

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

IN RE ROCA PRODUCTION INC.

CASE NO. 23061

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

The New Mexico Oil Conservation Division (“OCD”) submits this Pre-Hearing Statement, in accordance with 19.15.5.10(E)(2)(e) NMAC.

I. WITNESSES

OCD will present one witness, Mr. Rob Jackson, Compliance Officer and Bond Administrator, with OCD’s Administrative and Compliance Bureau, 1220 S. St. Francis Drive, Santa Fe, New Mexico.

II. DIRECT TESTIMONY

On August 2, 2022, OCD issued a Notice of Violation to Roca Production Inc. [OGRID #142624] (“Operator”). **See Exhibit 2.**

The NOV alleges two violations and requests specific relief.

Operator has more than two (2) inactive wells. 19.15.9(A)(4)(a) NMAC states that an operator with less than 100 wells must plug and abandon or place into approved temporary abandonment status those inactive wells that exceed the threshold of two (2) wells or 50 percent of all wells.

Operator is registered as the operator of ten (10) wells, all of which are inactive and none of which have been plugged and abandoned or placed into approved temporary abandonment status. **Exhibit 2.** Additionally, Operator is not in compliance with both active and inactive well financial assurance requirements, for all ten (10) wells, as alleged in the attached **Exhibit 2.**

For these violations, OCD requests an order requiring Operator to plug and abandon the wells by a date certain or to allow OCD to do so, and if OCD plugs and abandons the wells, to forfeit any available financial assurance for the wells, and require Operator to pay the excess cost to plug and abandon the wells. OCD also proposes to assess a civil penalty of three thousand dollars (\$3,000) for exceeding the inactive well threshold. **Exhibit 5.**

OCD sent Operator the NOV by certified mail on August 2, 2022. *See Exhibit 4.* OCD also served the NOV by email at Operator's email address of record on August 2, 2022. *See Exhibit 2.* OCD also served its Notice of Docketing by e-mail on September 9, 2022. *See Exhibit 3.*

OCD received a response from Operator that the wells were transferred to another operator, however, OCD has no record of that transfer occurring. *See Exhibit 6.*

Operator did not file an answer to the NOV Docketing Notice as allowed by 19.15.5.10(E)(2)(b) NMAC.

OCD requests an order revoking Operator's registration, terminating Operator's authority to transport from all wells, requiring Operator to plug and abandon inactive wells or alternatively, authorizing OCD to plug and abandon inactive wells, forfeiting financial assurance for inactive wells, requiring Operator to pay the excess cost to plug and abandon inactive wells, and assessing civil penalties against Operator in the amount of three thousand dollars (\$3,000).

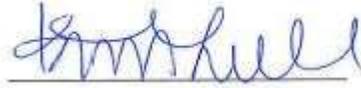
III. EXHIBITS

Exhibit 1	Resume of Rob Jackson
Exhibit 2	Notice of Violation
Exhibit 3	Notice of Docketing Statement
Exhibit 4	Certified Mail Tracking Information
Exhibit 5	Civil Penalty Calculation - 19.15.5.9(A)(4)(a) NMAC
Exhibit 6	Operator Response to NOV Docketing Notice

III. PROCEDURAL MATTERS

OCD reserves the right to call rebuttal witnesses.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "Kaitlyn Luck", is written over a horizontal line.

Kaitlyn A. Luck
Assistant General Counsel
New Mexico Energy, Minerals and
Natural Resources Department
1220 South St. Francis Drive
Santa Fe, New Mexico 87505
Tel (505) 709-5687
kaitlyn.luck@emnrd.nm.gov

CERTIFICATE OF SERVICE

I certify that on November 2, 2022, this pleading was served by certified and electronic mail on:

Richard Mote
123 Smith St.
Santa Fe, NM 87505
gigimote16@gmail.com

Roca Production Inc.

A handwritten signature in blue ink, appearing to read "Kaitlyn A. Luck", written over a horizontal line.

Kaitlyn A. Luck

OCD EXHIBIT 1

Rob T. Jackson

rjackson1969@gmail.com

2848 Pueblo Bonito Santa Fe, NM 87501

(505) 469-4569

INTRODUCTION

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

HIGHLIGHTS

- ◆ **Eight years +** supervisory experience
- ◆ **Experienced** with web content management, establishing workflows and processes
- ◆ **Proficient** communication skills with internal and external customers
- ◆ **Knowledgeable** with internet research and collaborative projects
- ◆ **Certified** forklift operator

EDUCATION

- NM EDGE
 - o Certified Public Supervisor
 - o Certified Public Officer
- Santa Fe Comm College
- Phoenix College
- Augusta University
- Valdosta State University

Computer Skills & Applications

- | | |
|------------------------|---------------|
| • Proprietary software | • ESRI Arcmap |
| • Windows | • QGIS |
| • Linux & open source | • Photoshop |
| • MS Office Suite | • GIMP |
| • Acrobat | • FrontPage |
| • ESRI ArcPro | • Dreamweaver |

SUPERVISORY EXPERIENCE

- Energy Minerals & Natural Resources Dept.**
- .5 years Compliance supervisor (3 people)
- United State Marine Corps**
- .5 years Compliance supervisor (3 people)
 - 2 years Fire Team Leader (3-4 people)
 - 2.5 years Squad Leader (10-12 people)
 - .5 years platoon leader (40-45 people)

Sam's Club

- 3 years Team leader (4-6 people)

UNITED STATES MARINE CORPS

Veteran of Desert Storm 1/88 to 1/96

DIESEL MECHANIC & SUPPLY WAREHOUSING. Decorated Desert Storm veteran, honorably discharged as Sergeant (E-5) serving a full 6/2-year contract. Decorations include Naval Unit Citation and Meritorious Unit Citation.

