St Francis Drive Santa Fe, NM 87505

INTRODUCTION

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

#### HIGHLIGHTS

- **Eight years** supervisory experience
- Proficient communication skills with internal and external customers
- Knowledgeable and proficient at internet research
- Experienced with content management, designing web ads in Photoshop, modifying, and tweaking of web page content
- Certified forklift operator

### **EDUCATION**

Santa Fe Comm College Phoenix College Augusta University Valdosta State University

### **Computer Skills & Applications**

- Windows
- Linux & open source
- MS Office Suite
- Acrobat
- ESRI ArcMap
- ESRI ArcPro
- QGIS
- Photoshop
- GIMP
- FrontPage
- Dreamweaver
- FTP Voyager

### UNITED STATES MARINE CORPS Veteran of Desert Storm 1/88 to 1/96

### DIESEL MECHANIC & SUPPLY WAREHOUSING.

Honorably discharged as Sergeant (E-5) serving a full 6/2-year contract. Desert Storm veteran for service in Al Jabail, Saudi Arabia. Decorations include Naval Unit Citation and Meritorious Unit Citation. Served as Fire team leader (4 people), squad leader (12 people) and Class leader (platoon 40+).

(505) 660-2501

### PROFESSIONAL EXPERIENCE

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

#### COMPLIANCE OFFICER-A/BOND ADMINISTRATOR

Assures oil and gas well operators are in compliance with state regulations and statutes. Collects and manages bonds from companies 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. Prints plotter-sized maps per request.

### **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 servicing and annual inventory control.

#### Contractor

8/10 - 12/12

Santa Fe. NM

**CONSTRUCTION & COMPUTER WORK.** Construction work, a part of a four-man team that built a guest house. Handyman work and computer software work for clients. Installed software and taught use of software.

### 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 in Northern Scottsdale. Arizona.

### 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 clients' 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.

## State of New Mexico Energy, Minerals and Natural Resources Department

Michelle Lujan Grisham Governor

Sarah Cottrell Propst Cabinet Secretary

Todd E. Leahy, JD, PhD Deputy Cabinet Secretary Adrienne Sandoval, Division Director Oil Conservation Division



### BY CERTIFIED MAIL - RETURN RECEIPT REQUESTED AND ELECTRONIC MAIL

August 12, 2021

Bobbie J. Johns President Lease Holders Acquisitions, Inc. 705 S. Mustang Road, # 127 Yukon, OK 73099 Leaseholdersacq@gmail.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. OCD will not request a hearing on the NOV until the end of this process, which runs 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.

- (1) Alleged Violator: Lease Holders Acquisitions, Incorporated, OGRID # 372878 ("Operator").
- (2) Citation, Nature, and Factual and Legal Basis for Alleged Violation(s):

### 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:

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 thirteen (13) wells. The ten (10) wells identified in Table 1 are out of compliance with 19.15.25.8 NMAC and are not subject to an agreed compliance or final order:

Table 1:

API	Well	Last Production Reported
30-025-38192	BAGLEY #002	Aug-09
30-025-01871	EAST SAUNDERS UNIT #001	Jan-10
30-025-38082	INBE 12 #001	Jul-16
30-025-37840	INBE 13 #001	Mar-16
30-025-00996	J P COLLIER #001	Oct-16
30-025-22133	J P COLLIER #004Y	Jul-16
30-025-32859	MARIGOLD UNIT #001	Jan-18
30-025-36485	NEW MEXICO 36 STATE #001	Aug-17
30-025-36464	SHELLY 36 STATE #006	May-07
30-025-01834	SOUTH FOUR LAKES UNIT #00	6 Jun-08

