

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

IN RE BAR V BARB, LLC

CASE NO. 24773

NOTICE OF SUPPLEMENTAL EXHIBIT

TO THE COURT AND TO THE COUNSEL OF RECORD FOR ALL PARTIES:

PLEASE TAKE NOTICE that Christy Treviño, as Counsel for the Oil Conservation Division (“OCD”) in this matter, hereby respectfully submits this Notice of Supplemental Exhibit as an addition to **PRE-HEARING STATEMENT** and **EXHIBITS** attached therein.

In response to the Pre-hearing Statement filed on Thursday, September 5, 2024. Mr. Oldfield the identified agent representative of Barb V Barb, LLC, and registered operator in OCD permitting, emailed a response. That response is attached herein and labeled as **Exhibit 5 and page numbers 38 and 39**. Exhibit 5 is an addition to the Pre-hearing statement and exhibits, to provide an admission by an party opponent and that actual notice of the hearing was served on the operator of record. Further, updates have been made to pre-hearing statement to include this added exhibit, a table of contents, and the page numbers.

WHEREFORE, OCD requests that the court take notice of the supplemental exhibit attached herein.

Respectfully submitted,

Christy B. Treviño

Christy Treviño
Assistant General Counsel
New Mexico Energy, Minerals and
Natural Resources Department
Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, New Mexico 87505
Tel (505) 607-4524
Fax (505) 476-3220
Christy.Trevino@emnrd.nm.gov

CERTIFICATE OF SERVICE

I certify that on September 11, 2024, this pleading was served electronic mail on:

Steve Oldfield
Owner
Bar V Barb, LLC
P.O. BOX 4435
Roswell, NM 88202
Brokenspearcattleco@gmail.com

Christy B. Treviño
Christy Treviño

IN RE BAR V BARB, LLC

OGRID #371067;

NOTICE OF VIOLATION.

**Unresolved Notice of Violation of
19.15.25.8, 19.15.5.9(A), 19.15.8.9 and
19.15.7.24**

NMAC

Case # 24773

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

IN RE BAR V BARB, LLC

CASE NO. 24773

**OIL CONSERVATION DIVISION'S
PRE-HEARING STATEMENT**

The New Mexico Oil Conservation Division (“OCD”) submits this Pre-Hearing Statement pursuant to 19.15.4.13(B) NMAC.

I. IDENTIFICATION OF PARTY AND COUNSEL

OCD initiated this matter and is represented by undersigned counsel.

II. STATEMENT OF THE CASE

In June 2024, OCD Compliance Officer Nicholas Karns, in the course and scope of his duties as a Compliance Officer and Bond Administrator in the Administrative Compliance Bureau of OCD, conducted a compliance assessment Bar V Barb, LLC (“Respondent”), OGRID# 371067. The goal of such an assessment is to inspect the OCD permitting system regarding operator compliance with rules 19.15.5, 19.15.7, & 19.15.8 NMAC. Upon Mr. Karns’ review of OCD’s permitting system reports and data, Mr. Karns concluded that Respondent was not compliant with 19.15.5.9(A)(4)(a) NMAC, which governs the number of wells an operator may have that are inactive, per 19.15.25.8 NMAC.

More specifically, OCD’s records indicate that Respondent owns twelve (12) wells, which were and remain inactive, with no reporting by Respondent of production from any of the twelve (12) in the fifteen (15) months prior to June 2024. Per 19.15.5.9(B)(1)(a) NMAC, if an operator does not report production for a well for fifteen (15) months, that well is deemed non-compliant

with 19.15.5.9 NMAC. Per 19.15.7.24 NMAC, the Respondent has not filed the required C-115 (monthly production reports) for any well since September 2019. Per 19.15.5.10 NMAC, OCD may pursue a litany of remedies for wells in violation of 19.15.5.9(B)(1)(a) NMAC (or any other OCD regulation) including, but not limited to, civil penalties and plugging and abandoning of inactive wells.

Respondent violated and remains in violation of 19.15.5.9, 19.15.7.24, and 19.15.25.8 NMAC. OCD seeks an order from the Division allowing OCD to plug and abandon all of Respondent's twelve (12) wells, termination of Respondent's Authorization to Transport from all wells, assessing a civil penalty upon Respondent in the amount of \$27,450, and any other relief the Hearing Officer believes is just and proper.

III. PROPOSED EVIDENCE

WITNESSES:

1. Nicholas Karns, Compliance Officer

Affidavit of Witness

Mr. Karns is a Compliance Officer with OCD in the Administrative Compliance Bureau who is also the acting Bond Administrator for OCD. He has served with OCD in his current role for twenty (23) months. Prior to joining OCD, Mr. Karns served as an administrator for several New Mexico state agencies, including the Department of Public Safety. His qualifications are described in Exhibit 1. Mr. Karns will testify regarding his assessment of Respondent's inactive well compliance status in June 2024, which included the status of Respondent's wells. Further, he will discuss the contents of the Notice of Violation in Exhibit 2, along with its sub-exhibits.

2. Sheila Apodaca, OCC Meetings & Hearings Administrator

Affidavit of Notice

Ms. Apodaca is the Meetings & Hearings Administrator for the OCC. Ms. Apodaca handled the service of the Notice of Violation upon the Respondent. Ms. Apodaca will testify that notice was sent via electronic mailing and United State Post Office Certified Mail, on Respondent's last known address through information learned from OCD Counsel Christy Treviño. The Notice of Violation was not delivered to the Respondent and returned to OCD.

2. Sara Griego, Law Clerk

15 minutes

Ms. Griego is the Law Clerk for the OCD. Ms. Griego handled the service of the Notice of Violation and Docketing Notice upon the Respondent. Ms. Griego will testify that she served the Notice of Violation and Docketing Notice on Respondent's last known address through information learned from OCD Counsel Christy Treviño. The Notice of Violation and Docketing Notice was served by electronic mail, and certified mail upon Mr. Steven Oldfield, the last known Central Contact for Respondent. Service of the Notice of Violation and Docketing Statement upon Mr. Steven Oldfield was attempted by certified mail but was returned to sender as undelivered.

EXHIBITS:

Affidavit of Nicholas Karns

Exhibit 1 Curriculum Vitae of Nicholas Karns;

Exhibit 2 Notice of Violation (NOV) against Bar V Barb, LLC., dated June 21, 2014;

Exhibit 2-A Inactive Well Report dated June 27, 2024;

Exhibit 2-B Financial Assurance Report dated June 27, 2024;

Exhibit 2-C OCD C-115 Report;

Exhibit 2-D Order R-21756;

Exhibit 2-E Civil Penalty Calculator;

Affidavit of Shelia Apodaca Regarding Notice

Exhibit 3 Sheila Apodaca- OCD email and certified mailing of the Notice of Violation;

Exhibit 4 Sara Griego- OCD emails United States Postal Service

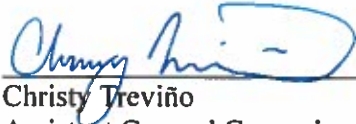
Tracking information for the Notice of Violation and the Docketing Notice;

Exhibit 5- Email response from operator of record, Mr. Steve Oldfield.

IV. PROCEDURAL MATTERS

The OCD has not identified any procedural matters to be resolved prior to the hearing.