PROFESSIONAL EXPERIENCE

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

COMPLIANCE SUPERVISOR/COMPLIANCE OFFICER - A
Supervises the Oil Conservation Division compliance team. Establishes and defines new application workflows and improves existing processes. Assures operators are in compliance with state Chapter 15 statutes and regulations. Assists in legal research and testifies as a witness in hearings against noncompliant operators. Manages well bonds from operators as financial assurance for the State of New Mexico.

Santa Fe County 9/15 - 5/21
Santa Fe, NM

GPS TECHNICIAN
Created and published maps in accordance with the building permit process to establish compliance with Santa Fe County building code. E-911 addressing, field data collection using Collector App. Provided addresses as per the County. Edited and analyzed County GIS data using ESRI's ArcPro software.

Dahl Plumbing 1/13 - 9/15
Santa Fe, NM

CUSTOMER SERVICE, WAREHOUSING
Establishing business relationships, fulfilled, and modified orders. Picked and shipped orders, and warehouse receiving. Customer service. Forklift certified. Maintaining inventory through daily servicing and annual inventory control.

Contractor 8/10 - 12/12
Santa Fe, NM

CONSTRUCTION & COMPUTER WORK. Construction work. Part of a four-man team that built a guest house. Installed software and taught use of software to business owner for organization. Various installations.

Wildflower International 8/09 - 7/10
Santa Fe, NM

Customer Service, sales and procurement of technical equipment and needs for federal government agencies.

United States Post Office 12/08 - 6/09
Phoenix, AZ

RURAL CARRIER. Postal mail carrier responsible for sorting, delivery, and collection of mail on several routes.

Virgo Publishing 4/98 - 3/01 & 1/04 - 4/08
Phoenix, AZ

WEB EDITING & AD TRAFFIC COORDINATOR. Managed internet ad traffic for approximately forty websites and twenty weekly newsletters. Collected and designed ads in Photoshop. Ran data analysis reports on ad performance. Converted content of multiple magazines monthly from print, reformatting and posting them to their respective websites.

State of New Mexico
Energy, Minerals and Natural Resources Department

Michelle Lujan Grisham
Governor

Sarah Cottrell Propst
Cabinet Secretary

Todd E. Leahy, JD, PhD
Deputy Cabinet Secretary

Adrienne Sandoval, Division Director
Oil Conservation Division



OCD EXHIBIT 2

BY CERTIFIED MAIL AND ELECTRONIC MAIL

August 2, 2022

Roca Production Inc.
c/o Richard Mote
123 Smith St.
Santa Fe, NM 87505
gigimote16@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:* Roca Production Inc., OGRID # 142624 (“Operator”).
- (2) *Citation, Nature, and Factual and Legal Basis for Alleged Violation(s):*

1. Inactive wells - 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;*

Operator is the registered operator of ten (10) wells. All ten (10) wells identified in **Exhibit A** are out of compliance with 19.15.25.8 NMAC and are not subject to an agreed compliance or final order.

2. Financial Assurance - 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.*

Additionally, Operator is not in compliance with both active and inactive well financial assurance requirements, for all ten (10) wells, as shown in the attached **Exhibit B**.

(3) Compliance: No later than thirty (30) days after receipt of this NOV, Operator shall:

a. plug and abandon all wells listed in **Exhibit A**.

(4) Sanction(s): OCD may impose one or more of the following sanctions:

a. civil penalty

b. modification, suspension, cancellation, or termination of a permit or authorization

c. plugging and abandonment of a well

d. remediation and restoration of a well location and associated facilities, including the removal of surface and subsurface equipment and other materials

e. remediation and restoration of a location affected by a spill or release

f. forfeiture of financial assurance

g. shutting in a well or wells

h. 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 wells listed in **Exhibit A**, and alternatively, an order authorizing OCD to plug and abandon those wells.

- b. Termination of Authorization to Transport: OCD will request an order terminating Operator's authority to transport from all wells.
- c. Civil Penalties: OCD proposes to assess civil penalties as specified below. The civil penalty calculations are attached. OCD has taken into consideration the alleged violator's good faith effort to comply with the applicable requirements. Copies of the civil penalty calculations are attached.

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

Civil Penalty: 19.15.8.9 NMAC: \$ 3,000.00

(5) *Hearing*: If this NOV cannot be resolved informally, OCD will hold a hearing on November 9, 2022. 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 Kaitlyn Luck at (505) 709-5687 or kaitlyn.luck@state.nm.us.

