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# OIL CONSERVATION DIVISION, Petitioner

V.

M&M ENERGY, LLC Respondent

**OGRID** #294619;

NOTICE OF VIOLATION.

**Unresolved Notice of Violation of** 

19.15.25.8,19.15.5.9, 19.15.8.9 and

19.15.7.24 NMAC

Case # 25165

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- Page 009-012: Exhibit 3: Notice of Violation (NOV) against M&M Energy, LLC date December 4, 2024
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#### STATE OF NEW MEXICO ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT OIL CONSERVATION DIVISION

OIL CONSERVATION DIVISION,

**CASE NO. 25165** 

Petitioner

V.

**M&M ENERGY, LLC,** 

Respondent

#### 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 October 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 M&M Energy, LLC, ("Respondent"), OGRID# 294619. The goal of such an assessment is to inspect the OCD permitting system regarding operator compliance with rules, such as but not limited to, 19.15.5, 19.15.7, 19.15.8, 19.15.25 NMAC. Upon Mr. Karns' review of OCD's permitting system reports and data, Mr. Karns concluded that Respondent was not compliant with 19.15.25.8, 19.15.5.9, 19.15.8.9, and 19.15.7.24 NMAC.

More specifically, OCD's records indicate that Respondent Operates three (3) wells all which are inactive in violation with 19.15.25.8 NMAC and 19.15.5.9 NMAC. Per 19.15.8.9 NMAC, the Respondent has three (3) wells that are currently inactive and lack sufficient financial assurances. Per 19.15.7.24 NMAC, the Respondent has not filed the required C-115 (monthly production reports) for any well since at least January of 2021. Per 19.15.5.10 NMAC, OCD may

pursue a litany of remedies for wells in violation of 19.15.25.8, 19.15.8.9 and 19.15.7.24 (or any other OCD regulation) including, but not limited to, termination of authorization to transport, plugging and abandoning of inactive wells, forfeiture of financial assurances, civil penalties, and possible indemnification for the costs OCD incurs to plug and abandon the wells.

Respondent has not communicated with OCD, there has been no request for informal resolution, nor has the Respondent filed any objections pursuant to 19.15.5.10(E)(2)(b) NMAC.

Respondent violated and remains in violation of 19.15.25.8, 19.15.5.9, 19.15.8.9, and 19.15.7.24 NMAC. OCD seeks an order from the Division granting OCD the authorization to plug and abandon the three (3) inactive wells subject to the Notice of Violation (NOV), forfeiture of financial assurances, termination of Respondent's Authorization to Transport from all three (3) wells, assessing a civil penalty upon Respondent in the amount of \$8,100 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 about two (2) years. 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 2. Mr. Karns will testify regarding his assessment of Respondent's inactive well and compliance status in December 2024. Mr. Karns will discuss the contents of the NOV in Exhibit 3, along with its sub-exhibits. Mr. Karns will also testify to Exhibit 4 and 5 regarding the notice of the NOV and the docketing notice.

OCD'S PRE-HEARING STATEMENT CASE NO. 25165

#### **EXHIBITS:**

Exhibit 1 Affidavit of Nicholas Karns

Exhibit 2 Curriculum Vitae of Nicholas Karns;

Exhibit 3 Notice of Violation (NOV) against M&M Energy, LLC, dated December 4,

2024

Exhibit 3-A Inactive Well List, dated October 9, 2024

Exhibit 3-B Inactive Well Additional Financial Assurance

Report, dated October 9, 2024

Exhibit 3-C OCD C-115 History Report

Exhibit 3-D OCD Civil Penalty Calculation Worksheet

Exhibit 4 Nicholas Karns Certified Mailing of the NOV

Exhibit 5 Nicholas Karns Certified Mailing of Docketing Notice

#### IV. PROCEDURAL MATTERS

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

Respectfully submitted,

Christy Areviño

**Assistant General Counsel** 

Christy B. Treviño

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 February 20, 2025, this pleading was served by electronic mail on:

Mickey McGhee Owner M&M ENERGY, LLC 1008A Prospect Street El Paso, Texas 79902 mmcghee01@yahoo.com

