

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

OIL CONSERVATION DIVISION,

CASE NO. 24940

Petitioner

V.

POCO RESOURCES, LLC,

Respondent

NOTICE OF DISMISSAL

The New Mexico Oil Conservation Division ("OCD") moves to dismiss Case No. 24940.

OCD and the Respondent have come to a settlement agreement attached as **Exhibit 1- Stipulated**

Final Order.

Respectfully submitted,

Christy B. Treviño

Christy Treviño

Assistant General Counsel

New Mexico Energy, Minerals and

Natural Resources Department

Oil Conservation Division

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CERTIFICATE OF SERVICE

I certify that on January 21, 2025, I served this pleading by electronic mail only on:

Joshua Olguin
Financial Manager
POCO Resources, LLC
3307 E Castleberry Road
Artesia, NM 88210
joshua@olguinps.com/joshua@pocores.com

Christy B. Treviño

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STIPULATED FINAL ORDER

Pursuant to the New Mexico Oil and Gas Act ("Act"), NMSA 1978, Section 70-2-1, *et seq.*, and 19.15.5.10(C) NMAC, the Director of the Oil Conservation Division ("OCD") and POCO Resources, LLC ("Operator"), OGRID # 373121 enter into this Stipulated Final Order ("Order") to resolve a Notice of Violation ("NOV").

1. OCD is charged with the administration and enforcement of the Act and the implementing rules and has jurisdiction to regulate Operator's wells and facilities within the State of New Mexico.
2. On September 6, 2024, OCD issued an NOV to Operator which alleged multiple violations regarding 19.15.25.8, 19.15.5.9(A), 19.15.8.9, and 19.15.7.24 NMAC.
3. Operator is the responsible party for all reports and operational conditions at the referenced wells.
4. Operator requested informal resolution of the NOV.
5. Operator admits the violations alleged in the NOV.
6. To resolve the alleged violations without the cost and expense of a hearing on the legal and factual issues raised by the NOV, Operator and OCD agree that:
 - a. By April 30, 2025, Operator shall bring all wells into compliance by either returning well(s) to production or proper plugging and abandonment, including submission of a complete and accurate request to release the site and reapply for the appropriate bonding.
 - b. Operator shall not be required to pay any civil penalties required in the NOV. The abatement of civil penalties does not preclude the operator from any other costs incurred by OCD for working on Operators wells.
7. Should Operator fail to meet any deadline in paragraph 6 of this Order, OCD may immediately plug and abandon, restore, and/or remediate any of the wells. Operator agrees that it will forfeit any financial assurance associated with any well which is plugged and abandon, restored, or remediated by the OCD.
8. This Order shall not be construed to be a resolution or to absolve the Operator from any costs or liabilities associated with the plugging and abandonment, restoration, or remediation of a well by OCD which exceeds the value of financial assurance furnished by Operator. Operator is liable for any and all costs associated with the plugging and abandonment, restoration, or remediation work on Operator's wells incurred by OCD.

9. Operator has the option to plug and abandon, restore or remediate any well prior to OCD hiring third parties to perform plugging and abandonment, restoration, or remediation work on Operator's wells.
10. Operator shall notify OCD of any changes in operations regarding wells listed in Exhibit A.
11. Operator shall submit any notice or document required by this Order through the OCD Permitting system. Any other communication related to this Order shall be submitted by electronic mail to OCD.Engineer@emnrd.nm.gov.
12. Operator admits OCD's jurisdiction to file the NOV, consents to the relief specified herein, and waives the right of review by the Oil Conservation Commission or other judicial relief.
13. Operator understands and agrees that this Order does not resolve any dispute or claim concerning any party which is not a signatory of this agreement.
14. The persons executing this Order represent that they have the requisite authority to bind their respective parties and such representation shall be legally sufficient evidence of their actual or apparent authority.
15. Operator shall not transfer any well subject to this order to any other operator without prior approval of OCD. However, OCD will approve a transfer to a prospective buyer, who accepts all the obligations under this Order or a similar order. Operator shall provide written confirmation to OCD of the notice and acceptance.
16. This Order becomes effective on the date of final execution by the OCD Director.
17. OCD reserves the right to sanction Operator for any alleged violation not addressed in this Order.