Regards,



Adrienne Sandoval
Director

cc: Office of General Counsel, EMNRD

Inactive Well List

Total Well Count: 10 Inactive Well Count: 10

Printed On: Wednesday, July 13 2022

District	API	Well	ULSTR	OCD Unit	Ogrid	Operator	Lease Type	Well Type	Last Production	Formation/Notes	Status	TA Exp Date
1	30-025-09334	E F KING #002	I-12-23S-36E	I	142624	ROCA PRODUCTION INC.	P	O	12/2018	7R QUEEN GRAYBURG		
1	30-025-09335	E F KING #003	P-12-23S-36E	P	142624	ROCA PRODUCTION INC.	P	O	12/2018	7R QUEEN GRAYBURG		
1	30-025-09430	GEORGE ETZ #001	M-27-23S-36E	M	142624	ROCA PRODUCTION INC.	P	O	03/2011	YATES SEVEN RIVERS		
1	30-025-29257	GEORGE ETZ #006	P-27-23S-36E	P	142624	ROCA PRODUCTION INC.	P	O	12/2018	YATES SEVEN RIVERS		
1	30-025-09119	H E ESMOND A #001	A-33-22S-36E	A	142624	ROCA PRODUCTION INC.	P	O	12/2018	YATES SEVEN RIVERS		
1	30-025-09126	H E ESMOND A #002	H-33-22S-36E	H	142624	ROCA PRODUCTION INC.	P	G	12/2018	YATES SEVEN RIVERS		
1	30-025-09333	MOBIL KING #001	O-12-23S-36E	O	142624	ROCA PRODUCTION INC.	P	O	12/2018	SEVEN RIVERS QN GB		
1	30-025-09336	MOBIL KING #002	J-12-23S-36E	J	142624	ROCA PRODUCTION INC.	P	O	12/2018	7R QUEEN GRAYBURG		
1	30-025-27918	R W COWDEN C #009	H-31-23S-37E	H	142624	ROCA PRODUCTION INC.	P	G	12/2018	YATES SEVEN RIVERS NSP-143 B		
1	30-025-10663	STEVENS B 7 #001	I-07-23S-37E	D	142624	ROCA PRODUCTION INC.	P	G	12/2018	YATES SEVEN RIVERS		

WHERE Operator:142624, County:All, District:All, Township:All, Range:All, Section:All, Production(months):15, Excludes Wells Under ACOI, Excludes Wells in Approved TA Period



Alleged Violator	Roca Production Inc.	
Alleged Violator OGRID	142624	
History of Non-Compliance	No history	0
Economic Impact	Less than 50 wells or gross sales less than \$500,000	0
Total Penalty	\$	6,000

API # or Facility ID	Violation Citation	Type of Violation	Description	MinPA(\$)	Multi Day / Single Day	Days in violation	Wells in Violation	Penalty Subtotal	Effort to Comply	Negligence and Willfulness	Factor Subtotal	Outstanding Conditions	TOTAL	Comments
Multiple	5.9(A)(4)(a)	Inactive wells	Operator has more inactive wells than permitted under 19.15.5.9 NMAC.	\$ 250	Multiple	Multiple	10	\$ 2,500	Cooperation and Compliance 0	Negligence 0.2	1.2	No outstanding conditions \$ 2,500.00	\$ 3,000	

OCD EXHIBIT 3

Tracking Number:

[Remove X](#)

70172680000017719622

[Copy](#) [Add to Informed Delivery](#)
(<https://informedelivery.usps.com/>)

Feedback

Latest Update

Your item was picked up at the post office at 10:00 am on August 5, 2022 in SANTA FE, NM 87505.

Delivered

Delivered, Individual Picked Up at Post Office

SANTA FE, NM 87505
August 5, 2022, 10:00 am

Out for Delivery

SANTA FE, NM 87505
August 5, 2022, 6:10 am

Arrived at Post Office

SANTA FE, NM 87505
August 5, 2022, 5:25 am

Insufficient Address

SANTA FE, NM 87505
August 5, 2022, 5:25 am

Arrived at Post Office

SANTA FE, NM 87505
August 5, 2022, 5:17 am

Departed USPS Facility

ALBUQUERQUE, NM 87101
August 4, 2022, 2:52 pm



Arrived at USPS Facility

ALBUQUERQUE, NM 87101

August 3, 2022, 11:09 pm

Hide Tracking History

Text & Email Updates



Select what types of updates you'd like to receive and how. Send me a notification for:

Text

Email

All Below Updates

Expected Delivery Updates ⓘ

Day of Delivery Updates ⓘ

Package Delivered ⓘ

Available for Pickup ⓘ

Delivery Exception Updates ⓘ

Package In-Transit Updates ⓘ

Feedback

USPS Tracking Plus®



Product Information



See Less ^

Track Another Package



Alleged Violator	Roca Production Inc.	
Alleged Violator OGRID	142624	
History of Non-Compliance	No history	0
Economic Impact	Less than 50 wells or gross sales less than \$500,000	0
Total Penalty	\$	6,000