Respectfully submitted,




Christy Treviño
Assistant General Counsel
New Mexico Energy, Minerals and
Natural Resources Department
Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, New Mexico 87505
Tel (505) 607-4524
Christy.Trevino@emnrd.nm.gov

CERTIFICATE OF SERVICE

I certify that on September 5, 2024, I served this pleading by electronic mail on:

Steve Oldfield
Owner
Bar v Barb, LLC
P.O. Box 4435
Roswell, NM 88202



Christy Treviño

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

IN RE BARB V BARB, LLC

CASE NO. 24773

AFFIDAVIT OF NICHOLAS KARNS

I, **NICHOLAS KARNS**, being first duly sworn on oath, states as follows:

1. I am employed as a Compliance Officer within the Administrative Compliance Bureau of the Oil Conservation Division (“OCD”). I have been employed 23 months with the OCD. My education and qualifications are attached and incorporated as Exhibit 1. As a Compliance Officer with OCD my duties include, but are not limited to, reviewing database reports and performing a monthly review of the compliance status of oil and gas operators in New Mexico concerning:

- a. 19.15.25.8 NMAC, which requires wells that have suspended drilling operations, are no longer of beneficial use, or have been continuously inactive for a period of one year, to be properly plugged and abandoned or placed in approved temporary abandonment;
 - b. 19.15.5.9 NMAC, which sets forth the compliance standards oil and gas operators in New Mexico, including the number of wells an operator may have in inactive status at any one time; and
 - c. 19.15.8.9 NMAC, which subjects oil and gas operators in New Mexico to certain financial assurance standards.
 - d. 19.15.7.24 NMAC, requires operators to file C-115 production reports for non-plugged wells.
2. I have personal knowledge of the matters stated herein. Swearing and affirming that the information is a true and accurate as to the findings of the violations stated.
 3. On June 27, 2024, I generated the Inactive Well List, Inactive Well Additional Financial Assurance Report, and C-115 History Report.
 4. The Inactive Well List was prepared by searching the OCD Permitting Database. The Inactive Well List is attached and incorporated as Exhibit 2-A. The exhibit is a true and accurate copy of the information contained in the OCD Permitting System.
 5. The Inactive Well List indicated that Bar v Barb, LLC, OGRID# 371067 (“Operator”), operated and was the responsible party for twelve (12) wells. In reviewing the Inactive Well List, I determined that the Operator was out of compliance with 19.15.25.8 and 19.15.5.9 NMAC. The review process

includes cross checking wells in our system to determine if any prior orders or agreements have been made regarding the wells in the Inactive Well List. See Exhibit 2-A.

6. The Operator is the registered operator of twelve (12) wells. All twelve (12) wells are out of compliance with 19.15.25.8 NMAC. *Attached and incorporated as Exhibit 2-A.* Of the twelve (12) wells in Exhibit 2-A, ten (10) wells are subject to OCD plugging authority in order R-21756. *Attached and incorporated as Exhibit 2-D.* The exhibit is a true and accurate copy of the information contained in the OCD Imaging System. The remaining two (2) wells: API # 30-005- 60332 and 30-005-60213, in Exhibit 2-A are not subject to an agreed compliance or final order.
7. The Inactive Well Additional Financial Assurance Report was prepared by reviewing the Operator's Compliance with 19.15.8.9 NMAC. Currently, Operator has three (3) wells that are inactive and lack sufficient financial assurance. *Attached and incorporated as Exhibit 2-B.* The exhibit is a true and accurate copy of the information in OCD's Permitting System.
8. The C-115 History Report was prepared by exporting the Operator's production reporting data from OCD Permitting and reviewing compliance with 19.15.7.24 NMAC. Of the twelve (12) wells operated by the Operator, none have reported production in the past fifteen (15) months prior to issuance of the underlying NOV. The Operator has failed to report production since at least September 2019. Operator had not submitted the required C-115 forms for any of the wells since at least September 2019. Per to 19.15.5.9(B) NMAC, because the Operator wells reported no production over the fifteen (15) months prior to issuance of the underlying NOV, the twelve (12) wells are inactive and are therefore out of compliance. *Attached and incorporated as Exhibit 2-C.* The exhibit is a true and accurate copy of the information contained in the OCD Permitting System.
9. Civil penalties were assessed and prepared based on the violations listed herein. Civil penalties are determined by which rules the Operator violated and the number of days they are not in compliance. I put each violation per well and the number of days into the civil penalty calculator, which generates the amounts for each violation. The total for the listed violations amount to twenty-seven thousand and four hundred and fifty dollars (\$27,450). *Attached and incorporated as Exhibit 2-E.* The exhibit is a true and accurate copy of the information contained in the OCD Permitting System.

FURTHER AFFIANT SAYETH NOT.


NICHOLAS KARNIS

STATE OF NEW MEXICO

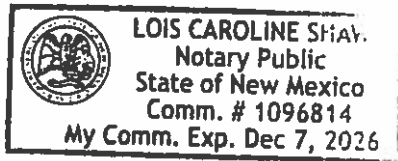
COUNTY OF SANTA FE

SUBSCRIBED AND SWORN TO BEFORE ME, the undersigned authority on this 5TH day
of SEPTEMBER, 2024, by Nicholas Karns

Lois Caroline Shaw
Notary Public in and for the
State of New Mexico

My Commission Expires:

DECEMBER 7, 2026



Nicholas R. Karns

Nicholas.karns@emnrd.nm.gov

103 Spruce St, Santa Fe, NM 87501

(505) 629-7138

INTRODUCTION

Exploring a career path in local government by collecting experience in many different state agencies. Competent project manager. I believe that my experience with regulatory boards and criminal justice oversight has galvanized the fundamentals for steady advancement in government administration.

HIGHLIGHTS

- ◆ Nine years + project management leadership
- ◆ Experience creating regulatory workflows and processes
- ◆ Proficient with data gathering and analysis
- ◆ Skilled at communicating with internal and external clientele
- ◆ Involved extensively with New Mexico rulemaking and practiced in jurisprudence
- ◆ Certified forklift operator, serve safe
- ◆ Actively sitting as a member of the Private Investigations Advisory Board

EDUCATION

- Santa Fe Community College
 - GED

SKILLS

Computer Skills, Software & Applications

- | | |
|------------------------|-----------------|
| • Proprietary software | • NCIC OpenFox |
| • Windows | • Dot Delimited |
| • Linux & open source | • HTML |
| • MS Office Suite | • Photoshop |
| • Acrobat | |

Administrative Skills

- | | |
|------------------------------------|-------------------------------|
| • Project management | • Database oversight |
| • Policy and infrastructure design | • Curriculum development |
| • Exercised in jurisprudence | • Classroom instruction |
| • Research and analysis | • Inter-agency communications |

SUPERVISORY EXPERIENCE

Department of Public Safety

- 2 years NCIC Program Oversight (2 people)

Regulation and Licensing Department

- 3 years Board Administrator (1-3 people depending on the board)

Lowe's Home Improvement

- 3 years Department Specialist (2 people)

PROFESSIONAL EXPERIENCE

Energy Minerals & Natural Resources 11/22 - Present *Santa Fe, NM*

COMPLIANCE OFFICER - A

Member of the Oil Conservation Division compliance team. Processes new application, adhering to workflow and procedure. Assures operators are in compliance with state Chapter 15 statutes and regulations. Manages well bonds from operators as financial assurance for the State of New Mexico.

Department of Public Safety 11/20 - 11/22 *Santa Fe, NM*

NCIC COORDINATOR

Oversight of data security standards and response protocol for all New Mexico criminal justice agencies in regards to their connection to the National Crime Information Center (NCIC). Completed administrative audits, misuse investigations, training, instructing, and general user support. Maintained federal and state compliance when handling, storing, and otherwise disseminating criminal justice information. Worked closely with the FBI to keep New Mexico criminal justice agencies moving progressively into the future.

Regulation and Licensing Department 8/18 - 11/20 *Santa Fe, NM*

BOARD ADMINISTRATOR

Served as board administrator for multiple occupational licensing boards. Coordinated formal rule change hearings and developed many forms and applications. Trained licensing staff and implemented filing standards. Worked well with general counsel, the Attorney General's office, and the State Records and Archives Center.

Lowe's Home Improvement 3/14 - 3/18 *Santa Fe, NM*

DESIGN PROJECT SPECIALIST

Started working for Lowe's in 2014 as a cashier. Advanced up to Installed Sales Coordinator and then to Sales Specialist in June of 2015. Assisted customers with remodel designs, product knowledge and financing. Created weekly sales analysis reports and budget projections. Designed special order windows and doors by working closely with manufactures.

