

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+).

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

Shannon Hayes
Accountant
Primal Energy Corporation
211 Highland Cross, Suite 227
Houston, TX 77073
s.hayes@primalenergy.net

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:* Primal Energy Corporation, OGRID # 154303 (“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:

(a) 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 ten (10) 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:

<u>API</u>	<u>Well</u>	<u>Last Production Reported</u>
30-015-27635	BIG EDDY UNIT #127	Dec-09
30-025-30812	COCHISE-KING GAS COM #001	Jul-06
30-025-09337	COCHISE-KING GAS COM #002	Jul-06
30-025-11103	FOWLER HAIR #001	Oct-02
30-025-11105	FOWLER HAIR #003	Jul-13
30-025-11107	FOWLER HAIR #005	Jul-04
30-025-24609	HARRISON #001	Feb-10
30-025-24749	HARRISON #002	Feb-10
30-025-24641	JUDY #001	Aug-12
30-025-26262	JUDY #003	Aug-12

19.15.8.9 NMAC:

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:

<u>API</u>	<u>Well</u>	<u>Existing FA</u>	<u>Required FA</u>	<u>Due</u>
30-015-27635	BIG EDDY UNIT #127	0	39,000	Jan-12
30-025-30812	COCHISE-KING GAS COM #001	0	32,050	Aug-08
30-025-09337	COCHISE-KING GAS COM #002	0	32,344	Aug-08
30-025-11103	FOWLER HAIR #001	0	32,062	Nov-04
30-025-11105	FOWLER HAIR #003	0	32,126	Aug-15
30-025-11107	FOWLER HAIR #005	0	32,310	Aug-06
30-025-24609	HARRISON #001	0	31,924	Mar-12
30-025-24749	HARRISON #002	0	32,220	Mar-12
30-025-24641	JUDY #001	0	32,242	Sep-14
30-025-26262	JUDY #003	0	32,000	Sep-14

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 web-based 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 ten (10) wells. Operator has not submitted the required C-115 for any well since at least 2017.

(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; and (c) 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:


- Plug and Abandon Wells: 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.
- Financial Assurance: OCD will request an order requiring Operator to provide 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.
- Termination of Authorization to Transport: OCD will request an order terminating Operator's authority to transport from all wells.
- Civil Penalties: 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	\$ 12,000.00

(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 PRIMAL ENERGY CORPORATION

CASE NO. 22221

**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 Primal Energy Corporation, OGRID #154303.
2. On August 30, 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 Primal Energy Corporation 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:

Shannon Hayes, Accountant
Primal Energy Corporation
211 Highland Cross, Suite 227
Houston, TX 77073
s.hayes@primalenergy.net



Jesse Tremaine

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City, State, ZIP+4® Houston, TX 77073

PS Form 3800, April 2015 PSN 7530-02-000 9947 See Reverse for Instructions

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Sent To Shannon Hayes Animal Energy
Street and Apt. No. or PO Box No. 211 Highland Cross Suite 211
City, State, ZIP+4® Houston, TX 77073

65551 4589 0000 0960 8702

2291 4589 0000 0960 8702

Violation Summary

Alleged Violator: **Primal Energy Corporation**

Violation Date: **8/9/2021 _ Ongoing**

Citation	Description	MinPA(\$)
5.9(A)(4)(a)	each inactive well exceeding the threshold	\$ 250.00
Basis: <i>See attached NOV.</i>		
	Wells:	10
	Penalty Subtotal:	\$ 2,500.00

Adjustment Factors

Effort to Comply:	Factor
Cooperation and Compliance	0
Comments:	
History of Non-Compliance:	
No history	0
Comments:	
Negligence and Willfulness:	
Negligence	0.2
<i>Operator knew or should have known of obligation to plug and abandon wells.</i>	
Comments:	
Economic Impact:	
Less than 50 wells or gross sales less than \$500,000	0
Comments:	
	Factor Subtotal: 1.2

Outstanding Conditions

Outstanding Conditions	MaxPA(\$)/day
No outstanding conditions	\$ 2,500.00
Total Penalty=	\$ 3,000.00



Violation Summary

Alleged Violator: **Primal Energy Corporation**

Violation Date: **8/9/2021 _ Ongoing**

Citation	Description	MinPA(\$)
7.14 to 7.42 (Cond. 1)	(Cond. 1) fail to file C-115 (see 7.24) fail to file other form or obtain approval, as applicable	\$ 1,000.00
Basis: <i>See attached NOV.</i>		
		Wells: 10
		Penalty Subtotal: \$ 10,000.00

Adjustment Factors

Effort to Comply:	Factor
Cooperation and Compliance	0
Comments:	
History of Non-Compliance:	
No history	0
Comments:	
Negligence and Willfulness:	
Negligence	0.2
<i>Operator knew or should have known of obligation to submit production reports for wells which have not been plugged and abandoned.</i>	
Comments:	
Economic Impact:	
Less than 50 wells or gross sales less than \$500,000	0
Comments:	
Factor Subtotal: 1.2	

Outstanding Conditions

Outstanding Conditions	MaxPA(\$)/day
No outstanding conditions	\$ 2,500.00
Total Penalty= \$ 12,000.00	



19.15.7.24

Processed: 8/9/2021 17:00

Violation Summary

Alleged Violator: **Primal Energy Corporation**

Violation Date: **8/9/2021 _ Ongoing**

Citation	Description	MinPA(\$)
8.9	fail to provide financial assurance per well	\$ 250.00
	Basis: <i>See attached NOV.</i>	
	Wells:	10
	Penalty Subtotal:	\$ 2,500.00

Adjustment Factors

Effort to Comply:	Factor
Cooperation and Compliance	0
Comments:	
History of Non-Compliance:	
No history	0
Comments:	
Negligence and Willfulness:	
Negligence <i>Operator knew or should have known of obligation to provide adequate financial assurance.</i>	0.2
Comments:	
Economic Impact:	
Less than 50 wells or gross sales less than \$500,000	0
Comments:	
Factor Subtotal:	1.2

Outstanding Conditions

Outstanding Conditions	MaxPA(\$)/day
No outstanding conditions	\$ 2,500.00
Total Penalty=	\$ 3,000.00



19.15.8.9

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