API # or Facility ID	Violation Citation	Type of Violation	Description	MinPA(\$)	Multi Day / Single Day	Days in violation	Wells in Violation	Penalty Subtotal	Effort to Comply	Negligence and Willfulness	Factor Subtotal	Outstanding Conditions	TOTAL	Comments
Multiple	5.9(A)(4)(a)	Inactive wells	Operator has more inactive wells than permitted under 19.15.5.9 NMAC.	\$ 250	Multiple	Multiple	10	\$ 2,500	Cooperation and Compliance	0	Negligence	0.2	1.2	No outstanding conditions \$ 2,500.00 \$ 3,000

OCD EXHIBIT 4

Luck, Kaitlyn, EMNRD

From: Luck, Kaitlyn, EMNRD
Sent: Friday, September 9, 2022 7:22 AM
To: gigimote16@gmail.com
Subject: RE: Case No. 23061 - 11/9/22 hearing docketing - Roca Production Inc. OGRID #142624
Attachments: 23061 -- Roca - docketing11-9-22.pdf; Roca - NOV - final - 08.02.22.pdf

Good morning,

Please see the attached docketing notice for Roca’s NOV set for hearing on November 9.

Thanks,

Kaitlyn

From: Salvidrez, Marlene, EMNRD <Marlene.Salvidrez@state.nm.us>
Sent: Thursday, September 8, 2022 8:14 AM
To: Luck, Kaitlyn, EMNRD <Kaitlyn.Luck@state.nm.us>
Cc: Brancard, Bill, EMNRD <bill.brancard@state.nm.us>; Tremaine, Jesse K, EMNRD <JesseK.Tremaine@state.nm.us>; Griego, SaraC, EMNRD <SaraC.Griego@state.nm.us>
Subject: RE: Case No. 23061 - 11/9/22 hearing docketing - Roca Production Inc. OGRID #142624

Good morning,

The attached documents have been imaged into the case file and the case is on the November 9th docket.

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



From: Luck, Kaitlyn, EMNRD <Kaitlyn.Luck@state.nm.us>
Sent: Thursday, September 8, 2022 6:29 AM
To: Salvidrez, Marlene, EMNRD <Marlene.Salvidrez@state.nm.us>
Cc: Brancard, Bill, EMNRD <bill.brancard@state.nm.us>; Tremaine, Jesse K, EMNRD <JesseK.Tremaine@state.nm.us>; Griego, SaraC, EMNRD <SaraC.Griego@state.nm.us>
Subject: RE: Case No. 23061 - 11/9/22 hearing docketing - Roca Production Inc. OGRID #142624

Hi,

Attached are OCD’s Docketing Notice, the Notice of Violation, and OCD’s Civil Penalty Calculation issued along with the NOV. OCD Requests to Docket this case for a hearing on the merits on November 9, 2022.

Let me know if you have any trouble with these files, thanks!

Kaitlyn

From: Salvidrez, Marlene, EMNRD <Marlene.Salvidrez@state.nm.us>
Sent: Tuesday, September 6, 2022 2:20 PM
To: Luck, Kaitlyn, EMNRD <Kaitlyn.Luck@state.nm.us>
Cc: Brancard, Bill, EMNRD <bill.brancard@state.nm.us>; Tremaine, Jesse K, EMNRD <JesseK.Tremaine@state.nm.us>; Griego, SaraC, EMNRD <SaraC.Griego@state.nm.us>
Subject: RE: Case No. request - 11/9/22 hearing - Roca Production Inc. OGRID #142624

Hi,

Yes, I had a very nice restful weekend. I hope you are well. 😊

This has been assigned case no. 23061.

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



From: Luck, Kaitlyn, EMNRD <Kaitlyn.Luck@state.nm.us>
Sent: Tuesday, September 6, 2022 2:10 PM
To: Salvidrez, Marlene, EMNRD <Marlene.Salvidrez@state.nm.us>
Cc: Brancard, Bill, EMNRD <bill.brancard@state.nm.us>; Tremaine, Jesse K, EMNRD <JesseK.Tremaine@state.nm.us>; Griego, SaraC, EMNRD <SaraC.Griego@state.nm.us>
Subject: Case No. request - 11/9/22 hearing - Roca Production Inc. OGRID #142624

Hi Marlene,

I hope you had a nice long weekend. I intend to issue a docketing notice for the attached NOV issued against Roca Production Inc. OGRID #142624.

The hearing is scheduled for November 9, 2022. Could you please provide a case number for me to add to the docketing notice? The NOV (Exhibit A) is attached.

This is the first of three case number requests for November 9.

Kaitlyn A. Luck
Attorney | Energy, Minerals & Natural Resources Department
1220 South St. Francis Drive | Santa Fe, NM 87505
(505) 709-5687
kaitlyn.luck@state.nm.us



CONFIDENTIALITY NOTICE: This communication with its contents may contain confidential and/or legally privileged information. It is solely for the use of the intended recipient(s). Unauthorized interception, review, use or disclosure is prohibited and may violate applicable laws including the Electronic Communications Privacy Act. If you are not the intended recipient, please contact the sender and destroy all copies of the communication.

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

IN RE ROCA PRODUCTION INC.