PROFESSIONAL REFERENCES

- | | |
|--|---|
| • Jessica Rodarte /
Technical Support
Staff Manager – DPS
505-699-5422 | • Roberta Perea /
Board Administrator
Supervisor – RLD
505-204-2157 |
| • Regina Chacon /
LERB Bureau Chief
& CSO - DPS
505-469-7649 | • Rob Jackson /
Compliance
Supervisor – OCD
505-660-2501 |
| • Amanda Macias /
Special Projects
Supervisor – DPS
505-920-2412 | • Ruth Romero /
Board Administrator
– RLD
505-819-9973 |

State of New Mexico
Energy, Minerals and Natural Resources Department

Michelle Lujan-Grisham
Governor

Melanie A. Kenderdine
Cabinet Secretary-Designate

Ben Shelton
Deputy Secretary (Acting)

Gerasimos Razatos
Division Director (Acting)
Oil Conservation Division



BY CERTIFIED MAIL AND ELECTRONIC MAIL

Steve Oldfield
Owner
BAR V BARB LLC
P.O. Box 4435
Roswell, NM 88202
Brokenspearcattleco@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: BAR V BARB LLC, OGRID #371067 (“Operator”).

(2) Citation, Nature, and Factual and Legal Basis for Alleged Violation(s):

19.15.25.8 NMAC:

- 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*

1220 South St. Francis Drive, 3rd Floor • Santa Fe, New Mexico 87505
Phone (505) 476-3441 • www.emnrd.state.nm.us/oed

State of New Mexico
Energy, Minerals and Natural Resources Department

(3) a period of one year in which a well has been continuously inactive.

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 twelve (12) wells. All twelve (12) wells are out of compliance with 19.15.25.8 NMAC. See Exhibit A. Of the twelve (12) wells in Exhibit A, ten (10) wells are subject to OCD plugging authority in order R-21756.¹ The remaining two (2) wells: API # 30-005-60332 and 30-005-60213, in Exhibit A are not subject to an agreed compliance or final order.

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*

¹ Identified in Exhibit D is Case No. 21900, Division Order No. R-21756, which list fifteen (15) wells that required Bar V Barb, LLC to plug and abandon certain wells and maintain financial assurances. Ten (10) wells remain subject to that order and are on an updated inactive well report in Exhibit A.

State of New Mexico
Energy, Minerals and Natural Resources Department

(d) \$1,000,000 for more than 25 wells.

Operator currently has three (3) wells that are inactive and lack sufficient financial assurance. See *Exhibit B*.

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 twelve (12) wells. Operator has not submitted the required C-115 for any well since September 9, 2019. See *Exhibit C*.

(3) Compliance: No later than thirty (30) days after receipt of this NOV, Operator shall (a) submit production reports for the wells identified in Exhibit A; (b) plug and abandon all twelve (12) wells listed in Exhibit A; and (c) provide inactive well blanket plugging financial assurance of \$150,000 or increase the one well financial assurance to the specified amounts in Exhibit B.

(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) Plug and Abandon Wells: OCD will request an order requiring Operator to plug and abandon twelve (12) wells listed in Exhibit A, and alternatively, an order authorizing OCD to plug and abandon those wells.

State of New Mexico
Energy, Minerals and Natural Resources Department

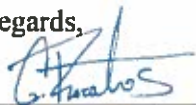
- (b) Financial Assurance: OCD will request an order requiring Operator to provide an inactive well blanket plugging financial assurance of \$150,000 or additional one well financial assurance in the specified amounts in Exhibit B, and alternatively, an order forfeiting financial assurance.
- (c) Termination of Authorization to Transport: OCD will request an order terminating Operator's authority to transport from all wells.
- (d) 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:	\$ 4,500.00
19.15.8.9 NMAC:	\$ 1,350.00
19.15.7.24 NMAC	\$ 21,600.00

(5) *Hearing*: If this NOV cannot be resolved informally, OCD will hold a hearing on September 12, 2024. 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 Christy Treviño at (505)-607-4524 or Christy.Trevino@emnrd.nm.gov.

Regards,



Gerasimos Razatos
Acting Director

cc: Office of Legal Counsel, EMNRD

Inactive Well List

Total Well Count: 12 Inactive Well Count: 12
Printed On: Thursday, June 27 2024

District	API	Well	ULSTR	OCD Unit	Ogrid	Operator	Lease Type	Surface Owner	Well Type	Last Production	Formation/Notes	Status	TA Exp Date
1	30-005-20403	FEDERAL 21 #001	O-21-14S-30E	O	371067	BAR V BARB LLC	F	F	O	06/2019			
1	30-005-20381	FEDERAL 28 #001	G-28-14S-30E	G	371067	BAR V BARB LLC	F	F	O	06/2019			
1	30-005-20372	FEDERAL 28 #003	B-28-14S-30E	B	371067	BAR V BARB LLC	F	F	O	06/2019			
2	30-005-60360	SOUTH LUCKY LAKE QUEEN UNIT #001	P-16-15S-29E	P	371067	BAR V BARB LLC	S	S	O	06/2019			
2	30-005-60332	SOUTH LUCKY LAKE QUEEN UNIT #001A	O-16-15S-29E	O	371067	BAR V BARB LLC	S	S	I	04/2013		T	4/1/2023
2	30-005-60213	SOUTH LUCKY LAKE QUEEN UNIT #001B	F-22-15S-29E	F	371067	BAR V BARB LLC	F	F	I	07/2013		T	7/1/2023
2	30-005-61227	SOUTH LUCKY LAKE QUEEN UNIT #001E	M-15-15S-29E	M	371067	BAR V BARB LLC	F	F	I	07/2013			
2	30-005-60244	SOUTH LUCKY LAKE QUEEN UNIT #001F	H-21-15S-29E	H	371067	BAR V BARB LLC	F	F	I	07/2013			
2	30-005-60371	SOUTH LUCKY LAKE QUEEN UNIT #002	N-16-15S-29E	N	371067	BAR V BARB LLC	S	S	O	06/2019			
2	30-005-60361	SOUTH LUCKY LAKE QUEEN UNIT #002C	A-21-15S-29E	A	371067	BAR V BARB LLC	F	F	O	06/2019			
1	30-005-20384	W R MEANS #002	J-28-14S-30E	J	371067	BAR V BARB LLC	F	F	O	06/2019			
1	30-005-20386	W R MEANS #003	O-28-14S-30E	O	371067	BAR V BARB LLC	F	F	O	04/2019			

WHERE Operator:371067, County:All, District:All, Township:All, Range:All, Section:All, Production(months):15, Excludes Wells Under ACOI, Excludes Wells in Approved TA Period

Inactive Well Additional Financial Assurance Report

371067 BAR V BARB LLC

Total State & Fee Wells: 3

Printed On: Thursday, June 27 2024

Property	Well Name	Lease Type	ULSTR	OCD Unit Letter	API	Well Type	Last Prod/Inj	Inactive Additional Bond Due	Bonding Depth	Required Bond Amount	Bond Required Now	Covered By Blanket TA Bond	Bond In Place	In Violation
315977	SOUTH LUCKY LAKE QUEEN UNIT #001	S	P-16-15S-29E	P	30-005-60360	O	06/2019	07/2021	1825	28,650	Y		6,825	Y
	SOUTH LUCKY LAKE QUEEN UNIT #001A	S	O-16-15S-29E	O	30-005-60332	I	04/2013	05/2015	1848	28,696	Y		6,848	Y
	SOUTH LUCKY LAKE QUEEN UNIT #002	S	N-16-15S-29E	N	30-005-60371	O	06/2019	07/2021	1800	28,600	Y		6,800	Y