Christy B. Treviño
Christy Treviño

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

OIL CONSERVATION DIVISION,
Petitioner
V.
M&M ENERGY, LLC,
Respondent

**CASE NO. 25165** 

#### **AFFIDAVIT OF NICHOLAS KARNS**

- I, NICHOLAS KARNS, being first duly sworn on oath, states as follows:
- I. I am employed as a Compliance Officer within the Administrative Compliance Bureau of the Oil Conservation Division ("OCD"). I have been employed two years with the OCD. My education and qualifications are attached and incorporated as Exhibit 2. As a Compliance Officer with OCD my duties include, but are not limited to, generate and review database reports, on a monthly basis review 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 October 09, 2024, I generated the Inactive Well List, Inactive Well Additional Financial Assurance Report, total well list and C-115 History Report.
- 4. The Inactive Well List was procured by searching the OCD Permitting Database. The Inactive Well List is labeled as Exhibit 3-A. This exhibit is a true and accurate copy of the information contained in the OCD Permitting System.

Case No. 25165

- 5. The Inactive Well List indicated that, M&M ENERGY, LLC, OGRID# 294619 ("Operator"), operated and was the responsible party for three (3) 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. Attached and incorporated as Exhibit 3-A.
- 6. The Operator is the registered operator of three (3) wells. All three (3) wells are out of compliance with 19.15.25.8 NMAC. Attached and incorporated as Exhibit 3-A. The exhibit is a true and accurate copy of the information in OCD Permitting System.
- 7. The Inactive Well Additional Financial Assurance Report was procured 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 3-B. The exhibit is a true and accurate copy of the information in OCD Permitting System.
- 8. The C-115 History Report was procured by reviewing the Operator's Compliance with 19.15.7.24 NMAC. Of the three (3) wells operated by the Operator, none have reported production in the past fifteen (15) months prior to issuance of the underlying NOV. Operator had not submitted the required C-115 forms for any of the wells since at least January 2021. 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 three (3) wells are inactive and are therefore out of compliance. *Attached and incorporated as* Exhibit 3-C. The exhibit is a true and accurate copy of the information in OCD Permitting System.
- 9. Civil penalties were assessed and procured based on the violations listed herein. The total for the listed violations amount is eight thousand one hundred (\$8,100). Attached and incorporated as Exhibit 3-D. The exhibit is a true and accurate copy of the information in OCD Permitting System.
- 10. On December 4, 2024, I sent via certified mail and email the Notice of Violation (NOV) to the Operator of Record found in OCD Permitting, Mr. Mickey McGhee, Owner of M&M Energy, LLC at 1008A Prospect Street, El Paso, Texas 79902 and emailed <a href="mmghee01@yahoo.com">mmghee01@yahoo.com</a>. On December 9, 2024, the certified mail tracking information indicated that the NOV arrived at the operators address of record and according to the United State Postal Service was left with the individual. Attached and incorporated as Exhibit 4.
- 11. On January 16, 2025, I sent via certified mail the Docketing Notice to the Operator of Record found in OCD Permitting, Mr. Mickey McGhee, Owner of M&M Energy, LLC at 1008A Prospect Street, El Paso, Texas 79902 and emailed <a href="mailto:mmghee01@yahoo.com">mmghee01@yahoo.com</a>. On January 21, 2025, the certified mail tracking information indicated that the NOV arrived at the operators address of

record and according to the United State Postal Service was left with the individual. Attached and incorporated as Exhibit 5.

#### FURTHER AFFIANT SAYETH NOT.

NICHOLAS KARNS

#### STATE OF NEW MEXICO

#### **COUNTY OF SANTA FE**

SUBSCRIBED AND SWORN TO BEFORE ME, the undersigned authority on this

20 day of Feloruary, 2025, by Nicholas Karns

Notary Public in and for the

State of New Mexico

My Commission Expires:

3/18/28

GAYLE LYNN MADRID
Notary Public
State of New Mexico
Comm. # 2002482
My Comm. Exp. Mar 18, 2028

## 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
- Windows
- Linux & open source
- MS Office Suite
- Acrobat
- NCIC OpenFox
- Dot Delimited
- HTML
- Photoshop

#### **Administrative Skills**

- Project managementPolicy and
- infrastructure design Exercised in
- jurisprudence
- Research and analysis
- Database oversight
- Curriculum
- development
- Classroom instruction
- 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
- Regina Chacon / LERB Bureau Chief & CSO - DPS 505-469-7649
- Amanda Macias / Special Projects Supervisor – DPS 505-920-2412
- Roberta Perea / Board Administrator Supervisor – RLD 505-204-2157
- Rob Jackson / Compliance Supervisor – OCD 505-660-2501
- Ruth Romero / Board Administrator - RLD 505-819-9973