CASE NO. 23061

**OIL CONSERVATION DIVISION'S
DOCKETING NOTICE**

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

1. On August 2, 2022, OCD issued the NOV to Roca Production Inc., OGRID #142624.
2. The certified mail containing the NOV was delivered to the operator’s address of record on August 5, 2022.
3. The NOV identified the factual basis for the alleged violations, the compliance actions required to remedy the alleged violations, and the proposed sanctions.
4. The NOV stated that if Roca Production Inc. did not informally resolve the NOV within 30 days of receipt of service, then OCD would hold a hearing on November 9, 2022.
5. The period for informal resolution has elapsed without response from operator.

WHEREFORE, OCD requests that the NOV be docketed for hearing on November 9, 2022.

Respectfully submitted,



Kaitlyn Luck
Assistant General Counsel
New Mexico Energy, Minerals and
Natural Resources Department
1220 South St. Francis Drive
Santa Fe, New Mexico 87505
Tel (505) 709-5687
Kaitlyn.Luck@state.nm.us

CERTIFICATE OF SERVICE

I certify that on September 8, 2022, this pleading was served by certified and electronic mail on:

Roca Production Inc.
c/o Richard Mote
123 Smith St.
Santa Fe, NM 87505
gigimote16@gmail.com

A handwritten signature in blue ink, appearing to read "Kaitlyn A. Luck", is written over a horizontal line.

Kaitlyn A. Luck

OCD EXHIBIT 6

Luck, Kaitlyn, EMNRD

From: CAROLE BORDEAUX <gigimote16@gmail.com>
Sent: Monday, October 17, 2022 2:54 PM
To: Luck, Kaitlyn, EMNRD
Subject: [EXTERNAL] Re: Case No. 23061 - 11/9/22 hearing docketing - Roca Production Inc. OGRID #142624
Attachments: image001.png; image002.jpg; Richard Mote Death Certificate.pdf; Change of Operator - Roca.Convert.signed(1).pdf
Follow Up Flag: Follow up
Flag Status: Flagged

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

Good Evening,

I am in receipt of these documents but want to make you aware of the following.

- A. Richard Mote, said Operator of Roca Production is died on 3/7/2022. SEE COD and was sent to your Agency in 2019 for notification.
- B. To my knowledge, which I was listed in Corp records as being an officer in name only, have never run, signed or reaped any financial benefits from these wells.
- C. I am 70 years old on SS only, and have recently been diagnosed w Stage 4 Cancer.
- D. The wells have not been in production since 2018, and the last hand that worked for Richard Mote, was asked to shut in all these wells in 2019 post Richards death.
- E. CHANGE OF OWNERSHIP was done in 2019 to John Acton 432 528-4063 - Company Name: Convert
And were sent to:
Daniel Sanchez
NMOCD Compliance & Enforcement Manager
(505)476-3493

The atty for

New Operator/ forms c-145 are attached

Hamm Law Group, PLLC

3000 N. Garfield, Ste. 205

Midland, Texas 79705

(432) 375-6060

PermianLaw.com

I also believe that there was a plugging bond held for these wells at West Texas Bank in Midland, for \$8,000 - under Roca Production.

I will not be able to attend any hearing due to my frail health. I trust with this information - you will be contacting Convert.- John Action for further information.

Thank you,

Carole Bordeaux Mote

On Fri, Sep 9, 2022, 6:21 AM Luck, Kaitlyn, EMNRD <Kaitlyn.Luck@state.nm.us> wrote:

Good morning,

Please see the attached docketing notice for Roca's NOV set for hearing on November 9.

Thanks,

Kaitlyn

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

Sent: Thursday, September 8, 2022 8:14 AM

To: Luck, Kaitlyn, EMNRD <Kaitlyn.Luck@state.nm.us>

Cc: Brancard, Bill, EMNRD <bill.brancard@state.nm.us>; Tremaine, Jesse K, EMNRD <JesseK.Tremaine@state.nm.us>; Griego, SaraC, EMNRD <SaraC.Griego@state.nm.us>

Subject: RE: Case No. 23061 - 11/9/22 hearing docketing - Roca Production Inc. OGRID #142624

Good morning,

The attached documents have been imaged into the case file and the case is on the November 9th docket.

Thank you,

Marlene Salvidrez

Oil Conservation Division

Energy, Minerals and Natural Resources Department

(505) 469-5527

From: Luck, Kaitlyn, EMNRD <Kaitlyn.Luck@state.nm.us>

Sent: Thursday, September 8, 2022 6:29 AM

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

Cc: Brancard, Bill, EMNRD <bill.brancard@state.nm.us>; Tremaine, Jesse K, EMNRD <JesseK.Tremaine@state.nm.us>;

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

Subject: RE: Case No. 23061 - 11/9/22 hearing docketing - Roca Production Inc. OGRID #142624

Hi,

Attached are OCD's Docketing Notice, the Notice of Violation, and OCD's Civil Penalty Calculation issued along with the NOV. OCD Requests to Docket this case for a hearing on the merits on November 9, 2022.

Let me know if you have any trouble with these files, thanks!