### 19.15.8.9 NMAC:

- C. Active wells. An operator shall provide financial assurance for wells that are covered by Subsection A of 19.15.8.9 NMAC and are not subject to Subsection D of 19.15.8.9 NMAC in one of the following categories:
- (1) a one well financial assurance in the amount of \$25,000 plus \$2 per foot of the projected depth of a proposed well or the depth of an existing well; the depth of a well is the true vertical depth for vertical and horizontal wells and the measured depth for deviated and directional wells; or
- (2) a blanket plugging financial assurance in the following amounts covering all the wells of the operator subject to Subsection C of 19.15.8.9 NMAC:
  - (a) \$50,000 for one to 10 wells;
  - **(b)** \$75,000 for 11 to 50 wells;
  - (c) \$125,000 for 51 to 100 wells; and
  - (d) \$250,000 for more than 100 wells.

Operator is registered as the operator of thirteen (13) wells subject to 19.15.8.9 C NMAC, but has a blanket plugging financial assurance of only \$50,000.

- **D.** Inactive wells. An operator shall provide financial assurance for wells that are covered by Subsection A of 19.15.8.9 NMAC that have been in temporarily abandoned status for more than two years or for which the operator is seeking approved temporary abandonment pursuant to 19.15.25.13 NMAC in one of the following categories:
- (1) a one well financial assurance in the amount of \$25,000 plus \$2 per foot of the projected depth of a proposed well or the depth of an existing well; the depth of a well is the true vertical depth for vertical and horizontal wells and the measured depth for deviated and directional wells; or
- (2) a blanket plugging financial assurance covering all wells of the operator subject to Subsection D of 19.15.8.9 NMAC:
  - (a) \$150,000 for one to five wells;
  - **(b)** \$300,000 for six to 10 wells;
  - (c) \$500,000 for 11 to 25 wells; and
  - (d) \$1,000,000 for more than 25 wells.

Operator currently has ten (10) wells that have been inactive for more than two years and for which there is insufficient financial assurance as identified in Table 2:

Table 2:

API	Well	Existing FA	Required FA	Due
30-025-38192	BAGLEY #002	15,500	46000	Sep-11
30-025-01871	EAST SAUNDERS UNIT #00	1 20,375	55750	Feb-12
30-025-38082	INBE 12 #001	17,125	49250	Aug-18
30-025-37840	INBE 13 #001	0	49336	Apr-18
30-025-00996	J P COLLIER #001	0	48500	Nov-18
30-025-22133	J P COLLIER #004Y	0	45400	Aug-18
30-025-32859	MARIGOLD UNIT #001	0	48860	Feb-20
30-025-36485	NEW MEXICO 36 STATE #00	01 0	39400	Sep-19
30-025-36464	SHELLY 36 STATE #006	12,784	40568	Jun-09
30-025-01834	SOUTH FOUR LAKES UNIT #006	17,870	50740	Jul-10

### 19.15.7.24 NMAC:

A. An operator shall file a form C-115 for each non-plugged well completion for which the division has approved a form C-104 and for each secondary or other enhanced recovery project or pressure maintenance project injection well or other injection well within the state, setting forth complete information and data indicated on the forms in the order, format and style the director prescribes. The operator shall estimate oil production from wells producing into common storage as accurately as possible on the basis of periodic tests.

**B.** An operator shall file the reports 19.15.7.24 NMAC requires using the division's webbased online application on or before the 15th day of the second month following the month of production, or if such day falls on a weekend or holiday, the first workday following the 15th. An operator may apply to the division for exemption from the electronic filing requirement based upon a demonstration that such requirement would operate as an economic or other hardship.

Operator is the registered operator of thirteen wells. Operator has not submitted the required C-115 for any well since at least 2015.