WHERE Ogrid:371067

OCD C-115 History Report

Exhibit 2-C

Source	Id	Form Family	Form Medium Name	Type	Description	Primary Dgrid	Primary Operator	Secondary Dgrid	Secondary Operator	Submitted Date	Status	Status Date
Permit	272574	C-115	EP Production Monthly Report	C115	BAR V BARB LLC (371067) 06/2019	371067	BAR V BARB LLC			9/23/2019	APPROVED	9/23/2019
Permit	272132	C-115	EP Production Monthly Report	C115	BAR V BARB LLC (371067) 05/2019	371067	BAR V BARB LLC			8/12/2019	APPROVED	8/12/2019
Permit	268336	C-115	EP Production Monthly Report	C115	BAR V BARB LLC (371067) 04/2019	371067	BAR V BARB LLC			6/6/2019	APPROVED	6/6/2019
Permit	268335	C-115	EP Production Monthly Report	C115	BAR V BARB LLC (371067) 03/2019	371067	BAR V BARB LLC			6/6/2019	APPROVED	6/6/2019
Permit	268334	C-115	EP Production Monthly Report	C115	BAR V BARB LLC (371067) 02/2019	371067	BAR V BARB LLC			6/6/2019	APPROVED	6/6/2019
Permit	264178	C-115	EP Production Monthly Report	C115	BAR V BARB LLC (371067) 01/2019	371067	BAR V BARB LLC			6/6/2019	APPROVED	6/6/2019
Permit	264177	C-115	EP Production Monthly Report	C115	BAR V BARB LLC (371067) 12/2018	371067	BAR V BARB LLC			2/25/2019	APPROVED	2/25/2019
Permit	264175	C-115	EP Production Monthly Report	C115	BAR V BARB LLC (371067) 12/2018	371067	BAR V BARB LLC			2/25/2019	REJECTED	2/25/2019
Permit	260596	C-115	EP Production Monthly Report	C115	BAR V BARB LLC (371067) 11/2018	371067	BAR V BARB LLC			12/3/2018	APPROVED	12/4/2018
Permit	260594	C-115	EP Production Monthly Report	C115	BAR V BARB LLC (371067) 10/2018	371067	BAR V BARB LLC			12/3/2018	APPROVED	12/4/2018
Permit	258291	C-115	EP Production Monthly Report	C115	BAR V BARB LLC (371067) 09/2018	371067	BAR V BARB LLC			10/9/2018	APPROVED	10/9/2018
Permit	258290	C-115	EP Production Monthly Report	C115	BAR V BARB LLC (371067) 08/2018	371067	BAR V BARB LLC			10/8/2018	APPROVED	10/9/2018
Permit	258289	C-115	EP Production Monthly Report	C115	BAR V BARB LLC (371067) 07/2018	371067	BAR V BARB LLC			10/8/2018	APPROVED	10/9/2018
Permit	255706	C-115	EP Production Monthly Report	C115	BAR V BARB LLC (371067) 06/2018	371067	BAR V BARB LLC			8/7/2018	APPROVED	8/8/2018
Permit	254395	C-115	EP Production Monthly Report	C115	BAR V BARB LLC (371067) 05/2018	371067	BAR V BARB LLC			7/3/2018	APPROVED	7/9/2018
Permit	252061	C-115	EP Production Monthly Report	C115	BAR V BARB LLC (371067) 04/2018	371067	BAR V BARB LLC			5/7/2018	APPROVED	5/8/2018
Permit	252060	C-115	EP Production Monthly Report	C115	BAR V BARB LLC (371067) 03/2018	371067	BAR V BARB LLC			5/7/2018	APPROVED	5/8/2018
Permit	250385	C-115	EP Production Monthly Report	C115	BAR V BARB LLC (371067) 02/2018	371067	BAR V BARB LLC			3/27/2018	APPROVED	3/28/2018
Permit	250384	C-115	EP Production Monthly Report	C115	BAR V BARB LLC (371067) 01/2018	371067	BAR V BARB LLC			3/27/2018	APPROVED	3/28/2018
Permit	250383	C-115	EP Production Monthly Report	C115	BAR V BARB LLC (371067) 12/2017	371067	BAR V BARB LLC			3/27/2018	APPROVED	3/28/2018
Permit	250382	C-115	EP Production Monthly Report	C115	BAR V BARB LLC (371067) 11/2017	371067	BAR V BARB LLC			3/27/2018	APPROVED	3/28/2018
Permit	250379	C-115	EP Production Monthly Report	C115	BAR V BARB LLC (371067) 10/2017	371067	BAR V BARB LLC			3/27/2018	APPROVED	3/28/2018
Permit	242690	C-115	EP Production Monthly Report	C115	BAR V BARB LLC (371067) 09/2017	371067	BAR V BARB LLC			10/6/2017	APPROVED	10/6/2017
Permit	242689	C-115	EP Production Monthly Report	C115	BAR V BARB LLC (371067) 08/2017	371067	BAR V BARB LLC			10/6/2017	APPROVED	10/6/2017
Permit	240908	C-115	EP Production Monthly Report	C115	BAR V BARB LLC (371067) 07/2017	371067	BAR V BARB LLC			8/23/2017	APPROVED	8/23/2017
Permit	238683	C-115	EP Production Monthly Report	C115	BAR V BARB LLC (371067) 06/2017	371067	BAR V BARB LLC			7/10/2017	APPROVED	7/11/2017
Permit	238669	C-115	EP Production Monthly Report	C115	BAR V BARB LLC (371067) 05/2017	371067	BAR V BARB LLC			7/10/2017	APPROVED	7/11/2017
Permit	238260	C-115	EP Production Monthly Report	C115	BAR V BARB LLC (371067) 04/2017	371067	BAR V BARB LLC			5/26/2017	APPROVED	5/26/2017
Permit	238259	C-115	EP Production Monthly Report	C115	BAR V BARB LLC (371067) 03/2017	371067	BAR V BARB LLC			5/26/2017	APPROVED	5/26/2017
Permit	234234	C-115	EP Production Monthly Report	C115	BAR V BARB LLC (371067) 02/2017	371067	BAR V BARB LLC			4/4/2017	APPROVED	4/5/2017
Permit	234233	C-115	EP Production Monthly Report	C115	BAR V BARB LLC (371067) 01/2017	371067	BAR V BARB LLC			4/4/2017	APPROVED	4/5/2017
Permit	231090	C-115	EP Production Monthly Report	C115	BAR V BARB LLC (371067) 12/2016	371067	BAR V BARB LLC			1/20/2017	APPROVED	1/23/2017
Permit	231088	C-115	EP Production Monthly Report	C115	BAR V BARB LLC (371067) 11/2016	371067	BAR V BARB LLC			1/20/2017	APPROVED	1/23/2017
Permit	229417	C-115	EP Production Monthly Report	C115	BAR V BARB LLC (371067) 10/2016	371067	BAR V BARB LLC			12/6/2016	APPROVED	12/7/2016
Permit	229341	C-115	EP Production Monthly Report	C115	BAR V BARB LLC (371067) 09/2016	371067	BAR V BARB LLC			12/5/2016	APPROVED	12/6/2016
Permit	226919	C-115	EP Production Monthly Report	C115	BAR V BARB LLC (371067) 08/2016	371067	BAR V BARB LLC			10/4/2016	APPROVED	10/5/2016
Permit	226035	C-115	EP Production Monthly Report	C115	BAR V BARB LLC (371067) 07/2016	371067	BAR V BARB LLC			9/12/2016	APPROVED	9/13/2016
Permit	225082	C-115	EP Production Monthly Report	C115	BAR V BARB LLC (371067) 06/2016	371067	BAR V BARB LLC			8/16/2016	APPROVED	8/16/2016
Permit	223682	C-115	EP Production Monthly Report	C115	BAR V BARB LLC (371067) 05/2016	371067	BAR V BARB LLC			7/13/2016	APPROVED	7/14/2016
Permit	221878	C-115	EP Production Monthly Report	C115	BAR V BARB LLC (371067) 04/2016	371067	BAR V BARB LLC			6/2/2016	APPROVED	6/2/2016
Permit	221874	C-115	EP Production Monthly Report	C115	BAR V BARB LLC (371067) 03/2016	371067	BAR V BARB LLC			6/2/2016	APPROVED	6/2/2016
Permit	221871	C-115	EP Production Monthly Report	C115	BAR V BARB LLC (371067) 02/2016	371067	BAR V BARB LLC			6/2/2016	APPROVED	6/2/2016
Permit	220817	C-115	EP Production Monthly Report	C115	BAR V BARB LLC (371067) 01/2016	371067	BAR V BARB LLC			6/1/2016	APPROVED	6/1/2016

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

**IN RE NOTICE OF VIOLATION ISSUED TO
BAR V BARB, LLC**

**CASE NO. 21900
ORDER NO. R-21756**

ORDER

This matter came before the Director of the New Mexico Oil Conservation Division (“Division”) on the Notice of Violation (“NOV”) issued to Bar V Barb, LLC (OGRID # 371067) (“BVB”). The Division Hearing Examiner conducted a public hearing on June 2, 2021. The Director, having considered the testimony and evidence presented, and the recommendations of the Hearing Examiner, enters the following findings, conclusions and order.