Kaitlyn

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

Sent: Tuesday, September 6, 2022 2:20 PM

To: Luck, Kaitlyn, EMNRD <Kaitlyn.Luck@state.nm.us>

Cc: Brancard, Bill, EMNRD <bill.brancard@state.nm.us>; Tremaine, Jesse K, EMNRD <JesseK.Tremaine@state.nm.us>;

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

Subject: RE: Case No. request - 11/9/22 hearing - Roca Production Inc. OGRID #142624

Hi,

Yes, I had a very nice restful weekend. I hope you are well. 😊

This has been assigned case no. 23061.

Thank you,

Marlene Salvidrez

Oil Conservation Division

Energy, Minerals and Natural Resources Department

(505) 469-5527

From: Luck, Kaitlyn, EMNRD <Kaitlyn.Luck@state.nm.us>

Sent: Tuesday, September 6, 2022 2:10 PM

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

Cc: Brancard, Bill, EMNRD <bill.brancard@state.nm.us>; Tremaine, Jesse K, EMNRD <JesseK.Tremaine@state.nm.us>; Griego, SaraC, EMNRD <SaraC.Griego@state.nm.us>

Subject: Case No. request - 11/9/22 hearing - Roca Production Inc. OGRID #142624

Hi Marlene,

I hope you had a nice long weekend. I intend to issue a docketing notice for the attached NOV issued against Roca Production Inc. OGRID #142624.

The hearing is scheduled for November 9, 2022. Could you please provide a case number for me to add to the docketing notice? The NOV (Exhibit A) is attached.

This is the first of three case number requests for November 9.

Kaitlyn A. Luck

Attorney | Energy, Minerals & Natural Resources Department

1220 South St. Francis Drive | Santa Fe, NM 87505

(505) 709-5687

kaitlyn.luck@state.nm.us

CONFIDENTIALITY NOTICE: This communication with its contents may contain confidential and/or legally privileged information. It is solely for the use of the intended recipient(s). Unauthorized interception, review, use or disclosure is prohibited and may violate applicable laws including the Electronic Communications Privacy Act. If you are not the intended recipient, please contact the sender and destroy all copies of the communication.

District I

1625 N. French Dr., Hobbs, NM 88240
Phone:(575) 393-6161 Fax:(575) 393-0720

District II

811 S. First St., Artesia, NM 88210
Phone:(575) 748-1283 Fax:(575) 748-9720

District III

1000 Rio Brazos Rd., Aztec, NM 87410
Phone:(505) 334-6178 Fax:(505) 334-6170

District IV

1220 S. St Francis Dr., Santa Fe, NM 87505
Phone:(505) 476-3470 Fax:(505) 476-3462

**State of New Mexico
Energy, Minerals and Natural
Resources**

Oil Conservation Division

**1220 S. St Francis Dr.
Santa Fe, NM 87505**

Change of Operator

Previous Operator Information

New Operator Information

	Effective Date:	<div style="border: 1px solid black; padding: 2px;">Effective on the date of approval by the OCD</div>
OGRID:	<u>142624</u>	OGRID: <u>372595</u>
Name:	<u>ROCA PRODUCTION INC.</u>	Name: <u>CONVERT OPERATING, LLC</u>
Address:	<u>123 Smith St</u>	Address: <u>P.O. Box 10280</u>
City, State, Zip:	<u>Santa Fe, NM 87505</u>	City, State, Zip: <u>Midland, TX 79702</u>

I hereby certify that the rules of the Oil Conservation Division ("OCD") have been complied with and that the information on this form and the certified list of wells is true to the best of my knowledge and belief.

Additionally, by signing below, CONVERT OPERATING, LLC certifies that it has read and understands the following synopsis of applicable rules.

PREVIOUS OPERATOR certifies that all below-grade tanks constructed and installed prior to June 16, 2008 associated with the selected wells being transferred are either (1) in compliance with 19.15.17 NMAC, (2) have been closed pursuant to 19.15.17.13 NMAC or (3) have been retrofitted to comply with Paragraphs 1 through 4 of 19.15.17.11(I) NMAC.

CONVERT OPERATING, LLC understands that the OCD's approval of this operator change:

1. constitutes approval of the transfer of the permit for any permitted pit, below-grade tank or closed-loop system associated with the selected wells; and
2. constitutes approval of the transfer of any below-grade tanks constructed and installed prior to June 16, 2008 associated with the selected wells, regardless of whether the transferor has disclosed the existence of those below-grade tanks to the transferee or to the OCD, and regardless of whether the below-grade tanks are in compliance with 19.15.17 NMAC.