- (3) Compliance: No later than thirty (30) days after receipt of this NOV, Operator shall (a) submit production reports for the wells identified in Table 1; (b) plug and abandon at least eight (8) wells listed in Table 1; (c) increase the blanket plugging financial assurance to \$75,000; and (d) provide inactive well blanket plugging financial assurance of \$300,000 or increase the one well financial assurance to the specified amounts in Table 2.
- (4) Sanction(s): OCD may impose one or more of the following sanctions:
  - civil penalty
  - modification, suspension, cancellation, or termination of a permit or authorization
  - plugging and abandonment of a well
  - remediation and restoration of a well location and associated facilities, including the removal of surface and subsurface equipment and other materials
  - remediation and restoration of a location affected by a spill or release
  - forfeiture of financial assurance
  - shutting in a well or wells
  - any other remedy authorized by law

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

- (a) <u>Plug and Abandon Wells:</u> OCD will request an order requiring Operator to plug and abandon eight (8) wells listed in Table 1, and alternatively, an order authorizing OCD to plug and abandon those wells.
- (b) <u>Financial Assurance:</u> OCD will request an order requiring Operator to provide blanket plugging financial assurance of \$75,000, and an inactive well blanket plugging financial assurance of \$300,000 or additional one well financial assurance in the specified amounts in Table 2, and alternatively, an order forfeiting financial assurance.
- (c) <u>Termination of Authorization to Transport:</u> OCD will request an order terminating Operator's authority to transport from all wells.
- (d) <u>Civil Penalties:</u> 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 to comply with the applicable requirements. Copies of the civil penalty calculations are attached.

Civil Penalty: 19.15.5.9(A)(4)(a) NMAC: \$3,000.00

19.15.8.9 NMAC: \$ 3,000.00 19.15.7.24 NMAC \$ 15,600.00

(5) Hearing: If this NOV cannot be resolved informally, OCD will hold a hearing on October 6, 2021. Please see 19.15.5.10 NMAC for more information regarding the hearing. Even if OCD schedules a hearing, you can request an informal resolution at any time.

For more information regarding this NOV, contact Karen Collins, at (505) 490-2162 or Karen.Collins@state.nm.us.

Regards,
Adrienne Sandoval
Director

cc: Office of Legal Counsel, EMNRD

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

IN RE LEASE HOLDERS INC

**CASE NO. 22220** 

### OIL CONSERVATION DIVISION'S DOCKETING NOTICE

The New Mexico Oil Conservation Division ("OCD"), pursuant to 19.15.5.10(E)(2)(a) NMAC, gives notice that it has docketed the Notice of Violation ("NOV") attached as Exhibit A, and states the following in support thereof:

- 1. On August 12, 2021, OCD issued the NOV to Lease Holders Inc, OGRID #372878.
- On August 21, 2021, certified mail containing the NOV was accepted at the operator's address of record.
- 3. The NOV identified the factual basis for the alleged violations, the compliance actions required to remedy the alleged violations, and the proposed sanctions.
- 4. The NOV stated that if Lease Holders Inc did not informally resolve the NOV within 30 days of receipt of service, then OCD would hold a hearing on October 6, 2021.
  - 5. The period for informal resolution has elapsed without response from operator.

WHEREFORE, OCD requests that the NOV be docketed for hearing on October 6, 2021.

Respectfully submitted,

Jesse Tremaine

Assistant General Counsel

New Mexico Energy, Minerals and

Natural Resources Department

1220 South St. Francis Drive Santa Fe, New Mexico 87505 Tel (505) 231-9312 Fax (505) 476-3220 JesseK.Tremaine@state.nm.us

### **CERTIFICATE OF SERVICE**

I certify that on September 20, 2021, this pleading was served by certified and electronic mail on:

Bobbie J. Johns, President Lease Holders Acquisitions, Inc. 705 S. Mustang Road # 127 Yukon, OK 73099 leaseholdersacq@gmail.com

Jesse Tremaine

U.S. Postal Service CERTIFIED MAIL® RECEIPT Domestic Mail Only For delivery information, visit our website at www.usps.com.  Certified Mail Fee Services & Fees (check box, add Ne. 24 appropriety Services & Fees (check box, add Ne. 24 appropriety) Services & Fees (check box, add	Single Ling - Leve Holders Single Brains - Leve Holders Chisting 10/2 - NWSTANS Rd Chisting 10/2 - December 10 - 10 - 10 - 10 - 10 - 10 - 10 - 10	CERTIFIED MAIL® RECEIPT  Domestic Mail Only  For delivery information, visit our website at www.usps.com?  OFFICIAL USE  Certified Mail Fee	Exitra Services & From (check box, add file as appropriate)    Return Receipt (bardopy)	Speed and Sold of Sold
202T 4589 0000 09ED	8107	825T 458	9 0000 0960	8702

1.

