

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

**IN RE PERMOK OIL INC.**

**CASE NO. 23062**

**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 Permok Oil Inc. [OGRID #26316] (“Operator”). **See Exhibit 2.**

The NOV alleges a single violation 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 three (3) wells, all of which are inactive and none of which have been plugged and abandoned or placed into approved temporary abandonment status. **Exhibit 2.**

For the violation, OCD seeks 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 proposes to assess a civil penalty of nine hundred dollars (\$900) 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 did not receive any response from Operator.

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 nine hundred dollars (\$900).

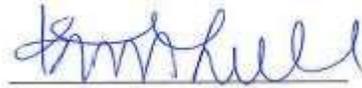
### **III. EXHIBITS**

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

### **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](mailto: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

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**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

Permok Oil Inc.  
c/o Ruben Paulsen & Deanne Edwards  
1900 West 67<sup>th</sup> Terrace  
Shawnee Mission, KS 66208  
[deanne@actionenergyservices.com](mailto:deanne@actionenergyservices.com)  
[rpaulsen1@kc.rr.com](mailto:rpaulsen1@kc.rr.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:* Permok Oil Inc., OGRID # 26316 (“Operator”).
- (2) *Citation, Nature, and Factual and Legal Basis for Alleged Violation(s):*

**19.15.5.9(A) NMAC:**

*An operator is in compliance with Subsection A of 19.15.5.9 NMAC if the operator...*

*(4) has no more than the following number of wells out of compliance with 19.15.25.8 NMAC that are not subject to an agreed compliance or final order setting a schedule for bringing the wells into compliance with 19.15.25.8 NMAC and imposing sanctions if the schedule is not met:*

- (a) two wells or fifty percent of the wells the operator operates, whichever is less, if the operator operates 100 wells or less;*

Operator is the registered operator of three (3) wells, all located on federal lands. All three (3) 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.

(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:                      \$ 900.00

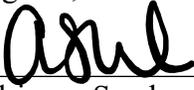
(5) *Hearing:* If this NOV cannot be resolved informally, OCD will hold a hearing on November 9, 2022. Please see 19.15.5.10 NMAC for more information regarding the hearing. Even if OCD schedules a hearing, you can request an informal resolution at any time.

For more information regarding this NOV, contact Kaitlyn Luck at (505) 709-5687 or [kaitlyn.luck@state.nm.us](mailto:kaitlyn.luck@state.nm.us).

Permok Oil Inc.  
August 2, 2022

Page 3 of 3

Regards,

A handwritten signature in black ink, appearing to read 'AS', is written over a horizontal line.

Adrienne Sandoval  
Director

cc: Office of General Counsel, EMNRD

# Inactive Well List

**Total Well Count: 3 Inactive Well Count: 2**  
**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	30-025-25560	LEONARD BROTHERS A #001	B-23-26S-37E	B	26316	PERMOK OIL INC	F	O	02/2013	CHNGE OPERTR DENIED BLM 04/2013		
1	30-025-32798	LEONARD BROTHERS A #002	D-23-26S-37E	D	26316	PERMOK OIL INC	F	G	02/2013	OPTR CHANGE DENIED BLM 04/2013		

WHERE Operator:26316, County:All, District:All, Township:All, Range:All, Section:All, Production(months):15, Excludes Wells Under ACOI, Excludes Wells in Approved TA Period



<b>Alleged Violator</b>	Permok Oil Inc.	
<b>Alleged Violator OGRID</b>	26316	
<b>History of Non-Compliance</b>	No history	0
<b>Economic Impact</b>	Less than 50 wells or gross sales less than \$500,000	0
<b>Total Penalty</b>	\$	900

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	3	\$ 750	Cooperation and Compliance	0	Negligence	0.2	1.2	No outstanding conditions \$ 2,500.00 \$ 900	

# OCD EXHIBIT 3

**Luck, Kaitlyn, EMNRD**

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**From:** Luck, Kaitlyn, EMNRD  
**Sent:** Friday, September 9, 2022 7:24 AM  
**To:** deanne@actionenergyservices.com; rpaulsen1@kc.rr.com  
**Subject:** RE: Case No. 23062 - 11/9/22 docketing - Permok Oil Inc. - OGRID #26316  
**Attachments:** Permok-NOV-08.02.22\_final.pdf; 23062 -- Permok - docketing11-9-22.pdf

Good morning, please see the attached docketing notice for Permok's NOV set for hearing on November 9.