As the operator of record of wells in New Mexico, CONVERT OPERATING, LLC agrees to the following statements:

1. Initials JA I am responsible for ensuring that the wells and related facilities comply with applicable statutes and rules, and am responsible for all regulatory filings with the OCD. I am responsible for knowing all applicable statutes and rules, not just the rules referenced in this list. I understand that the OCD's rules are available on the OCD website under "Rules," and that the Water Quality Control Commission rules are available on the OCD website on the "Publications" page.
2. Initials JA I understand that if I acquire wells from another operator, the OCD must approve the operator change before I begin operating those wells. See Subsection B of 19.15.9.9 NMAC. I understand that if I acquire wells or facilities subject to a compliance order addressing inactive wells or environmental cleanup, before the OCD will approve the operator change it may require me to enter into an enforceable agreement to return those wells to compliance. See Paragraph (2) of Subsection C of 19.15.9.9 NMAC.
3. Initials JA I must file a monthly C-115 report showing production for each non-plugged well completion for which the OCD has approved an allowable and authorization to transport, and injection for each injection well. See 19.15.7.24 NMAC. I understand that the OCD may cancel my authority to transport from or inject into all the wells I operate if I fail to file C-115 reports. See Subsection C of 19.15.7.24 NMAC.
4. Initials JA I understand that New Mexico requires wells that have been inactive for certain time periods to be plugged or placed in approved temporary abandonment. See 19.15.25.8 NMAC. I understand the requirements for plugging and approved temporary abandonment in 19.15.25 NMAC. I understand that I can check my compliance with the basic requirements of 19.15.25.8 NMAC by using the "Inactive Well List" on OCD's website.
5. Initials JA I must keep current with financial assurances for well plugging. I understand that New Mexico requires each state or fee well that has been inactive for more than two years and has not been plugged and released to be covered by a single-well financial assurance or a "blanket plugging financial assurance for wells in temporarily abandoned statuses", even if the well is also covered by a blanket financial assurance and even if the well is on approved temporary abandonment status. See Subsection C of 19.15.8.9 NMAC. I understand that I can check my compliance with the financial assurance requirement by using the "Inactive Well Additional Financial Assurance Report" on the OCD's website.
6. Initials JA I am responsible for reporting and remediating releases pursuant to 19.15.29 NMAC. I understand the OCD will look to me as the operator of record to take corrective action for releases at my wells and related facilities, including releases that occurred before I became operator of record. I am responsible for conducting my own due diligence for any releases that have occurred prior to becoming operator of my wells and related facilities and am responsible for any open releases or unreported releases.
7. Initials JA I have read 19.15.5.9 NMAC, commonly known as "Part 5.9," and understand that to be in compliance with its requirements I must have the appropriate financial assurances in place, comply with orders requiring corrective action, pay penalties assessed by the courts or agreed to by me in a settlement agreement, and not have too many wells out of compliance with the inactive well rule (19.15.25.8 NMAC). If I am in violation of Part 5.9, I may not be allowed to drill, acquire or produce any additional wells, and will not be able to obtain any new injection permits. See 19.15.16.19 NMAC, 19.15.26.8 NMAC, 19.15.9.9 NMAC and 19.15.14.10 NMAC. If I am in violation of Part 5.9 the OCD may, after notice and hearing, revoke my existing injection permits and seek other relief. See 19.15.26.8 NMAC and 19.15.5.10 NMAC.
8. Initials JA For injection wells, I understand that I must report injection on my monthly C-115 report and must operate my wells in compliance with 19.15.26 NMAC and the terms of my injection permit. I understand that I must conduct mechanical integrity tests on my injection wells at least once every five years. See 19.15.26.11 NMAC. I understand that when there is a continuous one-year period of non-injection into all wells in an injection or storage project or into a saltwater disposal well or special purpose injection well, authority for that injection automatically terminates. See 19.15.26.12 NMAC. I understand that if I transfer operation of an injection well to another operator, the OCD must approve the transfer of authority to inject, and the OCD may require me to demonstrate the well's mechanical integrity prior to approving that transfer. See 19.15.26.15 NMAC.
9. Initials JA I am responsible for providing the OCD with my current address of record and emergency contact information, and I am responsible for updating that information when it changes. See Subsection C of 19.15.9.8 NMAC. I understand that I can update that information on the OCD's website under "Electronic Permitting."
10. Initials JA If I transfer well operations to another operator, the OCD must approve the change before the new operator can begin operations. See Subsection B of 19.15.9.9 NMAC. I remain responsible for the wells and related facilities and all related regulatory filings until the OCD approves the operator change. I understand that the transfer will not relieve me of responsibility or liability for any act or omission which occurred while I operated the wells and related facilities.
11. Initials JA No person with an interest exceeding 25% in the undersigned company is, or was within the last 5 years, an officer, director, partner or person with a 25% or greater interest in another entity that is not currently in compliance with Subsection A of 19.15.5.9 NMAC.
12. Initials JA NMOC Rule Subsection E and F of 19.15.16.8 NMAC: An operator shall have 90 days from the effective date of an operator name change to change the operator name on the well sign unless the division grants an extension time, for good cause shown, along with a schedule for making the changes. Each sign shall show the (1) well number, (2) property name, (3) operator's name, (4) location by footage, quarter-quarter section, township and range (or unit letter can be substituted for the quarter-quarter section), and (5) API number.

I hereby certify I understand the above. The statements I have made are true and correct and a condition precedent to the Oil Conservation Division accepting this Change of Operator.