### **Violation Summary**

Alleged Violator: Lease Holders Acquisitions, Incorporated - 372878

Violation Date: 7/26/2021 - Ongoing

Citation Description each inactive well exceeding the threshold

5.9(A)(4)(a)

Basis: See attached NOV.

Wells: Penalty Subtotal: \$ 2,500.00

**Adjustment Factors** 

Effort to Comply:

Cooperation and Compliance

Comments:

History of Non-Compliance:

No history

O

Comments: Negligence and Willfulness:

Negligence 0.2

 $Operator\ knew\ or\ should\ have\ known\ of\ obligation\ to\ plug\ and\ abandon\ wells.$ 

Comments:

**Economic Impact:** 

Less than 50 wells or gross sales less than \$500,000 0

Comments:

Factor Subtotal: 1.2

Outstanding Conditions

No outstanding conditions

No outstanding conditions

\$ 2,500.00

Total Penalty=

\$ 3,000.00



19.15.5.9 Processed: 8/9/2021 16:31

### **Violation Summary**

Alleged Violator: Lease Holders Acquisitions, Incorporated - 372878

Violation Date: 7/26/2021 - Ongoing

Citation Description MinPA(\$)

(Cond. 1) fail to file C-115 (see 7.24) fail to file other form or obtain

approval, as applicable

'.14 to 7.42 (Cond. 1

\$ 1,000.00

Basis: See attached NOV.

Wells: 13

Penalty Subtotal: \$ 13,000.00

**Adjustment Factors** 

Effort to Comply: Factor

Cooperation and Compliance 0

Comments:

No history 0

Comments:

**History of Non-Compliance:** 

**Negligence and Willfulness:** 

Negligence 0.2

Operator knew or should have known of obligation to submit production reports for wells which have not been plugged and

abandoned.

Comments:

**Economic Impact:** 

Less than 50 wells or gross sales less than \$500,000 0

Comments:

Factor Subtotal: 1.2

**Outstanding Conditions** 

MaxPA(\$)/day

No outstanding conditions \$ 2,500.00

nalty= \$ 15,600.00

19.15.7.24 ocessed: 8/9/2021 16:38

### **Violation Summary**

Alleged Violator: Lease Holders Acquisitions, Incorporated - 372878

Violation Date: 7/26/2021 - Ongoing

Citation Description MinPA(\$)

8.9

Basis: See attached NOV.

Wells: 10
Penalty Subtotal: \$ 2,500.00

**Adjustment Factors** 

Effort to Comply:

Cooperation and Compliance

Comments:

History of Non-Compliance:

No history

Comments:

**Negligence and Willfulness:** 

Negligence 0.2

Operator knew or should have known of obligation to provide adequate financial assurance.

Comments:

Comments:

**Economic Impact:** 

Less than 50 wells or gross sales less than \$500,000

Factor Subtotal: 1.2

Outstanding Conditions

No outstanding conditions

\$ 2,500.00

Total Penalty= \$ 3,000.00



19.15.8.9 Processed: 8/9/2021 16:36

From: <u>Tremaine, Jesse K, EMNRD</u>

To: Salvidrez, Marlene, EMNRD; Griego, SaraC, EMNRD

Cc: leaseholdersacq@gmail.com

**Subject:** Case No. 22220 - Lease Holders Acquisitions Docketing Notice

**Date:** Wednesday, September 29, 2021 4:48:00 PM

Attachments: 22220 OCD Motion to Postpone.pdf

Good Afternoon Ms. Salvidrez,

OCD's Motion to Postpone is attached. We are observing delays of up to three weeks in delivery of certified mail, which was not contemplated prior to docketing. I apologize for the inconvenience.