FINDINGS OF FACT

1. The Division has jurisdiction over the parties and the subject matter herein.
2. The Division gave notice of the hearing as required by 19.15.5.10 NMAC.
3. The Division presented the testimony of one witness, Mr. Daniel Sanchez, Chief of the Division’s Administrative and Compliance Bureau, and offered 6 exhibits in support of his testimony.
4. On March 10, 2021, the Division issued the NOV, which alleged 2 violations:
 - a. BVB has more inactive wells than allowed by 19.15.5.9(A)(4)(a) NMAC. BVB is the registered operator of 17 wells in the state of New Mexico. Because BVB operates less than 100 wells, it must plug and abandon or place into approved temporary abandonment (“TA”) status those inactive wells that exceed the lesser threshold of 2 wells or 50 percent of all wells. *Id.* BVB has 2 wells in approved TA status until 2023 and 15 wells that are inactive and have not been plugged and abandoned nor placed into approved TA status:

<u>API</u>	<u>Well</u>	<u>Last Production Reported</u>
30-005-20403	Federal 21 #001	6/2019
30-005-20361	Federal 28 #001	6/2019
30-005-20372	Federal 28 #003	6/2019
30-005-60360	South Lucky Lake Queen Unit #001	6/2019

**FINAL ORDER
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30-005-61227	South Lucky Lake Queen Unit #001E	7/2013
30-005-60244	South Lucky Lake Queen Unit #001F	7/2013
30-005-60371	South Lucky Lake Queen Unit #002	6/2019
30-005-60375	South Lucky Lake Queen Unit #002B	6/2019
30-005-60361	South Lucky Lake Queen Unit #002C	6/2019
30-005-60382	South Lucky Lake Queen Unit #002X	6/2019
30-005-60350	South Lucky Lake Queen Unit #002Z	6/2019
30-005-60352	South Lucky Lake Queen Unit #003	6/2019
30-005-60377	South Lucky Lake Queen Unit #003B	6/2019
30-005-20384	WR Means #002	6/2019
30-005-20386	WR Means #003	4/2019

For this violation, the Division requested an order requiring BVB to plug and abandon the wells or to allow the Division to do so, and if the Division plugs and abandons the wells, to forfeit the financial assurance for the wells and require BVB to pay the excess cost to plug and abandon the wells. The Division also proposed to assess a civil penalty of three thousand nine hundred dollars (\$3,900).

b. BVB does not have sufficient financial assurance for inactive wells as required by 19.15.5.9(D) NMAC. BVB is the registered operator of 3 inactive wells that are not covered by blanket financial assurance and have insufficient one well financial assurance.

<u>API</u>	<u>Well</u>	<u>Existing FA</u>	<u>Required FA</u>
30-005-60360	South Lucky Lake Queen Unit #001	\$6,825	\$28,650
30-005-60371	South Lucky Lake Queen Unit #002	\$6,800	\$28,600
30-005-60332	South Lucky Lake Queen Unit #001A	\$6,848	\$28,696

For this violation, the Division requested an order requiring BVB to provide sufficient one well or blanket financial assurance for the wells, and proposed to assess a civil penalty of nine hundred dollars (\$900).

5. The NOV provided that a process is available for the informal review and resolution of the alleged violations in the NOV. If the NOV is not resolved informally within 30 days after service of notice, the Division will hold a hearing. 19.15.5.10(C)(1)(f) NMAC. The Division served the NOV on BVB. BVB did not contact the Division during the informal resolution period, which expired on or about April 9, 2021.

6. On April 15, 2021, the Division filed and served the Docketing Notice.

7. BVB did not file an answer to the NOV and the Docketing Notice as required by 19.15.5.10(E)(2)(b) NMAC.

8. BVB did not appear at the hearing.

CONCLUSIONS OF LAW

9. The Division is authorized, when it determines that a person is violating, or has violated, the Oil and Gas Act (“Act”), or any provision of a rule, order, permit, or authorization issued under the Act, to seek compliance and civil penalties by issuing a notice of violation. NMSA 1978, §70-2-31(A).

10. The Division followed the requirements of the Act and the rules in issuing a Notice of Violation which described the alleged violations and possible sanctions and provided an opportunity for an informal resolution of the violations. The Division fulfilled the requirements to properly serve BVB with the Notice of Violation and the Notice of Docketing.

11. Based on the Division’s testimony and evidence, the Director finds that BVB violated 19.15.5.9(A)(4)(A) NMAC, by failing to plug and abandon inactive wells; and 19.15.5.9(D) NMAC, by failing to maintain sufficient financial assurance for inactive wells.

12. The Act and the rules authorize a series of possible sanctions for violations. NMSA 1978, §70-2-31(B); 19.15.5.10(B) NMAC. Based on the evidence presented, the Director concludes that the proposed sanctions are appropriate for the violations.

ORDER

1. BVB’s authority to transport from all wells is hereby revoked.

2. BVB shall plug and abandon the 15 wells identified in paragraph 4(a) no later than 30 days after issuance of this Order.

3. If BVB fails to plug and abandon the 15 wells identified in paragraph 4(a) no later than 30 days after issuance of this Order, the Division shall be authorized to plug and abandon the wells and to forfeit the financial assurance for the wells, and BVB shall pay the excess cost to plug and abandon the wells no later than 30 days after actual or attempted service of the Division’s written demand.

4. BVB is assessed civil penalties in the amount of four thousand eight hundred dollars (\$4,800). BVB shall pay the full amount of the civil penalty assessed in this Order no later than 30 days after the Director serves the Order unless BVB files a notice of appeal to the Oil Conservation Commission.

5. The Division retains jurisdiction of this matter for the entry of such further orders as it may deem necessary.

**STATE OF NEW MEXICO
OIL CONSERVATION DIVISION**



ADRIENNE SANDOVAL
DIRECTOR
AES/bb

Date: 6/24/2021

Civil Penalty Calculator



Alleged Violator	BAR V BARB LLC	
Alleged Violator OGRID	371067	
History of Non-Compliance	No history	0
Economic Impact	Less than 50 wells or gross sales less than \$500,000	0
Total Penalty	\$	27,450