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

Mickey McGhee Owner M&M ENERGY, LLC 1008A Prospect Street El Paso, TX 79902 mmcghee01@yahoo.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: M&M ENERGY, LLC, OGRID #294619 ("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, 3<sup>rd</sup> Floor • Santa Fe, New Mexico 87505 Phone (505) 476-3441 • <u>www.emnrd.state.nm.us/ocd</u>

(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 three (3) wells. All three (3) wells are out of compliance with 19.15.25.8 NMAC. *See Exhibit A*.

#### 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 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 three (3) wells. Operator has not submitted the required C-115 for any well since at least January 2021. *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 three (3) 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) <u>Plug and Abandon Wells:</u> OCD will request an order requiring Operator to plug and abandon three (3) wells listed in Exhibit A, 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 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) <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: \$ 1,350.00 19.15.8.9 NMAC: \$ 5,400.00 19.15.7.24 NMAC \$ 1,350.00

(5) Hearing: If this NOV cannot be resolved informally, OCD will hold a hearing on February 27, 2025. 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

12/4/2024

DATE

cc: Office of Legal Counsel, EMNRD

10/9/24, 2:42 PM OCD Permitting Exhibit 3-A

## **Inactive Well List**

Total Well Count: 3 Inactive Well Count: 3 Printed On: Wednesday, October 09 2024

District	API	Well	ULSTR	OCD Unit	Ogrid	Operator	Lease Type	Surface Owner	Well Type	Last Production	Formation/Notes	Status	TA Exp Date
1	30-025-38561	EUMONT STATE #001	C-36-21S-35E	С	294619	M&M ENERGY, LLC	S	Р	0	12/2020	Queen		
1	30-025-38712	EUMONT STATE #002	F-36-21S-35E	F	294619	M&M ENERGY, LLC	S	Р	0	03/2020	Bone Spring		
1	30-025-08809	J H DAY #001	K-06-22S-36E	K	294619	M&M ENERGY, LLC	Р	Р	0	06/2019	TA EXPIRES 9/5/11		

WHERE Operator:294619, 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 294619 M&M ENERGY, LLC Total State & Fee Wells: 3 Printed On: Wednesday, October 09 2024

Property	Well Name	Lease Type	ULSTR	OCD Unit Letter	API	Well Type	Last Prod/lnj	Inactive Additional Bond Due	Bonding Depth	Required Bond Amount	Bond Required Now	Covered By Blanket TA Bond	Bond In Place	In Violation
322427	EUMONT STATE #001	S	C-36-21S-35E	С	30-025-38561	0	12/2020	01/2023	5030	35,060	Υ		10,030	Υ
	EUMONT STATE #002	S	F-36-21S-35E	F	30-025-38712	0	03/2020	04/2022	4296	33,592	Υ		9,296	Υ
317580	J H DAY #001	Р	K-06-22S-36E	K	30-025-08809	0	06/2019	07/2021	3831	32,662	Υ		8,831	Υ

