

State of New Mexico  
Energy, Minerals and Natural Resources Department

Susana Martinez  
Governor

David Martin  
Cabinet Secretary

Brett F. Woods, Ph.D.  
Deputy Cabinet Secretary

Jami Bailey, Division Director  
Oil Conservation Division



October 29, 2014

C.O. Fulton  
P.O. Box 1176  
Artesia, NM 88210

OGRID No. 3420

Via Certified Mail: 7002 0510 0003 5725 2607

Dear Operator:

Rule 19.15.7.24 of the Oil Conservation Division ("OCD") requires that C-115(s) (Monthly Production Reports) be filed electronically on or before the 15<sup>th</sup> day of the second month following the month of production. As of today, we have not received your electronically submitted C-115(s) for May, 2014. It is the Operator's duty to file their monthly reports and update the OCD with any change in contact information per 19.15.9.8 NMAC.

Despite our attempts to notify you of this violation, no report has been received by the OCD. You are hereby being notified that effective immediately, the OCD has now revoked your authorization to transport from or inject into all wells your company operates.

In addition to the State Land Office, the New Mexico Taxation and Revenue Department, and the Bureau of Land Management, we will also take steps to notify purchasers and transporters of this revocation. Any unauthorized transportation or injection will be a violation of the Oil and Gas Act and the OCD will bring compliance actions against anyone participating in violations of the Act.

Immediate action is now required by you if you wish to restore your transport and injection authority. Please contact Daniel Sanchez at [Daniel.Sanchez@state.nm.us](mailto:Daniel.Sanchez@state.nm.us) (505-476-3493) to schedule a compliance conference. If no attempt to contact the OCD is made, we will move to find your wells orphaned, find you out of compliance with a division order, authorize the division to plug and abandon your wells, and seize any associated financial assurance, and seek any additional penalties available under the Act. Any operator or their principals found out of compliance with a division order will not be given a new OGRID number to authorize them to operate in the state of New Mexico.

Sincerely,

A handwritten signature in black ink, appearing to read "Daniel Sanchez", with a stylized flourish at the end.

Daniel Sanchez  
NMOCD Compliance & Enforcement Manager

1220 South St. Francis Drive • Santa Fe, New Mexico 87505  
Phone (505) 476-3460 • Fax (505) 476-3462 • [www.emnrd.state.nm.us/ocd](http://www.emnrd.state.nm.us/ocd)

Ec: Kelly Brooks Smith, Pete Martinez, [ksmith@slo.state.nm.us](mailto:ksmith@slo.state.nm.us), [pmartine@slo.state.nm.us](mailto:pmartine@slo.state.nm.us), New Mexico State Land Office, P.O. Box 1148, Santa Fe, NM 87504;  
Tom Zelenka, Joseph Galluzzi, [tzelenka@blm.gov](mailto:tzelenka@blm.gov), [kgalluzz@blm.gov](mailto:kgalluzz@blm.gov), Bureau of Land Management, P.O. Box 27115, Santa Fe, NM 87502;  
Joan Ishimoto, [joan.ishimoto@state.nm.us](mailto:joan.ishimoto@state.nm.us), New Mexico Taxation and Revenue Dept., 1200 South Saint Francis Dr., Santa Fe, NM 87505

Case 2:14-cv-00012-AMC

The undersigned hereby certifies that the information provided in the attached documents is true and correct to the best of their knowledge and belief.

Very truly yours,  
[Signature]

[Signature]

[Signature]

**SENDER: COMPLETE THIS SECTION**

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mail piece, or on the front if space permits.

1. Article Addressed to:

C.O. FULTON  
P.O. BOX 1176  
ARTESIA, NM  
88210

2. Article Number

(Transfer from service)

7002 0510 0003 5125 2607

PS Form 3811, February 2004

**COMPLETE THIS SECTION ON DELIVERY**

A. Signature

X *[Handwritten Signature]*

- Agent
- Addressee

B. Received by (Printed Name)

*[Handwritten Name]*

C. Date of Delivery

D. Is delivery address different from item 1?  Yes

Enter delivery address below:  No



3. Service type

- Certified Mail
- Registered
- Insured Mail
- Express Mail
- Return Receipt for Merchandise
- C.O.D.

4. Restricted Delivery? (Extra Fee)

Yes

Domestic Return Receipt

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