Thanks,

Kaitlyn

---

**From:** Salvidrez, Marlene, EMNRD <Marlene.Salvidrez@state.nm.us>  
**Sent:** Thursday, September 8, 2022 8:11 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. 23062 - 11/9/22 docketing - Permok Oil Inc. - OGRID #26316

Good morning,

The attached documents have been imaged into the case file and the case is on the November 9<sup>th</sup> 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](mailto:Kaitlyn.Luck@state.nm.us)>  
**Sent:** Thursday, September 8, 2022 6:29 AM  
**To:** Salvidrez, Marlene, EMNRD <[Marlene.Salvidrez@state.nm.us](mailto:Marlene.Salvidrez@state.nm.us)>  
**Cc:** Brancard, Bill, EMNRD <[bill.brancard@state.nm.us](mailto:bill.brancard@state.nm.us)>; Tremaine, Jesse K, EMNRD <[JesseK.Tremaine@state.nm.us](mailto:JesseK.Tremaine@state.nm.us)>; Griego, SaraC, EMNRD <[SaraC.Griego@state.nm.us](mailto:SaraC.Griego@state.nm.us)>  
**Subject:** RE: Case No. 23062 - 11/9/22 docketing - Permok Oil Inc. - OGRID #26316

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](mailto:Marlene.Salvidrez@state.nm.us)>  
**Sent:** Tuesday, September 6, 2022 2:22 PM  
**To:** Luck, Kaitlyn, EMNRD <[Kaitlyn.Luck@state.nm.us](mailto:Kaitlyn.Luck@state.nm.us)>  
**Cc:** Brancard, Bill, EMNRD <[bill.brancard@state.nm.us](mailto:bill.brancard@state.nm.us)>; Tremaine, Jesse K, EMNRD <[JesseK.Tremaine@state.nm.us](mailto:JesseK.Tremaine@state.nm.us)>; Griego, SaraC, EMNRD <[SaraC.Griego@state.nm.us](mailto:SaraC.Griego@state.nm.us)>  
**Subject:** RE: Case No. request - 11/9/22 hearing - Permok Oil Inc. - OGRID #26316

Case no. 23062

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



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**From:** Luck, Kaitlyn, EMNRD <[Kaitlyn.Luck@state.nm.us](mailto:Kaitlyn.Luck@state.nm.us)>  
**Sent:** Tuesday, September 6, 2022 2:11 PM  
**To:** Salvidrez, Marlene, EMNRD <[Marlene.Salvidrez@state.nm.us](mailto:Marlene.Salvidrez@state.nm.us)>  
**Cc:** Brancard, Bill, EMNRD <[bill.brancard@state.nm.us](mailto:bill.brancard@state.nm.us)>; Tremaine, Jesse K, EMNRD <[JesseK.Tremaine@state.nm.us](mailto:JesseK.Tremaine@state.nm.us)>; Griego, SaraC, EMNRD <[SaraC.Griego@state.nm.us](mailto:SaraC.Griego@state.nm.us)>  
**Subject:** RE: Case No. request - 11/9/22 hearing - Permok Oil Inc. - OGRID #26316

Hi, I'm planning to issue a docketing notice for the attached NOV issued against Permok Oil Inc., OGRID #26316.

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

Thanks,

Kaitlyn

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**From:** Luck, Kaitlyn, EMNRD  
**Sent:** Tuesday, September 6, 2022 2:10 PM  
**To:** Salvidrez, Marlene, EMNRD <[Marlene.Salvidrez@state.nm.us](mailto:Marlene.Salvidrez@state.nm.us)>  
**Cc:** Brancard, Bill, EMNRD <[bill.brancard@state.nm.us](mailto:bill.brancard@state.nm.us)>; Tremaine, Jesse K, EMNRD <[JesseK.Tremaine@state.nm.us](mailto:JesseK.Tremaine@state.nm.us)>; Griego, SaraC, EMNRD <[SaraC.Griego@state.nm.us](mailto: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](mailto:kaitlyn.luck@state.nm.us)



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

IN RE PERMOK OIL INC.

CASE NO. 23062

**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 Permok Oil Inc., OGRID #26316.
2. The certified mail containing the NOV was delivered to the operator’s address of record on August 9, 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 Permok Oil 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](mailto:Kaitlyn.Luck@state.nm.us)

**CERTIFICATE OF SERVICE**

I certify that on September 9, 2022, this pleading was served by certified and electronic mail on:

Permok Oil Inc.  
c/o Ruben Paulsen & Deanne Edwards  
1900 West 67th Terrace  
Shawnee Mission, KS 66208  
deanne@actionenergyservices.com  
rpaulsen1@kc.rr.com

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

Kaitlyn A. Luck

## OCD EXHIBIT 4

Tracking Number:

[Remove X](#)

# 70172680000017719684

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

### Latest Update

Your item was picked up at the post office at 1:42 pm on August 9, 2022 in HOBBS, NM 88240.

### Delivered

**Delivered, Individual Picked Up at Post Office**

HOBBS, NM 88240  
August 9, 2022, 1:42 pm

[See All Tracking History](#)

Feedback

**Text & Email Updates** 

**USPS Tracking Plus®** 

**Product Information** 

[See Less ^](#)

Track Another Package



Alleged Violator	Permok Oil Inc.	
Alleged Violator OGRID	26316	
History of Non-Compliance	No history	0
Economic Impact	Less than 50 wells or gross sales less than \$500,000	0
<b>Total Penalty</b>	<b>\$</b>	<b>900</b>

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	3	\$ 750	Cooperation and Compliance	0	Negligence	0.2	1.2	No outstanding conditions \$ 2,500.00 \$ 900	

# OCD EXHIBIT 5