API # or Facility ID	Violation Citation	Type of Violation	Description	MinPA(\$)	Multi Day / Single Day	Days in violation	Days Penalized	Penalty Subtotal	Effort to Comply	Negligence and Willfulness	Factor Subtotal	Outstanding Conditions	TOTAL	Comments	
30-005-20403	5.9(A)(4)(a)	each inactive well exceeding the threshold	Federal Mineral & Surface Owner	\$ 250	Single	1	1	\$ 250	No Cooperation or Compliance	0.6 Negligence	0.2 1.8	No outstanding conditions	\$ 2,500.00	\$ 450	Rec Fund Approved Status
30-005-20361	5.9(A)(4)(a)	each inactive well exceeding the threshold	Federal Mineral & Surface Owner	\$ 250	Single	1	1	\$ 250	No Cooperation or Compliance	0.6 Negligence	0.2 1.8	No outstanding conditions	\$ 2,500.00	\$ 450	Rec Fund Approved Status
30-005-20372	5.9(A)(4)(a)	each inactive well exceeding the threshold	Federal Mineral & Surface Owner	\$ 250	Single	1	1	\$ 250	No Cooperation or Compliance	0.6 Negligence	0.2 1.8	No outstanding conditions	\$ 2,500.00	\$ 450	Rec Fund Approved Status
30-005-60360	5.9(A)(4)(a)	each inactive well exceeding the threshold	State Mineral & Surface Owner	\$ 250	Single	1	1	\$ 250	No Cooperation or Compliance	0.6 Negligence	0.2 1.8	No outstanding conditions	\$ 2,500.00	\$ 450	Rec Fund Approved Status
30-005-60332	5.9(A)(4)(a)	each inactive well exceeding the threshold	State Mineral & Surface Owner	\$ 250	Single	1	1	\$ 250	No Cooperation or Compliance	0.6 Negligence	0.2 1.8	No outstanding conditions	\$ 2,500.00	\$ 450	N/A
30-005-60213	5.9(A)(4)(a)	each inactive well exceeding the threshold	Federal Mineral & Surface Owner	\$ 250	Single	1	1	\$ 250	No Cooperation or Compliance	0.6 Negligence	0.2 1.8	No outstanding conditions	\$ 2,500.00	\$ 450	N/A
30-005-61227	5.9(A)(4)(a)	each inactive well exceeding the threshold	Federal Mineral & Surface Owner	\$ 250	Single	1	1	\$ 250	No Cooperation or Compliance	0.6 Negligence	0.2 1.8	No outstanding conditions	\$ 2,500.00	\$ 450	Rec Fund Approved Status
30-005-60244	5.9(A)(4)(a)	each inactive well exceeding the threshold	Federal Mineral & Surface Owner	\$ 250	Single	1	1	\$ 250	No Cooperation or Compliance	0.6 Negligence	0.2 1.8	No outstanding conditions	\$ 2,500.00	\$ 450	Rec Fund Approved Status
30-005-60371	5.9(A)(4)(a)	each inactive well exceeding the threshold	State Mineral & Surface Owner	\$ 250	Single	1	1	\$ 250	No Cooperation or Compliance	0.6 Negligence	0.2 1.8	No outstanding conditions	\$ 2,500.00	\$ 450	Rec Fund Approved Status
30-005-60361	5.9(A)(4)(a)	each inactive well exceeding the threshold	Federal Mineral & Surface Owner	\$ 250	Single	1	1	\$ 250	No Cooperation or Compliance	0.6 Negligence	0.2 1.8	No outstanding conditions	\$ 2,500.00	\$ 450	Rec Fund Approved Status
30-005-60371	8.9	fail to provide financial assurance per well	State Mineral & Surface Owner	\$ 250	Single	1	1	\$ 250	No Cooperation or Compliance	0.6 Negligence	0.2 1.8	No outstanding conditions	\$ 2,500.00	\$ 450	Rec Fund Approved Status
30-005-60360	8.9	fail to provide financial assurance per well	State Mineral & Surface Owner	\$ 250	Single	1	1	\$ 250	No Cooperation or Compliance	0.6 Negligence	0.2 1.8	No outstanding conditions	\$ 2,500.00	\$ 450	N/A
30-005-60332	8.9	fail to provide financial assurance per well	State Mineral & Surface Owner	\$ 250	Single	1	1	\$ 250	No Cooperation or Compliance	0.6 Negligence	0.2 1.8	No outstanding conditions	\$ 2,500.00	\$ 450	Rec Fund Approved Status
30-005-20403	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	Federal Mineral & Surface Owner	\$ 1,000	Single	1	1	\$ 1,000	No Cooperation or Compliance	0.6 Negligence	0.2 1.8	No outstanding conditions	\$ 2,500.00	\$ 1,800	Rec Fund Approved Status
30-005-20361	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	Federal Mineral & Surface Owner	\$ 1,000	Single	1	1	\$ 1,000	No Cooperation or Compliance	0.6 Negligence	0.2 1.8	No outstanding conditions	\$ 2,500.00	\$ 1,800	Rec Fund Approved Status
30-005-20372	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	Federal Mineral & Surface Owner	\$ 1,000	Single	1	1	\$ 1,000	No Cooperation or Compliance	0.6 Negligence	0.2 1.8	No outstanding conditions	\$ 2,500.00	\$ 1,800	Rec Fund Approved Status
30-005-60360	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	State Mineral & Surface Owner	\$ 1,000	Single	1	1	\$ 1,000	No Cooperation or Compliance	0.6 Negligence	0.2 1.8	No outstanding conditions	\$ 2,500.00	\$ 1,800	Rec Fund Approved Status
30-005-60332	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	State Mineral & Surface Owner	\$ 1,000	Single	1	1	\$ 1,000	No Cooperation or Compliance	0.6 Negligence	0.2 1.8	No outstanding conditions	\$ 2,500.00	\$ 1,800	N/A
30-005-60213	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	Federal Mineral & Surface Owner	\$ 1,000	Single	1	1	\$ 1,000	No Cooperation or Compliance	0.6 Negligence	0.2 1.8	No outstanding conditions	\$ 2,500.00	\$ 1,800	N/A
30-005-61227	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	Federal Mineral & Surface Owner	\$ 1,000	Single	1	1	\$ 1,000	No Cooperation or Compliance	0.6 Negligence	0.2 1.8	No outstanding conditions	\$ 2,500.00	\$ 1,800	Rec Fund Approved Status
30-005-60244	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	Federal Mineral & Surface Owner	\$ 1,000	Single	1	1	\$ 1,000	No Cooperation or Compliance	0.6 Negligence	0.2 1.8	No outstanding conditions	\$ 2,500.00	\$ 1,800	Rec Fund Approved Status
30-005-60371	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	State Mineral & Surface Owner	\$ 1,000	Single	1	1	\$ 1,000	No Cooperation or Compliance	0.6 Negligence	0.2 1.8	No outstanding conditions	\$ 2,500.00	\$ 1,800	Rec Fund Approved Status
30-005-60361	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	Federal Mineral & Surface Owner	\$ 1,000	Single	1	1	\$ 1,000	No Cooperation or Compliance	0.6 Negligence	0.2 1.8	No outstanding conditions	\$ 2,500.00	\$ 1,800	Rec Fund Approved Status
30-005-20384	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	Federal Mineral & Surface Owner	\$ 1,000	Single	1	1	\$ 1,000	No Cooperation or Compliance	0.6 Negligence	0.2 1.8	No outstanding conditions	\$ 2,500.00	\$ 1,800	Rec Fund Approved Status
30-005-20386	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	Federal Mineral & Surface Owner	\$ 1,000	Single	1	1	\$ 1,000	No Cooperation or Compliance	0.6 Negligence	0.2 1.8	No outstanding conditions	\$ 2,500.00	\$ 1,800	Rec Fund Approved Status

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

IN RE BAR V BARB, LLC

CASE NO. 24773

**OIL CONSERVATION DIVISION'S
AFFIDAVIT OF SHEILA APODACA
REGARDING NOTICE TO RESPONDANT**

I, Sheila Apodaca, Law Clerk for the Oil Conservation Division ("OCD"), hereby swear and affirm as follows:

1. On July 23, 2024, at the request of Counsel mailed the Notice of Violation ("Notice") via United States Postal Service Certified mail to:

Steve Oldfield, Owner
Bar v Barb, LLC
P.O. Box 4435
Roswell, NM 88202
2. On July 29, 2024, the Notice arrived at the aforementioned mailing address.
3. On August 13, 2024, the Notice was unclaimed and deemed return to sender.
4. On August 22, 2024, the Notice was returned to the Original Sender.
5. Attached and incorporated Exhibit 3 is a true and accurate copy of the Notice and tracking information sent to the aforementioned mailing address.

FURTHER AFFIANT SAYETH NOT.


SHEILA APODACA

STATE OF NEW MEXICO

COUNTY OF SANTA FE

SUBSCRIBED AND SWORN TO BEFORE ME, the undersigned authority on this 5TH day of

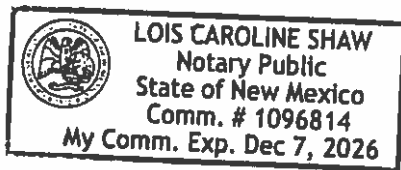
SEPTEMBER, 2024, by SHEILA APODACA

Lois Caroline Shaw

Notary Public in and for the
State of New Mexico

My Commission Expires:

DECEMBER 7, 2026



From: [Apodaca, Sheila, EMNRD](#)
To: [Trevino, Christy, EMNRD](#)
Cc: [Tremaine, Jesse, EMNRD](#); [Griego, Sara, EMNRD](#)
Subject: RE: Notice of Violation- BAR V BARB LLC
Date: Tuesday, July 23, 2024 10:19:23 AM
Attachments: [Bar v. Barb - Certified Mailing 7-23-24.pdf](#)

For your records, here is the certified mailing.