Jesse K. Tremaine

Attorney, Office of General Counsel New Mexico Energy, Minerals & Natural Resources Department 1220 South St. Francis Dr., Santa Fe, NM 87505

Cell: (505) 231-9312

E-mail: JesseK.Tremaine@state.nm.us

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----Original Message----

From: Salvidrez, Marlene, EMNRD < Marlene. Salvidrez@state.nm.us>

Sent: Monday, September 20, 2021 4:45 PM

To: Griego, SaraC, EMNRD < SaraC. Griego@state.nm.us>

Cc: Tremaine, Jesse K, EMNRD < Jesse K. Tremaine@state.nm.us>; leaseholdersacq@gmail.com

Subject: RE: Lease Holders Acquisitions Docketing Notice

### Good afternoon,

This case has been placed on the October 6, 2021, docket.

The docket will be imaged into the case file two days prior to the hearing:

https://ocdimage.emnrd.state.nm.us/imaging/CaseFileCriteria.aspx

The docket will also be posted on the OCD hearings webpage: https://www.emnrd.nm.gov/ocd/hearing-info/

Thank you.

Marlene Salvidrez
Oil Conservation Division
Energy, Minerals and Natural Resources Department
(505) 469-5527

----Original Message-----

From: Griego, SaraC, EMNRD < SaraC. Griego@state.nm.us>

Sent: Monday, September 20, 2021 4:37 PM

To: Salvidrez, Marlene, EMNRD < Marlene. Salvidrez@state.nm.us>

Cc: Tremaine, Jesse K, EMNRD < Jesse K. Tremaine@state.nm.us>; leaseholdersacq@gmail.com

Subject: Lease Holders Acquisitions Docketing Notice

Good afternoon,

Attached please find the Oil Conservation Division's Docketing Notice for Lease Holders Acquisitions.

Thank you,

Sara Griego Office of General Counsel Energy, Minerals and Natural Resources Dept 505.470.5508 From: <u>Griego, SaraC, EMNRD</u>
To: <u>Salvidrez, Marlene, EMNRD</u>

Cc: <u>Tremaine, Jesse K, EMNRD; leaseholdersacq@gmail.com</u>

**Subject:** Lease Holders Acquisitions Docketing Notice **Date:** Monday, September 20, 2021 4:37:06 PM

Attachments: Lease Holders.pdf

Exhibit A Lease Holders Acquisitions NOV.pdf

### Good afternoon,

Attached please find the Oil Conservation Division's Docketing Notice for Lease Holders Acquisitions.

Thank you,

Sara Griego Office of General Counsel Energy, Minerals and Natural Resources Dept 505.470.5508 From: Griego, SaraC, EMNRD

To: leaseholdersacq@gmail.com

Cc: Tremaine, Jesse K, EMNRD

Subject: NOV - Lease Holders Acquisitions

Date: Thursday, August 12, 2021 3:42:26 PM

Attachments: Lease Holders Acquisitions NOV - Executed.pdf

Lease Holders Acquisitions Civil Penalties 19.15.8.9.pdf Lease Holders Acquisitions Civil Penalties 19.15.5.9.pdf Lease Holders Acquisitions Civil Penalties 19.15.7.24.pdf

### Good afternoon,

Attached please find a Notice of Violation and Violation Summary. If you have any questions, please contact Jesse Tremaine at <a href="mailto:jessek.tremaine@state.nm.us">jessek.tremaine@state.nm.us</a>.

Thank you,

Sara Griego
Office of General Counsel
Energy, Minerals and Natural Resources Dept
505.470.5508



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