WHERE Ogrid:294619

			1								,
Source	ld	Form Family	Form Medium Name	Type	Description P	rimary Ogrid	Primary Operator Secondary Ogrid	Secondary Operator Submitted Date	Status	Status Date Reviewer District Name(s) County Name(s)	Referenced ID(s)
					M&M ENERGY, LLC [294619] 08/2020,						
	291394		EP Production Monthly Report	C115	09/2020, 10/2020, 11/2020, 12/2020		M&M ENERGY, LLC	1/18/2021	APPROVED	1/19/2021	
Permit	291393	C-115	EP Production Monthly Report	C115	M&M ENERGY, LLC [294619] 07/2020	294619	M&M ENERGY, LLC	1/18/2021	APPROVED	1/19/2021	
					M&M ENERGY, LLC [294619] 04/2020,						
Permit	291392	C-115	EP Production Monthly Report	C115	05/2020, 06/2020	294619	M&M ENERGY, LLC	1/18/2021	APPROVED	1/19/2021	
Permit	291391	C-115	EP Production Monthly Report	C115	M&M ENERGY, LLC [294619] 03/2020	294619	M&M ENERGY, LLC	1/18/2021	APPROVED	1/19/2021	
Permit	291390	C-115	EP Production Monthly Report	C115	M&M ENERGY, LLC [294619] 02/2020	294619	M&M ENERGY, LLC	1/18/2021	APPROVED	1/19/2021	
	291389		EP Production Monthly Report		M&M ENERGY, LLC (294619) 01/2020		M&M ENERGY, LLC		APPROVED	1/19/2021	
	291361		EP Production Monthly Report		M&M ENERGY, LLC (294619) 12/2019		M&M ENERGY, LLC		APPROVED	1/19/2021	
	276979		EP Production Monthly Report		M&M ENERGY, LLC [294619] 11/2019		M&M ENERGY, LLC		APPROVED	1/10/2020	
	276978		EP Production Monthly Report		M&M ENERGY, LLC [294619] 10/2019		M&M ENERGY, LLC		APPROVED	1/10/2020	
Permit	276977	C-115	EP Production Monthly Report	C115	M&M ENERGY, LLC [294619] 09/2019	294619	M&M ENERGY, LLC	1/9/2020	APPROVED	1/10/2020	
Permit	276976	C-115	EP Production Monthly Report	C115	M&M ENERGY, LLC [294619] 08/2019	294619	M&M ENERGY, LLC	1/9/2020	APPROVED	1/10/2020	
Permit	271032	C-115	EP Production Monthly Report	C115	M&M ENERGY, LLC [294619] 07/2019	294619	M&M ENERGY, LLC	8/12/2019	APPROVED	8/13/2019	
Pormit	271031	C-115	EP Production Monthly Report	C115	M&M ENERGY, LLC [294619] 06/2019	20/610	M&M ENERGY, LLC	8/12/2010	APPROVED	8/13/2019	
	271030		EP Production Monthly Report		M&M ENERGY, LLC [294619] 05/2019		M&M ENERGY, LLC		APPROVED	8/13/2019	
	271029		EP Production Monthly Report		M&M ENERGY, LLC [294619] 04/2019		M&M ENERGY, LLC		APPROVED	8/13/2019	
	271028		EP Production Monthly Report		M&M ENERGY, LLC [294619] 03/2019		M&M ENERGY, LLC		APPROVED	8/13/2019	
Permit	271026	C-115	EP Production Monthly Report	C115	M&M ENERGY, LLC [294619] 02/2019	294619	M&M ENERGY, LLC	8/12/2019	APPROVED	8/13/2019	
Permit	271020	C-115	EP Production Monthly Report	C115	M&M ENERGY, LLC [294619] 01/2019	294619	M&M ENERGY, LLC	8/12/2019	APPROVED	8/13/2019	
Permit	271019	C-115	EP Production Monthly Report	C115	M&M ENERGY, LLC [294619] 12/2018	294619	M&M ENERGY, LLC	8/12/2019	APPROVED	8/13/2019	
Permit	271017	C-115	EP Production Monthly Report	C115	M&M ENERGY, LLC [294619] 11/2018	294619	M&M ENERGY, LLC	8/12/2019	APPROVED	8/13/2019	
	265684		EP Production Monthly Report		M&M ENERGY, LLC [294619] 11/2018		M&M ENERGY, LLC		APPROVED	4/3/2019	