Sheila

From: Trevino, Christy, EMNRD <Christy.Trevino@emnrd.nm.gov>
Sent: Tuesday, July 23, 2024 9:15 AM
To: Apodaca, Sheila, EMNRD <Sheila.Apodaca@emnrd.nm.gov>
Cc: Tremaine, Jesse, EMNRD <JesseK.Tremaine@emnrd.nm.gov>; Griego, Sara, EMNRD <SaraC.Griego@emnrd.nm.gov>
Subject: FW: Notice of Violation- BAR V BARB LLC

Good morning Shelia,

Would you please get the attached docs sent out by certified mail?

Thank you so much!

Christy

From: Trevino, Christy, EMNRD
Sent: Tuesday, July 23, 2024 7:42 AM
To: brokenspearcattleco@gmail.com
Cc: Tremaine, Jesse, EMNRD <JesseK.Tremaine@emnrd.nm.gov>
Subject: FW: Notice of Violation- BAR V BARB LLC

From: Trevino, Christy, EMNRD
Sent: Friday, July 19, 2024 11:07 AM
To: brokenspearcattleco@gmail.com
Cc: Tremaine, Jesse, EMNRD <JesseK.Tremaine@emnrd.nm.gov>
Subject: Notice of Violation- BAR V BARB LLC

Good morning,

Please see the attached Notice of Violation (NOV). The notice outlines the process and opportunity to participate in informal resolution or a hearing. A copy of the NOV will be

sent to your address of record by certified mail.

Please reach out with any questions.

Christy Treviño

Assistant General Counsel-OCD, Office of General Counsel
New Mexico Energy, Minerals & Natural Resources Department
1220 South St. Francis Dr., Santa Fe, NM 87505
Cell: (505) 607-4525
E-mail: Christy.Trevino@emnrd.nm.gov



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

CERTIFIED MAIL



7019 1640 0000 7986 2409

**Steve Oldfield, Owner
BAR V BARB LLC
P.O. Box 4435
Roswell, NM 88202**

SENDER: COMPLETE THIS SECTION		COMPLETE THIS SECTION ON DELIVERY	
<p>1. Article Addressed to:</p> <p>Steve Oldfield, Owner BAR V BARB LLC P.O. Box 4435 Roswell, NM 88202</p>		<p>A. Signature <input type="checkbox"/> Agent <input type="checkbox"/></p> <p>X Addressee <input type="checkbox"/></p>	
<p>2. Article Number (Transfer from service label)</p> <p>7019 1640 0000 7986 1409</p>		<p>B. Received by (Printed Name) _____ C. Date of Delivery _____</p>	
<p>3. Service Type</p> <p><input type="checkbox"/> Adult Signature Restricted Delivery</p> <p><input type="checkbox"/> Adult Signature Restricted Delivery</p> <p><input type="checkbox"/> Collect on Delivery Restricted Delivery</p> <p><input type="checkbox"/> Collect on Delivery Restricted Delivery</p> <p><input type="checkbox"/> Insured Mail (over \$500)</p>		<p>D. Is delivery address different from item 1? <input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>If YES, enter delivery address below: _____</p>	
<p>PS Form 3811, July 2015 PSN 7530-02-000-9053</p>		<p>Domestic Return Receipt</p>	

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

CERTIFIED MAIL



7019 1640 0000 7986 2409

Steve Oldfield, Owner
BAR V BARB LLC
P.O. Box 4435
Roswell, NM 88202
UNCLAIMED

2nd
8/13

9.29.24

NIXIE 731 DE 1 0000/17/24
RETURN TO SENDER
UNCLAIMED
UNABLE TO FORWARD
BC: 87505422599 2266N230202-031594

USPS Tracking®

Remove X

Tracking Number:

70191640000079861409

Copy

Add to Informed Delivery (<https://informedelivery.usps.com/>)

Latest Update

Your item has been delivered to the original sender at 10:21 am on August 22, 2024 in SANTA FE, NM 87505.

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Feedback >

Delivered

Delivered, To Original Sender

SANTA FE, NM 87505

August 22, 2024, 10:21 am

Arrived at USPS Facility

ALBUQUERQUE, NM 87101

August 21, 2024, 12:25 pm

In Transit to Next Facility

August 20, 2024

Arrived at USPS Regional Facility

OKLAHOMA CITY OK DISTRIBUTION CENTER

August 17, 2024, 3:27 pm

Unclaimed/Being Returned to Sender

ROSWELL, NM 88201

August 13, 2024, 8:19 am

Available for Pickup

ROSWELL
415 N PENNSYLVANIA AVE
ROSWELL NM 88201-9998
M-F 0830-1700; SAT 0900-1200
August 3, 2024, 12:21 pm

● **Reminder to pick up your item before August 12, 2024**

ROSWELL, NM 88202
August 3, 2024

● **Available for Pickup**

ROSWELL
415 N PENNSYLVANIA AVE
ROSWELL NM 88201-9998
M-F 0830-1700; SAT 0900-1200
July 29, 2024, 8:14 am

● **Arrived at Post Office**

ROSWELL, NM 88203
July 29, 2024, 7:08 am

● **Arrived at USPS Regional Facility**

LUBBOCK TX DISTRIBUTION CENTER
July 27, 2024, 6:04 pm

● **Departed USPS Facility**

ALBUQUERQUE, NM 87101
July 26, 2024, 7:54 am

● **Arrived at USPS Facility**

ALBUQUERQUE, NM 87101
July 25, 2024, 10:39 pm

● **Hide Tracking History**

What Do USPS Tracking Statuses Mean? (<https://faq.usps.com/s/article/Where-is-my-package>)

Text & Email Updates



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Product Information



From: [Griego, Sara, EMNRD](#)
To: [Trevino, Christy, EMNRD](#)
Subject: RE: Notice of Violation- BAR V BARB LLC- Docketing Notice
Date: Monday, August 12, 2024 9:39:41 AM
Attachments: [Scanned from a Xerox Multifunction Printer.pdf](#)
[image002.png](#)

Tracking # 70180040000054148167

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



From: Trevino, Christy, EMNRD <Christy.Trevino@emnrd.nm.gov>
Sent: Friday, August 9, 2024 5:02 PM
To: Griego, Sara, EMNRD <SaraC.Griego@emnrd.nm.gov>
Cc: Tremaine, Jesse, EMNRD <JesseK.Tremaine@emnrd.nm.gov>
Subject: FW: Notice of Violation- BAR V BARB LLC- Docketing Notice

Hey Sara,

Can you send this out via certified mail Monday? With a copy of the NOV.

Thank you,

Christy

From: Trevino, Christy, EMNRD
Sent: Friday, August 9, 2024 5:01 PM
To: Tschantz, Freya, EMNRD <Freya.Tschantz@emnrd.nm.gov>
Cc: Tremaine, Jesse, EMNRD <JesseK.Tremaine@emnrd.nm.gov>
Subject: FW: Notice of Violation- BAR V BARB LLC- Docketing Notice

Good afternoon Freya,

Please see attached Docketing Notice along with the NOV.

Have a great weekend.

Thank you,

Christy

From: Trevino, Christy, EMNRD
Sent: Friday, August 9, 2024 5:00 PM
To: 'brokenspearcattleco@gmail.com' <brokenspearcattleco@gmail.com>
Cc: Tremaine, Jesse, EMNRD <JesseK.Tremaine@emnrd.nm.gov>
Subject: RE: Notice of Violation- BAR V BARB LLC- Docketing Notice

Good afternoon,

Attached you will find a copy of the Oil Conservation Division's Docketing Notice, along with the Notice of Violation. Please note that this matter has been placed on the OCD's September 12, 2024 Hearing Examiner's Docket.