OIL CONSERVATION DIVISION



Gerasimos Razatos
Acting Director

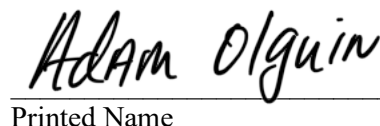
Date: 1/21/2025

POCO RESOURCES, LLC



Signature

Date: 1-16-2025



Printed Name

Exhibit A											
Operator Name:		POCO Resources LLC									
Operator OGRID:		373121									
SFO Execution Date:											
Total Number of Non-Compliant Wells:		18									
Number of Wells per month brought into production or plugged:		2 to 3									
List of Noncompliant Wells											
API	Well Name/Number	Proposed Compliance Action	Compliance Deadline	Reason for non-compliance	Corrective Actions taken prior to Settlement	Financial Assurance Corrective Action					
30-015-01916	Adkins Williams State #002	Working with XTO to plug	4/30/2025	Reporting issues	reviewed and looked at well sites	Reapply for blanket bonds					
30-025-11194	Cortland Myers Unit #001	RTP by 4/30/25	4/30/2025	Reporting issues	reviewed and looked at well sites	Reapply for blanket bonds					
30-025-11197	Cortland Myers Unit #003	RTP by 4/30/25	4/30/2025	Reporting issues	reviewed and looked at well sites	Reapply for blanket bonds					
30-025-11198	Cortland Myers Unit #004	RTP by 4/30/25	4/30/2025	Reporting issues	reviewed and looked at well sites	Reapply for blanket bonds					
30-041-20206	Federal 18 #001	RTP by 4/30/25	4/30/2025	Reporting issues	reviewed and looked at well sites	Reapply for blanket bonds					
30-041-20224	Federal 18 #002	RTP by 4/30/25	4/30/2025	Reporting issues	reviewed and looked at well sites	Reapply for blanket bonds					
30-025-20352	Knight #009	Injection well that has never passed	4/30/2025	Casing integrity issues	reviewed and looked at well sites	Reapply for blanket bonds					
30-041-20318	McGrail #001H	planned plugging and abandonment	4/30/2025	Reporting issues	reviewed and looked at well sites	Reapply for blanket bonds					
30-15-04744	Poker Lake State #001	planned plugging and abandonment	4/30/2025	Reporting issues	reviewed and looked at well sites	Reapply for blanket bonds					
30-015-24700	Poker Lake Unit #061	RTP by 4/30/25	4/30/2025	Reporting issues	reviewed and looked at well sites	Reapply for blanket bonds					
30-015-24988	Poker Lake Unit #066	Working with XTO to plug	4/30/2025	Reporting issues	reviewed and looked at well sites	Reapply for blanket bonds					
30-015-24724	Poker Lake Unit #063	Plugged- File appropriate froms	4/30/2025	Reporting issues	reviewed and looked at well sites	Reapply for blanket bonds					
30-015-25318	Poker Lake Unit #068	Plugged- File appropriate froms	4/30/2025	Reporting issues	reviewed and looked at well sites	Reapply for blanket bonds					
30-015-01901	Signal State #002	RTP by 4/30/25	4/30/2025	Reporting issues	reviewed and looked at well sites	Reapply for blanket bonds					
30-015-24606	Signal State #004	RTP by 4/30/25	4/30/2025	Reporting issues	reviewed and looked at well sites	Reapply for blanket bonds					
30-041-20600	State #001	Working with OXY to plug	4/30/2025	Reporting issues	reviewed and looked at well sites	Reapply for blanket bonds					
30-041-00188	State BPA #001	RTP by 4/30/25	4/30/2025	Reporting issues	reviewed and looked at well sites	Reapply for blanket bonds					
30-041-00189	State BPA #002	RTP by 4/30/25	4/30/2025	Reporting issues	reviewed and looked at well sites	Reapply for blanket bonds					