	263210		EP Production Monthly Report		M&M ENERGY, LLC [294619] 10/2018		M&M ENERGY, LLC		APPROVED		-
	262030		EP Production Monthly Report		M&M ENERGY, LLC [294619] 09/2018		M&M ENERGY, LLC		APPROVED	1/31/2019	1
	261293		EP Production Monthly Report		M&M ENERGY, LLC [294619] 08/2018		M&M ENERGY, LLC		APPROVED		
Permit	260544	C-115	EP Production Monthly Report		M&M ENERGY, LLC [294619] 07/2018	294619			APPROVED	12/3/2018	
Permit	260542	C-115	EP Production Monthly Report	C115	M&M ENERGY, LLC [294619] 06/2018	294619	M&M ENERGY, LLC	12/3/2018	APPROVED	12/3/2018	
	259823		EP Production Monthly Report		M&M ENERGY, LLC [294619] 06/2018		M&M ENERGY, LLC		REJECTED	11/27/2018	
	259450		EP Production Monthly Report		M&M ENERGY, LLC [294619] 05/2018		M&M ENERGY, LLC		APPROVED		
	259449		EP Production Monthly Report		M&M ENERGY, LLC [294619] 05/2018	294619			APPROVED	11/6/2018	
											+
	259448		EP Production Monthly Report		M&M ENERGY, LLC [294619] 03/2018		M&M ENERGY, LLC		APPROVED	11/6/2018	+
	259383		EP Production Monthly Report		M&M ENERGY, LLC [294619] 02/2018	294619	M&M ENERGY, LLC		APPROVED	11/6/2018	
	259382		EP Production Monthly Report	C115	M&M ENERGY, LLC [294619] 02/2018	294619	M&M ENERGY, LLC		REJECTED	11/5/2018	
Permit	259377	C-115	EP Production Monthly Report	C115	M&M ENERGY, LLC [294619] 02/2018	294619	M&M ENERGY, LLC	11/5/2018	APPROVED	11/5/2018	
	258341		EP Production Monthly Report		M&M ENERGY, LLC [294619] 05/2018		M&M ENERGY, LLC		APPROVED	10/11/2018	
	258056		EP Production Monthly Report		M&M ENERGY, LLC [294619] 04/2018		M&M ENERGY, LLC		APPROVED	10/2/2018	
	258054		EP Production Monthly Report		M&M ENERGY, LLC [294619] 03/2018	294619		10/2/2010	APPROVED	10/2/2018	1
Pormit	250004	C 115		0113	M&M ENERGY 11 C (204010) 00/2010			10/2/2018	ADDDOVED	10/2/2018	+
	258053		EP Production Monthly Report		M&M ENERGY, LLC [294619] 02/2018	294619	M&M ENERGY, LLC	10/2/2018	APPROVED		
	257688		EP Production Monthly Report		M&M ENERGY, LLC [294619] 01/2018		M&M ENERGY, LLC		APPROVED	10/1/2018	
	250982		EP Production Monthly Report		M&M ENERGY, LLC [294619] 12/2017		M&M ENERGY, LLC	4/11/2018	APPROVED	4/11/2018	
	247085		EP Production Monthly Report	C115	M&M ENERGY, LLC [294619] 11/2017	294619			APPROVED	1/12/2018	
Permit	247083	C-115	EP Production Monthly Report	C115	M&M ENERGY, LLC [294619] 10/2017	294619	M&M ENERGY, LLC	1/12/2018	APPROVED	1/12/2018	
	247080		EP Production Monthly Report	C115	M&M ENERGY, LLC [294619] 09/2017	294619	M&M ENERGY, LLC	1/12/2018	APPROVED	1/12/2018	
	245699		EP Production Monthly Report	C115	M&M ENERGY, LLC [294619] 08/2017		M&M ENERGY, LLC	12/11/2017	APPROVED	12/11/2017	
				0115	MAN ENERGY, LLC [284018] 00/2017						
Permit	245520	U-115	EP Production Monthly Report	C115	M&M ENERGY, LLC [294619] 07/2017	294619	M&M ENERGY, LLC	12/5/201/	APPROVED	12/6/2017	
					M&M ENERGY, LLC [294619] 05/2017,						
Permit	242000		EP Production Monthly Report		06/2017		M&M ENERGY, LLC		APPROVED	9/19/2017	
Permit	241999	C-115	EP Production Monthly Report	C115	M&M ENERGY, LLC [294619] 05/2017	294619	M&M ENERGY, LLC	9/19/2017	REJECTED	9/19/2017	