Christy Treviño
 Assistant General Counsel-OCD, Office of General Counsel
 New Mexico Energy, Minerals & Natural Resources Department
 1220 South St. Francis Dr., Santa Fe, NM 87505
 Cell: (505) 607-4525
 E-mail: Christy.Trevino@emnrd.nm.gov



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From: Trevino, Christy, EMNRD
Sent: Friday, July 19, 2024 11:07 AM
To: brokenspearcattleco@gmail.com
Cc: Tremaine, Jesse, EMNRD <JesseK.Tremaine@emnrd.nm.gov>
Subject: Notice of Violation- BAR V BARB LLC

Good morning,

Please see the attached Notice of Violation (NOV). The notice outlines the process and opportunity to participate in informal resolution or a hearing. A copy of the NOV will be sent to your address of record by certified mail.

Please reach out with any questions.

Christy Treviño

Assistant General Counsel-OCD, Office of General Counsel
New Mexico Energy, Minerals & Natural Resources Department

1220 South St. Francis Dr., Santa Fe, NM 87505

Cell: (505) 607-4525

E-mail: Christy.Trevino@emnrd.nm.gov



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STATE OF NEW MEXICO
ENERGY MINERALS AND
NATURAL RESOURCES DEPARTMENT
1220 SOUTH SAINT FRANCIS DRIVE
SANTA FE, NEW MEXICO 87505

Steve Oldfield
Owner
BAR V BARR LLC
P.O. Box 4435
Roswell, NM 88202



HOWARD COUNTY PUBLIC SAFETY

SENDER - COMPLETE THIS SECTION		RECIPIENT - DO NOT WRITE OR SIGN HERE	
<p>■ Complete items 1, 2, and 3.</p> <p>■ Print your name and address on the reverse so that we can return the card to you.</p> <p>■ Attach this card to the back of the mailpiece, or on the front if space permits.</p> <p>1. Article Addressed to:</p> <p>Steve Oldfield Owner BAR V BARB LLC P.O. Box 4435 Roswell, NM 88202</p>  <p>9580 8402 3720 7335 0815 97</p>		<p>A. Signature</p> <p><input checked="" type="checkbox"/> Agent <input type="checkbox"/> Addressee</p> <p>B. Received by (Printed Name)</p> <p>C. Date of Delivery</p>	
<p>2. Article Number (Transfer from service label)</p> <p>7018 0040 0000 5434 8116 7</p>		<p>D. Is delivery address different from item 1? <input type="checkbox"/> Yes <input type="checkbox"/> No If YES, enter delivery address below: <input type="checkbox"/> Yes <input type="checkbox"/> No</p>	
<p>3. Service Type</p> <p><input type="checkbox"/> Priority Mail Express® <input type="checkbox"/> Adult Signature Restricted Delivery <input checked="" type="checkbox"/> Registered Mail Restricted Delivery <input type="checkbox"/> Certified Mail® <input type="checkbox"/> Collect on Delivery <input type="checkbox"/> Insured Mail <input type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> Signature Confirmation® <input type="checkbox"/> Return Receipt for Restricted Delivery</p>		<p>Domestic Return Receipt</p>	

Remove X

Tracking Number:

70180040000054148167

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Latest Update

Your item could not be delivered on September 3, 2024 at 4:19 pm in ROSWELL, NM 88201. It was held for the required number of days and is being returned to the sender.

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Alert

Unclaimed/Being Returned to Sender

ROSWELL, NM 88201

September 3, 2024, 4:19 pm

Available for Redelivery or Pickup

ROSWELL

415 N PENNSYLVANIA AVE

ROSWELL NM 88201-9998

M-F 0830-1700; SAT 0900-1200

August 22, 2024, 8:43 am

Reminder to pick up your item before August 31, 2024

ROSWELL, NM 88202

August 22, 2024

Available for Pickup

ROSWELL

415 N PENNSYLVANIA AVE

ROSWELL NM 88201-9998

M-F 0830-1700; SAT 0900-1200

August 17, 2024, 9:21 am

- **Arrived at Post Office**
ROSWELL, NM 88201
August 17, 2024, 9:19 am
- **Departed USPS Regional Facility**
LUBBOCK TX DISTRIBUTION CENTER
August 16, 2024, 9:55 pm
- **Arrived at USPS Regional Facility**
LUBBOCK TX DISTRIBUTION CENTER
August 16, 2024, 6:16 pm
- **Departed USPS Facility**
ALBUQUERQUE, NM 87101
August 15, 2024, 8:01 am
- **Arrived at USPS Origin Facility**
ALBUQUERQUE, NM 87101
August 14, 2024, 10:57 pm
- **Departed Post Office**
SANTA FE, NM 87501
August 14, 2024, 5:10 pm
- **USPS picked up item**
SANTA FE, NM 87501
August 14, 2024, 3:19 pm
- **Hide Tracking History**

[What Do USPS Tracking Statuses Mean? \(https://faq.usps.com/s/article/Where-is-my-package\)](https://faq.usps.com/s/article/Where-is-my-package)

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Product Information



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Track Another Package



From: [Steve Oldfield](#)
To: [Corral, Madai, EMNRD](#)
Cc: [Trevino, Christy, EMNRD](#); [Tschantz, Freya, EMNRD](#); [Tremaine, Jesse, EMNRD](#)
Subject: [EXTERNAL] Re: Case No. 24773- Bar V Barb, LLC
Date: Monday, September 9, 2024 10:16:27 PM
Attachments: [Bar V Barb Bill of Sale Certified Copy.pdf](#)
[Bar V Barb Central Valley Electric Statement 09.06.24.pdf](#)
[Bar V Barb Asset Purchase Agreement Certified Copy.pdf](#)

CAUTION: This email originated outside of our organization. Exercise caution prior to clicking on links or opening attachments.

Good evening,

I have received numerous calls over the past few years from the State of New Mexico and BLM, and I do not recall each person's name that I have spoken with, but each time I have advised that I am no longer the owner or have any part of the Bar V Barb as of May 13, 2019. I transferred all interests and assets of the Bar V Barb to Mr. Scott Standard, last known address 810 Pennsylvania, Lake Arthur, NM 88232, and last known phone number 575-420-5372. At the time of the sale, the Bar V Barb was in good standing with the State of New Mexico and in compliance with all reporting and regulations.

Please find a certified copy of the Bill of Sale and the Asset Purchase Agreement attached. These documents are on file at the Chaves County, NM clerk's office. I have also attached a letter from Central Valley Electric Co stating that Mr. Standard assumed the responsibility of the electric utility. I am attempting to obtain a letter from the financial institution stating the date the bank account for the Bar V Barb was transferred to Mr. Standard and will forward if one is provided to me.

Please contact me via email should you require any further information.

Kind regards,

Steve Oldfield

On Thu, Sep 5, 2024 at 4:01 PM Corral, Madai, EMNRD <Madai.Corral@emnrd.nm.gov> wrote:

Good afternoon Ms. Trevino,

The Pre-hearing Statement and exhibits have been filed.

Thank you.

Madai Corral

From: Trevino, Christy, EMNRD <Christy.Trevino@emnrd.nm.gov>
Sent: Thursday, September 5, 2024 3:33 PM
To: Corral, Madai, EMNRD <Madai.Corral@emnrd.nm.gov>
Cc: Tschantz, Freya, EMNRD <Freya.Tschantz@emnrd.nm.gov>; Tremaine, Jesse, EMNRD <JesseK.Tremaine@emnrd.nm.gov>; brokenspearcattleco@gmail.com
Subject: Case No. 24773- Bar V Barb, LLC

Good afternoon,

Please see attached Pre-hearing Statement along with affidavits and exhibits for filing.

Thank you,

Christy Treviño

Assistant General Counsel-OCD, Office of General Counsel

New Mexico Energy, Minerals & Natural Resources Department

1220 South St. Francis Dr., Santa Fe, NM 87505

Cell: (505) 607-4525

E-mail: Christy.Trevino@emnrd.nm.gov



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