Previous Operator

Signature: Carole Mate

Printed Name: Carole Mate

Title: Director

Date: 9/7/2019 Phone: 877-297-6719

New Operator

Signature: John Acton

Printed Name: John Acton

Title: Pres

Date: 9-7-19 Phone: 432528-4063

Permit 270900

D c I

1625 N. French Dr., Hobbs, NM 88240
 Phone:(575) 393-6161 Fax:(575) 393-0720

D c II

811 S. First St., Artesia, NM 88210
 Phone:(575) 748-1283 Fax:(575) 748-9720

D c III

1000 Rio Brazos Rd., Aztec, NM 87410
 Phone:(505) 334-6178 Fax:(505) 334-6170

D c I

1220 S. St Francis Dr., Santa Fe, NM 87505
 Phone:(505) 476-3470 Fax:(505) 476-3462

E

O C
1

C
d
C
D
c D

Permit 277664

c d T

From: ROCA PRODUCTION INC.	OGRID: 142624
To: CONVERT OPERATING, LLC	OGRID: 372595

OCDD c H c d

Property	Well	Lease Type	ULSTR	OCD Unit	API	Pool ID	Pool Name	Well Type	Last Prod/Inj	Single Well Bond Required for Inactive Well
16710	E F KING #002	P	I-12-23S-36E	I	30-025-09334	37240	LANGLIE MATTIX; 7 RVRS-Q-GRAYBURG	O	12/18	0
	E F KING #003	P	P-12-23S-36E	P	30-025-09335	37240	LANGLIE MATTIX; 7 RVRS-Q-GRAYBURG	O	12/18	0
16709	GEORGE ETZ #006	P	P-27-23S-36E	P	30-025-29257	33820	JALMAT; TAN-YATES-7 RVRS (OIL)	O	12/18	0
16708	H E ESMOND A #001	P	A-33-22S-36E	A	30-025-09119	33820	JALMAT; TAN-YATES-7 RVRS (OIL)	O	12/18	0
	H E ESMOND A #002	P	H-33-22S-36E	H	30-025-09126	79240	JALMAT; TAN-YATES-7 RVRS (GAS)	G	12/18	0
16711	MOBIL KING #001	P	O-12-23S-36E	O	30-025-09333	37240	LANGLIE MATTIX; 7 RVRS-Q-GRAYBURG	O	12/18	0
	MOBIL KING #002	P	J-12-23S-36E	J	30-025-09336	37240	LANGLIE MATTIX; 7 RVRS-Q-GRAYBURG	O	12/18	0
16707	R W COWDEN C #009	P	H-31-23S-37E	H	30-025-27918	79240	JALMAT; TAN-YATES-7 RVRS (GAS)	G	12/18	0
16712	STEVENS B 7 #001	P	1-07-23S-37E	D	30-025-10663	79240	JALMAT; TAN-YATES-7 RVRS (GAS)	G	12/18	0

T	B d d l c	0
----------	------------------	---

D c I

1625 N. French Dr., Hobbs, NM 88240
 Phone:(575) 393-6161 Fax:(575) 393-0720

D c II

811 S. First St., Artesia, NM 88210
 Phone:(575) 748-1283 Fax:(575) 748-9720

D c III

1000 Rio Brazos Rd., Aztec, NM 87410
 Phone:(505) 334-6178 Fax:(505) 334-6170

D c I

1220 S. St Francis Dr., Santa Fe, NM 87505
 Phone:(505) 476-3470 Fax:(505) 476-3462

E

C

d

C

O C

D

1

C

D

C

From: ROCA PRODUCTION INC.	OGRID: 142624
-------------------------------	------------------

OCD D c H

Property	Well	Lease Type	ULSTR	OCD Unit	API	Pool ID	Pool Name	Well Type	Last Prod/Inj	Selected Wells
16709	GEORGE ETZ #006	P	P-27-23S-36E	P	30-025-29257	33820	JALMAT; TAN-YATES-7 RVRs (OIL)	O	12/18	X
16708	H E ESMOND A #001	P	A-33-22S-36E	A	30-025-09119	33820	JALMAT; TAN-YATES-7 RVRs (OIL)	O	12/18	X
16709	GEORGE ETZ #001	P	M-27-23S-36E	M	30-025-09430	33820	JALMAT; TAN-YATES-7 RVRs (OIL)	O	03/11	
16711	MOBIL KING #001	P	O-12-23S-36E	O	30-025-09333	37240	LANGLIE MATTIX; 7 RVRs-Q-GRAYBURG	O	12/18	X
16710	E F KING #002	P	I-12-23S-36E	I	30-025-09334	37240	LANGLIE MATTIX; 7 RVRs-Q-GRAYBURG	O	12/18	X
					30-025-09335	37240	LANGLIE MATTIX; 7 RVRs-Q-GRAYBURG			X
16711	MOBIL KING #002	P	J-12-23S-36E	J	30-025-09336	37240	LANGLIE MATTIX; 7 RVRs-Q-GRAYBURG	O	12/18	X
16707	R W COWDEN C #009	P	H-31-23S-37E	H	30-025-27918	79240	JALMAT; TAN-YATES-7 RVRs (GAS)	G	12/18	X
16708	H E ESMOND A #002	P	H-33-22S-36E	H	30-025-09126	79240	JALMAT; TAN-YATES-7 RVRs (GAS)	G	12/18	X
16712	STEVENS B 7 #001	P	1-07-23S-37E	D	30-025-10663	79240	JALMAT; TAN-YATES-7 RVRs (GAS)	G	12/18	X