Permit	241998	C-115	EP Production Monthly Report	C115	M&M ENERGY, LLC [294619] 05/2017	294619	M&M ENERGY, LLC	9/19/2017	REJECTED	9/19/2017	
	236189		EP Production Monthly Report	C115	M&M ENERGY, LLC [294619] 04/2017	294619	M&M ENERGY, LLC		APPROVED	5/12/2017	
	236186		EP Production Monthly Report	C115	M&M ENERGY, LLC [294619] 03/2017		M&M ENERGY, LLC		APPROVED	5/12/2017	
	236185		EP Production Monthly Report	0115	M&M ENERGY, LLC [294619] 02/2017		M&M ENERGY, LLC		APPROVED	5/12/2017	
			EP Production Monthly Report	CIIS	Mam ENERG1, LLC [294619] 02/2017		M&M ENERGY, LLC	5/12/2017	APPROVED	5/12/2017	
	236182			C115	M&M ENERGY, LLC [294619] 01/2017			5/12/2017	APPROVED		
	231410		EP Production Monthly Report		M&M ENERGY, LLC [294619] 12/2016	294619			APPROVED	1/31/2017	
	231409		EP Production Monthly Report	C115	M&M ENERGY, LLC [294619] 11/2016		M&M ENERGY, LLC		APPROVED	1/31/2017	
Permit	231408	C-115	EP Production Monthly Report	C115	M&M ENERGY, LLC [294619] 10/2016	294619	M&M ENERGY, LLC	1/31/2017	APPROVED	1/31/2017	
Permit	227760	C-115	EP Production Monthly Report	C115	M&M ENERGY, LLC [294619] 09/2016	294619	M&M ENERGY, LLC	10/21/2016	APPROVED	10/21/2016	
Permit	227759	C-115	EP Production Monthly Report	C115	M&M ENERGY, LLC [294619] 08/2016	294619	M&M ENERGY, LLC	10/21/2016	APPROVED	10/21/2016	
	227758		EP Production Monthly Report		M&M ENERGY, LLC [294619] 07/2016		M&M ENERGY, LLC		APPROVED		1
				0113							+
Permit	225336	O-112	EP Production Monthly Report	C115	M&M ENERGY, LLC [294619] 06/2016	294619	M&M ENERGY, LLC	8/20/2016	APPROVED	8/22/2016	+
				1	M&M ENERGY, LLC [294619] 04/2016,		1				1
Permit	223410		EP Production Monthly Report	C115	05/2016	294619		7/10/2016	APPROVED	7/11/2016	
	220841		EP Production Monthly Report		M&M ENERGY, LLC [294619] 03/2016		M&M ENERGY, LLC		APPROVED		
Permit	220840	C-115	EP Production Monthly Report	C115	M&M ENERGY, LLC [294619] 02/2016	294619	M&M ENERGY, LLC	5/11/2016	APPROVED	5/12/2016	
	220838		EP Production Monthly Report		M&M ENERGY, LLC [294619] 01/2016		M&M ENERGY, LLC	5/11/2016	APPROVED		
				T -	M&M ENERGY, LLC [294619] 08/2015,						
Permit	220837	C-115	EP Production Monthly Report	C115	09/2015, 10/2015, 11/2015, 12/2015	294619	M&M ENERGY, LLC	5/11/2016	APPROVED	5/12/2016	
	2230,				M&M ENERGY, LLC [294619] 01/2015,	204010		5,7152010		<del>                                     </del>	
	ļ			1	02/2015, 03/2015, 04/2015, 05/2015,		1	1	1		
								1	4 000 C		
Permit	220836	U-115	EP Production Monthly Report	C115	06/2015, 07/2015, 12/2014	294619	M&M ENERGY, LLC	5/11/2016	APPROVED	5/12/2016	1
	ļ			1	M&M ENERGY, LLC [294619] 04/2014,		1	1	1		
				1	05/2014, 06/2014, 07/2014, 08/2014,		1 1	1	1		
Permit	220835	C-115	EP Production Monthly Report	C115	09/2014, 10/2014, 11/2014	294619	M&M ENERGY, LLC	5/11/2016	APPROVED	5/12/2016	1
	217025		EP Production Monthly Report		M&M ENERGY, LLC [294619] 01/2016		M&M ENERGY, LLC		APPROVED	2/19/2016	
	216499	C-115	EP Production Monthly Report		M&M ENERGY, LLC [294619] 11/2015		M&M ENERGY, LLC		APPROVED		
Pormit	216499	C 115		0113	MAN ENERGY II C PROCESS AS MOST		M&M ENERGY, LLC	2/10/2016	APPROVED	2/10/2016	+
			EP Production Monthly Report	C115	M&M ENERGY, LLC [294619] 12/2015						
	214548		EP Production Monthly Report	C115	M&M ENERGY, LLC [294619] 10/2015	294619			APPROVED	12/24/2015	
	212174		EP Production Monthly Report	C115	M&M ENERGY, LLC [294619] 08/2015	294619			APPROVED	11/3/2015	
	211176		EP Production Monthly Report		M&M ENERGY, LLC [294619] 07/2015		M&M ENERGY, LLC		APPROVED	10/14/2015	
	211174		EP Production Monthly Report		M&M ENERGY, LLC [294619] 09/2015	294619	M&M ENERGY, LLC		APPROVED	11/3/2015	
Permit	209659	C-115	EP Production Monthly Report	C115	M&M ENERGY, LLC [294619] 07/2015		M&M ENERGY, LLC	9/10/2015	APPROVED	9/10/2015	
Permit	209585		EP Production Monthly Report	C115	M&M ENERGY, LLC [294619] 06/2015	294619			APPROVED	9/10/2015	1
	207206		EP Production Monthly Report	0113	M&M ENERGY, LLC [294619] 05/2015		M&M ENERGY, LLC		APPROVED	7/15/2015	+
											1
	205140		EP Production Monthly Report		M&M ENERGY, LLC [294619] 04/2015		M&M ENERGY, LLC		APPROVED	6/1/2015	
	204203		EP Production Monthly Report	C115	M&M ENERGY, LLC [294619] 02/2015		M&M ENERGY, LLC	5/11/2015	APPROVED	5/11/2015	
	203523		EP Production Monthly Report	C115	M&M ENERGY, LLC [294619] 03/2015	294619			APPROVED	4/28/2015	
Permit	200590	C-115	EP Production Monthly Report	C115	M&M ENERGY, LLC [294619] 01/2015	294619	M&M ENERGY, LLC	3/2/2015	APPROVED	3/2/2015	
	199425		EP Production Monthly Report	C115	M&M ENERGY, LLC [294619] 12/2014	294619			APPROVED	2/9/2015	1
	199424		EP Production Monthly Report	C115	M&M ENERGY, LLC [294619] 11/2014		M&M ENERGY, LLC	2/0/2015	APPROVED	2/9/2015	1
			ED Draduction Monthly De	C115		204019	M&M ENERGY, LLC	2/8/2015	APPROVED		+
remait	196465	0-113	EP Production Monthly Report	C115	M&M ENERGY, LLC [294619] 10/2014	294619	PIGEN ENERGY, LLC	12/6/2014	APPROVED	12/8/2014	
	194926	U-115	EP Production Monthly Report	C115	M&M ENERGY, LLC [294619] 09/2014	294619	M&M ENERGY, LLC	11/1/2014	APPROVED	11/3/2014	1
Permit	103116	C-115	EP Production Monthly Report		M&M ENERGY, LLC [294619] 08/2014	294619			APPROVED	9/29/2014	
Permit Permit			EP Production Monthly Report		M&M ENERGY, LLC [294619] 07/2014	294619	M&M ENERGY, LLC	8/23/2014	APPROVED	8/25/2014	1
Permit Permit Permit	191383										
Permit Permit Permit Permit	191383 189494	C-115	EP Production Monthly Report	C115	M&M ENERGY, LLC [294619] 06/2014		M&M ENERGY, LLC	7/22/2014	APPROVED	7/22/2014	
Permit Permit Permit Permit	191383 189494	C-115	EP Production Monthly Report	C115	M&M ENERGY, LLC [294619] 06/2014 M&M ENERGY, LLC [294619] 05/2014			7/22/2014 6/27/2014	APPROVED APPROVED	7/22/2014 6/30/2014	
Permit Permit Permit Permit Permit	191383	C-115 C-115	EP Production Monthly Report EP Production Monthly Report	C115	M&M ENERGY, LLC [294619] 06/2014 M&M ENERGY, LLC [294619] 05/2014 M&M ENERGY, LLC [294619] 04/2014	294619	M&M ENERGY, LLC M&M ENERGY, LLC M&M ENERGY, LLC	6/27/2014	APPROVED APPROVED	7/22/2014 6/30/2014 6/11/2014	

New Mexico Oil Conservation Division
Civil Penalty Calculation Worksheet

Exhibit 3-D



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API # or Facility ID	Violation Citation	Type of Violation	Description	MinPA(\$)	Multi Day / Single Day	Days in violation	Days Penalized	Penalty Subtotal Effort to Comp	oly	Negligence and Willfulne	ess	Factor Subtotal	Outstanding Condition	s	TOTAL	Comments
30-025-38561	5.9(A)(4)(a)	each inactive well exceeding the threshold		\$ 250	Single	1	1	\$ 250 No Cooperation or Compliance	0.6	Negligence	0.2	1.8	No outstanding conditions	\$ 2,500.00	\$ 450	
30-025-38712	5.9(A)(4)(a)	each inactive well exceeding the threshold		\$ 250	Single	1	1	\$ 250 No Cooperation or Compliance	0.6	Negligence	0.2	1.8	No outstanding conditions	\$ 2,500.00	\$ 450	
30-025-08809	5.9(A)(4)(a)	each inactive well exceeding the threshold		\$ 250	Single	1	1	\$ 250 No Cooperation or Compliance	0.6	Negligence	0.2	1.8	No outstanding conditions	\$ 2,500.00	\$ 450	
30-025-38561	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	Single	1	1	\$ 1,000 No Cooperation or Compliance	0.6	Negligence	0.2	1.8	No outstanding conditions	\$ 2,500.00	\$ 1,800	
30-025-38712	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	Single	1	1	\$ 1,000 No Cooperation or Compliance	0.6	Negligence	0.2	1.8	No outstanding conditions	\$ 2,500.00	\$ 1,800	
30-025-08809	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	Single	1	1	\$ 1,000 No Cooperation or Compliance	0.6	Negligence	0.2	1.8	No outstanding conditions	\$ 2,500.00	\$ 1,800	
30-025-38561	8.9	fail to provide financial assurance per well		\$ 250	Single	1	1	\$ 250 No Cooperation or Compliance	0.6	Negligence	0.2	1.8	No outstanding conditions	\$ 2,500.00	\$ 450	
30-025-38712	8.9	fail to provide financial assurance per well		\$ 250	Single	1	1	\$ 250 No Cooperation or Compliance	0.6	Negligence	0.2	1.8	No outstanding conditions	\$ 2,500.00	\$ 450	
30-025-08809	8.9	fail to provide financial assurance per well		\$ 250	Single	1	1	\$ 250 No Cooperation or	0.6	Negligence	0.2	1.8	No outstanding conditions	\$ 2,500.00	\$ 450	

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## 70191640000082607261

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### **Latest Update**

Your item was delivered to an individual at the address at 2:47 pm on December 9, 2024 in EL PASO, TX 79902.

#### **Get More Out of USPS Tracking:**

USPS Tracking Plus®

#### **Delivered**

#### Delivered, Left with Individual

EL PASO, TX 79902 December 9, 2024, 2:47 pm

#### In Transit to Next Facility

December 8, 2024

#### **Arrived at USPS Regional Facility**

EL PASO TX DISTRIBUTION CENTER December 7, 2024, 1:07 pm

#### **Departed USPS Facility**

ALBUQUERQUE, NM 87101 December 6, 2024, 10:07 pm

#### Arrived at USPS Origin Facility

ALBUQUERQUE, NM 87101 December 6, 2024, 9:11 pm -eedback

## **Departed Post Office**

SANTA FE, NM 87505 December 6, 2024, 5:28 pm

USPS picked up item

SANTA FE, NM 87505 December 6, 2024, 10:22 am

**Hide Tracking History** 

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**FAQs** 

# **USPS Tracking®**

FAQs >

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### **Latest Update**

Your item was delivered to an individual at the address at 3:30 pm on January 21, 2025 in EL PASO, TX 79902.

#### **Get More Out of USPS Tracking:**

USPS Tracking Plus®

#### **Delivered**

Delivered, Left with Individual

EL PASO, TX 79902 January 21, 2025, 3:30 pm

#### **Insufficient Address**

EL PASO, TX 79902 January 21, 2025, 3:24 pm

#### In Transit to Next Facility

January 20, 2025

#### **Arrived at USPS Regional Facility**

EL PASO TX DISTRIBUTION CENTER January 18, 2025, 5:41 pm

#### **Departed USPS Facility**

ALBUQUERQUE, NM 87101 January 18, 2025, 8:36 am -eedback

#### **Arrived at USPS Facility**

ALBUQUERQUE, NM 87101 January 17, 2025, 11:13 pm

**Hide Tracking History** 

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Enter tracking or barcode numbers						

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**FAQs**